**BASE PROSPECTUS**

# EMAAR SUKUK LIMITED

*(incorporated as an exempted company in the Cayman Islands with limited liability)*

## U.S.$2,000,000,000
## Trust Certificate Issuance Programme

Under the trust certificate issuance programme (the "**Programme**") described in this base prospectus (the "**Base Prospectus**"), Emaar Sukuk Limited (in its capacities as issuer and as trustee, as applicable, the "**Trustee**"), subject to compliance with all relevant laws, regulations and directives, may from time to time issue trust certificates (the "**Trust Certificates**") in any currency agreed between the Trustee and the relevant Dealer (as defined below).

Trust Certificates may only be issued in registered form. The maximum aggregate face amount of all Trust Certificates from time to time outstanding under the Programme will not exceed U.S.$2,000,000,000 (or its equivalent in other currencies calculated as described in the Programme Agreement described herein), subject to increase as described herein.

The Trust Certificates may be issued on a continuing basis to one or more of the Dealers specified under "*General Description of the Programme*" and any additional Dealer appointed under the Programme from time to time by the Trustee (each a "**Dealer**" and together the "**Dealers**"), which appointment may be for a specific issue or on an ongoing basis. References in this Base Prospectus to the "**relevant Dealer**" shall, in the case of an issue of Trust Certificates being (or intended to be) subscribed by more than one Dealer, be to all Dealers agreeing to subscribe such Trust Certificates.

**The Trust Certificates will be limited recourse obligations of the Trustee. An investment in Trust Certificates issued under the Programme involves certain risks. For a discussion of these risks, see "*Risk Factors*".**

Each Tranche (as defined herein) of Trust Certificates issued under the Programme will be constituted by (i) an amended and restated master trust deed (the "**Master Trust Deed**") dated 2 September 2019 entered into between the Trustee, Emaar Properties PJSC ("**Emaar**") and Citibank, N.A., London Branch as delegate of the Trustee (in such capacity, the "**Delegate**") and (ii) a supplemental trust deed (the "**Supplemental Trust Deed**") in relation to the relevant Tranche. Trust Certificates of each Series confer on the holders of the Trust Certificates from time to time (the "**Certificateholders**") the right to receive certain payments (as more particularly described herein) arising from the assets of a trust declared by the Trustee in relation to the relevant Series (the "**Trust**"). Such assets include, in particular, the right to receive the Deferred Sale Price (as defined herein) under a master murabaha agreement (the "**Master Murabaha Agreement**") dated 2 September 2019 entered into between the Trustee (in such capacity, the "**Seller**") and Emaar (in such capacity, the "**Buyer**") and the rights, title, interest and benefit, present and future, of the Trustee in, to and under the Lease Assets (as defined herein) of the relevant Series (the "**Relevant Lease Assets**") as set out in (i) an amended and restated master lease agreement (the "**Master Lease Agreement**") dated 2 September 2019 entered into between the Trustee and Emaar (in its capacity as lessee, the "**Lessee**") and (ii) a supplemental lease agreement (as may from time to time be replaced in accordance with the provisions of the Sale Undertaking, the Purchase Undertaking and/or the Substitution and Sale of Additional Assets Undertaking (each as defined herein), the "**Supplemental Lease Agreement**") for the relevant Series (such assets being referred to as the "**Trust Assets**" for the relevant Series).

This Base Prospectus has been approved by the Dubai Financial Services Authority (the "**DFSA**") under Rule 2.6 of the DFSA's Markets Rules (the "**Markets Rules**") and is therefore an Approved Prospectus for the purposes of Article 14 of the DIFC Law No.1 of 2012 (the "**Markets Law**"). Application has also been made to the DFSA for Trust Certificates issued under the Programme during the period of 12 months from the date of this Base Prospectus to be admitted to the official list of securities (the "**DFSA Official List**") maintained by the DFSA and to Nasdaq Dubai for such Trust Certificates to be admitted to trading on Nasdaq Dubai.

References in this Base Prospectus to Trust Certificates being "**listed**" (and all related references) shall mean that such Trust Certificates have been admitted to trading on Nasdaq Dubai and have been admitted to the DFSA Official List. The Programme provides that Trust Certificates may be listed or admitted to trading, as the case may be, on such other or further stock exchanges or markets as may be agreed between the Trustee, Emaar and the relevant Dealer. The Trustee may also issue unlisted Trust Certificates and/or Trust Certificates not admitted to trading on any market.

Notice of the aggregate face amount of Trust Certificates and certain other information which is applicable to each Tranche of Trust Certificates will be set out in a final terms document (the "**applicable Final Terms**") which, with respect to Trust Certificates to be listed on Nasdaq Dubai, will be delivered to the DFSA and Nasdaq Dubai.

The DFSA does not accept any responsibility for the content of the information included in this Base Prospectus, including the accuracy or completeness of such information. The liability for the content of this Base Prospectus lies with the Trustee and Emaar. The DFSA has also not assessed the suitability of the Trust Certificates to which this Base Prospectus relates to any particular investor or type of investor and has not determined whether they are *Sharia* compliant. If you do not understand the contents of this Base Prospectus or are unsure whether the Trust Certificates to which this Base Prospectus relates are suitable for your individual investment objectives and circumstances, you should consult an authorised financial adviser.

Emaar has been assigned a long term credit rating of Baa3 with a "stable outlook" by Moody's Investors Service Cyprus Ltd. ("**Moody's**") and BBB- with a "stable outlook" by S&P Global Ratings Europe Limited ("**S&P**"). The Programme has been assigned credit ratings of Baa3 by Moody's and BBB- by S&P. Each of Moody's and S&P is established in the European Union and registered under Regulation (EC) No. 1060/2009 (as amended, the "**CRA Regulation**"). As such each of Moody's and S&P is included in the list of credit rating agencies published by the European Securities and Markets Authority ("**ESMA**") on its website (at https://www.esma.europa.eu/supervision/credit-rating-agencies/risk) in accordance with the CRA Regulation. Trust Certificates issued under the Programme may be rated or unrated. Where a Tranche of Trust Certificates is rated, such rating will be disclosed in the applicable Final Terms and will not necessarily be the same as the rating assigned to the Programme by Moody's or S&P. A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.

The transaction structure relating to the Trust Certificates (as described in this Base Prospectus) has been approved by the Fatwa and Sharia Supervisory Board of Dubai Islamic Bank and the Shariah Supervisory Committee of Standard Chartered Bank. Prospective Certificateholders should not rely on such approvals in deciding whether to make an investment in the Trust Certificates and should consult their own *Sharia* advisers as to whether the proposed transaction described in such approvals is in compliance with their individual standards of compliance with *Sharia* principles.

**Arrangers**

**Dubai Islamic Bank** | **Standard Chartered Bank**

**Dealers**

**Dubai Islamic Bank** | **Standard Chartered Bank**

The date of this Base Prospectus is 2 September 2019.

This Base Prospectus complies with the requirements in Part 2 of the Markets Law and Chapter 2 of the Markets Rules and comprises a base prospectus for the purpose of giving information with regard to the Trustee, Emaar and the Trust Certificates which, according to the particular nature of the Trustee, Emaar and the Trust Certificates, is necessary to enable investors to make an informed assessment of the assets and liabilities, financial position, profit and losses and prospects of the Trustee and Emaar.

The Trustee and Emaar accept responsibility for the information contained in this Base Prospectus. To the best of the knowledge of each of the Trustee and Emaar (each having taken all reasonable care to ensure that such is the case) the information contained in this Base Prospectus is in accordance with the facts and does not omit anything likely to affect the import of such information.

This Base Prospectus should be read and construed together with any amendments or supplements hereto and, in relation to any Tranche of Trust Certificates, should be read and construed together with the applicable Final Terms.

Copies of Final Terms will be available from the registered office of the Trustee and the specified office set out below of the Principal Paying Agent (as defined below) save that, if the relevant Trust Certificates are not listed on Nasdaq Dubai and neither admitted to trading on a regulated market in the European Economic Area nor offered in the European Economic Area in circumstances where a prospectus is required to be published under Regulation (EU) 2017/1129 (the "**Prospectus Regulation**"), the applicable Final Terms will only be obtainable by a Certificateholder holding one or more Trust Certificates and such Certificateholder must produce evidence satisfactory to the Trustee or, as the case may be, the Principal Paying Agent as to its holding of such Trust Certificates and identity.

None of the Arrangers, the Dealers, the Agents (as defined herein) or the Delegate have independently verified the information contained herein. Accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by the Arrangers, the Dealers, the Agents or the Delegate as to the accuracy or completeness of the information contained in this Base Prospectus or any other information provided by the Trustee or Emaar in connection with the Programme. None of the Arrangers, any Dealer, any Agent or the Delegate accepts any responsibility or liability in relation to the information contained in this Base Prospectus or any other information provided by the Trustee and Emaar in connection with the Programme, nor do the Arrangers or any Dealer accept any responsibility or liability for the acts or omissions of the Trustee or Emaar in connection with the Programme.

No person is or has been authorised by the Trustee or Emaar to give any information or to make any representation not contained in or not consistent with this Base Prospectus or any other information supplied in connection with the Programme or the Trust Certificates and, if given or made, such information or representation must not be relied upon as having been authorised by the Trustee, Emaar, the Delegate, the Arrangers, the Agents or any of the Dealers.

Neither this Base Prospectus nor any other information supplied in connection with the Programme or any Trust Certificates (a) is intended to provide the basis of any credit or other evaluation or (b) should be considered as a recommendation by the Trustee, Emaar, the Delegate, the Arrangers, the Agents or any of the Dealers that any recipient of this Base Prospectus or any other information supplied in connection with the Programme or any Trust Certificates should purchase any Trust Certificates. Each investor contemplating purchasing any Trust Certificates should make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness, of the Trustee and Emaar. Neither this Base Prospectus nor any other information supplied in connection with the Programme or the issue of any Trust Certificates constitutes an offer or invitation by or on behalf of the Trustee, Emaar, the Delegate, the Arrangers, the Agents or any of the Dealers to any person to subscribe for or to purchase any Trust Certificates.

No comment is made or advice given by the Trustee, Emaar, the Delegate, the Arrangers, the Agents or the Dealers in respect of taxation matters relating to any Trust Certificates or the legality of the purchase of Trust Certificates by an investor under applicable or similar laws.

**EACH PROSPECTIVE INVESTOR IS ADVISED TO CONSULT ITS OWN TAX ADVISER, LEGAL ADVISER AND BUSINESS ADVISER AS TO TAX, LEGAL, BUSINESS AND RELATED MATTERS CONCERNING THE PURCHASE OF TRUST CERTIFICATES.**

Neither the delivery of this Base Prospectus nor the offering, sale or delivery of any Trust Certificates shall in any circumstances imply that the information contained in it concerning the Trustee or Emaar is correct at any time subsequent to its date or that any other information supplied in connection with the Programme is correct as of any time subsequent to the date indicated in the document containing the same. The Delegate, the Arrangers, the Agents and the Dealers expressly do not undertake to review the financial condition or affairs of the Trustee or Emaar during the life of the Programme or to advise any investor in the Trust Certificates issued under the Programme of any information coming to their attention.

The Trust Certificates have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**Securities Act**"), and may not be offered, sold or delivered within the United States or to U.S. persons (as defined in Regulation S under the Securities Act) unless pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. See "*Subscription and Sale*".

This Base Prospectus does not constitute an offer to sell or the solicitation of an offer to buy any Trust Certificates in any jurisdiction to any person to whom it is unlawful to make the offer or solicitation in such jurisdiction. The distribution of this Base Prospectus and the offer or sale of Trust Certificates may be restricted by law in certain jurisdictions. The Trustee, Emaar, the Delegate, the Arrangers, the Agents and the Dealers do not represent that this Base Prospectus may be lawfully distributed, or that any Trust Certificates may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, or assume any responsibility for facilitating any such distribution or offering. In particular, no action has been taken by the Trustee, Emaar, the Delegate, the Arrangers, the Agents or the Dealers which is intended to permit a public offering of any Trust Certificates or distribution of this Base Prospectus in any jurisdiction where action for that purpose is required. Accordingly, no Trust Certificates may be offered or sold, directly or indirectly, and neither this Base Prospectus nor any advertisement or other offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any applicable laws and regulations. Persons into whose possession this Base Prospectus or any Trust Certificates may come must inform themselves about, and observe, any such restrictions on the distribution of this Base Prospectus and the offering and sale of Trust Certificates. In particular, there are restrictions on the distribution of this Base Prospectus and the offer or sale of Trust Certificates in the United States, the European Economic Area (including the United Kingdom), the Cayman Islands, the Dubai International Financial Centre (the "**DIFC**"), Hong Kong, Malaysia, Saudi Arabia, Singapore and the United Arab Emirates (excluding the DIFC), see "*Subscription and Sale*".

The Trust Certificates may not be a suitable investment for all investors. Each potential investor in Trust Certificates must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor may wish to consider, either on its own or with the help of its financial and other professional advisors, whether it:

(a) has sufficient knowledge and experience to make a meaningful evaluation of the Trust Certificates, the merits and risks of investing in the Trust Certificates and the information contained in this Base Prospectus;

(b) has access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Trust Certificates and the impact the Trust Certificates will have on its overall investment portfolio;

(c) has sufficient financial resources and liquidity to bear all of the risks of an investment in the Trust Certificates, including where the currency of payment is different from the potential investor's currency;

(d) understands thoroughly the terms of the Trust Certificates and is familiar with the behaviour of any relevant indices and financial markets; and

(e) is able to evaluate possible scenarios for economic and other factors that may affect its investment and its ability to bear the applicable risks.

Legal investment considerations may restrict certain investments. The investment activities of certain investors are subject to investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent (1) the Trust Certificates are legal investments for it, (2) the Trust Certificates can be used as collateral for various types of financing and (3) other restrictions apply to its purchase or pledge of any Trust Certificates. Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of Trust Certificates under any applicable risk-based capital or similar rules.

## CAUTIONARY STATEMENT REGARDING FORWARD LOOKING STATEMENTS

Some statements in this Base Prospectus may be deemed to be "forward-looking statements" – that is, statements related to future, not past, events. Forward-looking statements include statements concerning Emaar's plans, objectives, goals, strategies and future operations and performance and the assumptions underlying these forward-looking statements. When used in this Base Prospectus, the words "anticipates", "estimates", "expects", "believes", "intends", "plans", "aims", "seeks", "may", "will", "should" and any similar expressions generally identify forward-looking statements. These forward-looking statements are contained in the sections entitled "*Risk Factors*", "*Financial Review*" and "*Description of Emaar Properties PJSC*" and other sections of this Base Prospectus. Emaar has based these forward-looking statements on the current view of its management with respect to future events and financial performance. Forward-looking statements by their nature address matters that are, to different degrees, uncertain. Although Emaar believes that the expectations, estimates and projections reflected in its forward-looking statements are reasonable as of the date of this Base Prospectus, if one or more of the risks or uncertainties materialise, including those identified below or which Emaar has otherwise identified in this Base Prospectus, or if any of Emaar's underlying assumptions prove to be incomplete or inaccurate, Emaar's actual results of operation may be materially different from those expected, estimated or predicted. Investors are therefore strongly advised to read the sections entitled "*Risk Factors*", "*Financial Review*" and "*Description of Emaar Properties PJSC*", which include a more detailed description of the factors that might have an impact on Emaar's business development and on the industry sector in which Emaar operates.

The risks and uncertainties referred to above include:

- Emaar's ability to achieve and manage the growth of its business;
- the performance of the markets in the UAE and the wider region in which Emaar operates;
- Emaar's exposure to natural disasters and risks resulting from potentially catastrophic events such as armed conflicts or other events disrupting its business;
- Emaar's ability to realise the benefits it expects from existing and future projects and investments it is undertaking or plans to or may undertake;
- Emaar's ability to obtain external financing or maintain sufficient capital to fund its existing and future investments and projects;
- changes in political, social, legal or economic conditions in the markets in which Emaar and its customers operate; and
- actions taken by Emaar's joint venture partners that may not be in accordance with its policies and objectives.

Any forward-looking statements contained in this Base Prospectus speak only as at the date of this Base Prospectus. Without prejudice to any requirements under applicable laws and regulations (including, without limitation, the DFSA's and Nasdaq Dubai's rules and regulations regarding ongoing disclosure obligations), each of the Trustee and Emaar expressly disclaims any obligation or undertaking to disseminate after the date of this Base Prospectus any updates or revisions to any forward-looking statements contained herein to reflect any change in expectations thereof or any change in events, conditions or circumstances on which any such forward-looking statement is based.

## PRESENTATION OF FINANCIAL INFORMATION

Emaar is obliged to prepare consolidated financial statements for the Group in accordance with International Financial Reporting Standards ("**IFRS**") and applicable requirements of UAE law.

The consolidated financial statements of Emaar for the financial years ended 31 December 2017 and 31 December 2018 have been audited by Ernst & Young Middle East (Dubai Br.), independent auditors, as stated in their unqualified reports which are incorporated by reference in this Base Prospectus (the "**2017 Financial Statements**" and the "**2018 Financial Statements**", respectively, and, together, the "**Audited Consolidated Financial Statements**").

The unaudited interim condensed consolidated financial statements of Emaar as at and for the six-month period ended 30 June 2019 have been reviewed by KPMG Lower Gulf Limited, independent auditors, as stated in their review report which is incorporated by reference in this Base Prospectus (the "**Interim Financial Statements**").

In particular, the financial information contained in the "*Selected Financial Information*" and "*Financial Review*" sections present certain selected financial information of Emaar as at and for the years ended 31 December 2017 and 2018 and for the six-month periods ended 30 June 2018 and 2019 and as at 30 June 2019 as follows:

- the selected financial data as at and for the six-month period ended 30 June 2019 appearing in this Base Prospectus has been extracted from the Interim Financial Statements;
- the selected financial data for the six-month period ended 30 June 2018 appearing in this Base Prospectus has been extracted from the restated comparative financial information for the six-month period ended 30 June 2018 included in the Interim Financial Statements;
- the selected financial data as at and for the year ended 31 December 2018 appearing in this Base Prospectus has been extracted as follows:
    - Income statement data and cash flow data for the year ended 31 December 2018 is extracted from the financial information included in the 2018 Financial Statements; and
    - Statement of financial position data as at 31 December 2018 is extracted from the restated comparative financial information for the year ended 31 December 2018 included in the Interim Financial Statements; and
- the selected financial data as at and for the year ended 31 December 2017 appearing in this Base Prospectus has been extracted from the restated comparative financial information as at and for the year ended 31 December 2017 included in the 2018 Financial Statements.

Based on the new Real Estate Regulatory Authority (RERA) rules promulgated by the Government of India and various states in India, Emaar's management has reevaluated its judgement on timing of revenue recognition during the year. Accordingly, management has determined that with respect to projects covered by RERA rules in India, control over real estate units is transferred to the customers at a point in time and revenue should be recognised when units are completed and handed over. Based on the requirements of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors, management has considered the effect of the new accounting policy retrospectively and restated the comparative balances. Subsequent to finalisation of accounting for a business combination in 2016, certain errors were identified which are adjusted in the 2018 Financial Statements by restating the comparative balance in accordance with the requirements of IAS 8.

In addition, Emaar has adopted IFRS 16 with effect from 1 January 2019 and has reassessed the recoverability of lease rents paid in advance by one of its subsidiaries operating in the Kingdom of Saudi Arabia. Based on the revised business model adopted by that subsidiary in 2017, Emaar restated certain comparative financial information as at 31 December 2018 in the Interim Financial Statements. Accordingly, the consolidated statement of financial position data as at 31 December 2018 and the selected financial data for the six-month period ended 30 June 2018 appearing in this Base Prospectus has been extracted from the restated comparative financial information included in the Interim Financial Statements. The full year impact on the income statement and cash flow data for the year ended 31 December 2018 will be presented as the comparative financial information in the financial statements for the year ending 31 December 2019. For the avoidance of doubt, the selected financial data as at 31 December 2017 and (in the case of income statement and cash flow data) for the years ended 31 December 2017 and 31 December 2018 appearing in this Base Prospectus does not reflect the impact of the restatement discussed in this paragraph.

The changes, percentages or percentage changes in financial data included in this Base Prospectus are based on the amounts reported in the Group's financial statements. As a result, such changes, percentages or percentage changes may not be an exact arithmetical change of the numbers stated in this Base Prospectus as the numbers included in this Base Prospectus have been subject to rounding adjustments.

**Certain Publicly Available Information**

Information under the headings "*Risk Factors*" and "*Financial Review*" has been extracted from information provided by the Dubai Economic Council, the Department of Tourism and Commerce Marketing of the Government of Dubai (in the case of "*Risk Factors*"), the Dubai Statistics Centre (in the case of "*Risk Factors*"), the Land Department of the Government of Dubai (in the case of "*Financial Review*"), the Dubai Department of Economic Development, the MSCI Emerging Markets Index and the Statistical Yearbook – Emirate of Dubai – 2014, OPEC Annual Statistics Bulletin 2015, the Annual Economic Report – 2015 published by the UAE Ministry of Economy, the World Economic Outlook – April 2016 published by the International Monetary Fund, the Annual Report 2015 published by the Central Bank of the UAE and the Dubai Real Estate Market Overview – Q2 2016, Dubai Real Estate Market Overview – Q1 2016 and The UAE Real Estate Market – 2015: A Year in Review reports each published by Jones Lang LaSalle (in the case of *"Description of Emaar Properties PJSC"*), and, in each case, the relevant source of such information is specified where it appears under those headings. Each of the Trustee and Emaar confirms that such information has been accurately reproduced and that, so far as it is aware and is able to ascertain from information published by the relevant sources, no facts have been omitted which would render the reproduced information inaccurate or misleading.

**Currency**

All references in this document to "**U.S. dollars**", "**U.S.$**" and "**$**" are to the lawful currency of the United States of America, references to "**Sterling**" and "**£**" are to the lawful currency of the United Kingdom, references to "**EGP**" are to the lawful currency of Egypt and references to "**AED**" and "**dirham**" are to the lawful currency of the United Arab Emirates. The UAE dirham has been pegged to the U.S. dollar since 22 November 1980. The mid point between the official buying and selling rates for the dirham is at a fixed rate of AED3.6725 = U.S.$1.00. All references to "**euro**" and "**€**" refer to the currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty on the Functioning of the European Union, as amended. In addition, all references in this Base Prospectus to the "**UAE**" are to the United Arab Emirates and references to "**Dubai**" are to the Emirate of Dubai.

**Rounding**

Certain financial and statistical amounts included in this Base Prospectus are approximations or have been subject to rounding adjustments. Accordingly, figures shown as derivations or totals in certain tables may not be exact arithmetic derivatives or aggregations of the figures that precede them.

## MIFID II PRODUCT GOVERNANCE / TARGET MARKET

The Final Terms in respect of any Trust Certificates may include a legend entitled "MiFID II Product Governance" which will outline the target market assessment in respect of the Trust Certificates and which channels for distribution of the Trust Certificates are appropriate. Any person subsequently offering, selling or recommending the Trust Certificates (a "**distributor**") should take into consideration the target market assessment; however, a distributor subject to Directive 2014/65/EU (as amended, "**MiFID II**") is responsible for undertaking its own target market assessment in respect of the Trust Certificates (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

A determination will be made in relation to each issue of Trust Certificates about whether, for the purpose of the MiFID Product Governance rules under EU Delegated Directive 2017/593 (the "**MiFID Product Governance Rules**"), any Dealer subscribing for any Trust Certificates is a manufacturer in respect of such

Trust Certificates, but otherwise neither the Arrangers nor any Dealer nor any of their respective affiliates will be a manufacturer for the purpose of the MiFID Product Governance Rules.

## PRODUCT CLASSIFICATION PURSUANT TO SECTION 309B OF THE SECURITIES AND FUTURES ACT (CHAPTER 289) OF SINGAPORE

The Final Terms in respect of any Trust Certificates may include a legend entitled "Singapore Securities and Futures Act Product Classification" which will state the product classification of the Trust Certificates pursuant to section 309B of the Securities and Futures Act (Chapter 289) of Singapore (as modified or amended from time to time, the "**SFA**") and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore.

The Trustee will make a determination in relation to each issue about the classification of the Trust Certificates being offered for purposes of section 309B(1)(a). Any such legend included on the relevant Final Terms will constitute notice to "relevant persons" for purposes of section 309B(1)(c) of the SFA.

## VOLCKER RULE

**The Volcker Rule, which became effective on 1 April 2014, but was subject to a conformance period for certain entities that concluded on 21 July 2015, generally prohibits "banking entities" (which is broadly defined to include U.S. banks and bank holding companies and many non-U.S. banking entities, together with their respective subsidiaries and other affiliates) from: (i) engaging in proprietary trading; (ii) acquiring or retaining an ownership interest in or sponsoring a "covered fund"; and (iii) entering into certain relationships with "covered funds". The general effects of the Volcker Rule remain uncertain; any prospective investor in the Trust Certificates and any entity that is a "banking entity" as defined under the Volcker Rule which is considering an investment in the Trust Certificates should consult its own legal advisors and consider the potential impact of the Volcker Rule in respect of such investment. If investment by "banking entities" in the Trust Certificates is prohibited or restricted by the Volcker Rule, this could impair the marketability and liquidity of such Trust Certificates. No assurance can be made as to the effect of the Volcker Rule on the ability of certain investors subject thereto to acquire or retain an interest in the Trust Certificates, and accordingly none of the Trustee, Emaar, the Arrangers, the Dealers, the Delegate or the Agents, or any of their respective affiliates makes any representation regarding: (a) the status of the Trustee under the Volcker Rule (including whether it is a "covered fund" for their purposes); or (b) the ability of any purchaser to acquire or hold the Trust Certificates, now or at any time in the future.**

## NOTICE TO UK RESIDENTS

**Any Trust Certificates to be issued under the Programme which do not constitute "alternative finance investment bonds" ("AFIBs") within the meaning of Article 77A of the Financial Services and Markets Act 2000 (Regulated Activities) (Amendment) Order 2010 will represent interests in a collective investment scheme (as defined in the Financial Services and Markets Act 2000 (the "FSMA")) which has not been authorised, recognised or otherwise approved by the United Kingdom Financial Conduct Authority. Accordingly, this Base Prospectus is not being distributed to, and must not be passed on to, the general public in the United Kingdom.**

**The distribution in the United Kingdom of this Base Prospectus, any Final Terms and any other marketing materials relating to the Trust Certificates is being addressed to, or directed at: (A) if the Trust Certificates are AFIBs and the distribution is being effected by a person who is not an authorised person under the FSMA, only the following persons: (i) persons who are Investment Professionals as defined in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "Financial Promotion Order"); (ii) persons falling within any of the categories of persons described in Article 49 (High net worth companies, unincorporated associations, etc.) of the Financial Promotion Order; and (iii) any other person to whom it may otherwise lawfully be made in accordance with the Financial Promotion Order; and (B) if the Trust Certificates are not AFIBs and the distribution is effected by a person who is an authorised person under the FSMA, only the following persons: (i) persons falling within one of the categories of Investment Professional as defined in Article 14(5) of the Financial Services and Markets Act 2000 (Promotion of Collective Investment Schemes) (Exemptions) Order 2001 (the "Promotion of CISs Order"); (ii) persons falling within any of the categories of person described in Article 22 (High net worth companies, unincorporated associations, etc.) of the Promotion of CISs Order; and (iii) any**

**other person to whom it may otherwise lawfully be made in accordance with the Promotion of CISs Order.**

**Persons of any other description in the United Kingdom may not receive and should not act or rely on this Base Prospectus, any Final Terms or any other marketing materials in relation to the Trust Certificates.**

**Potential investors in the United Kingdom in any Trust Certificates which are not AFIBs are advised that all, or most, of the protections afforded by the United Kingdom regulatory system will not apply to an investment in such Trust Certificates and that compensation will not be available under the United Kingdom Financial Services Compensation Scheme. Any individual intending to invest in any investment described in this Base Prospectus should consult his professional adviser and ensure that he fully understands all the risks associated with making such an investment and that he has sufficient financial resources to sustain any loss that may arise from such investment.**

## CAYMAN ISLANDS NOTICE

**No invitation may be made, whether directly or indirectly, to any member of the public of the Cayman Islands to subscribe for the Trust Certificates and this Base Prospectus shall not be construed as an invitation to any member of the public of the Cayman Islands to subscribe for any Certificates issued under the Programme.**

## NOTICE TO BAHRAIN RESIDENTS

**In relation to investors in the Kingdom of Bahrain, Trust Certificates issued in connection with this Base Prospectus and related offering documents may only be offered in registered form to existing accountholders and accredited investors as defined by the Central Bank of Bahrain (the "CBB") in the Kingdom of Bahrain where such investors make a minimum investment of at least U.S.$100,000 or any equivalent amount in another currency or such other amount as the CBB may determine.**

**This Base Prospectus does not constitute an offer of securities in the Kingdom of Bahrain in terms of Article (81) of the Central Bank and Financial Institutions Law 2006 (decree Law No. 64 of 2006). This Base Prospectus and related offering documents have not been and will not be registered as a prospectus with the CBB. Accordingly, no Trust Certificates may be offered, sold or made the subject of an invitation for subscription or purchase nor will this Base Prospectus or any other related document or material be used in connection with any offer, sale or invitation to subscribe or purchase securities, whether directly or indirectly, to persons in the Kingdom of Bahrain, other than to accredited investors for an offer outside the Kingdom of Bahrain.**

**The CBB has not reviewed, approved or registered this Base Prospectus or related offering documents and it has not in any way considered the merits of the Trust Certificates to be offered for investment, whether in or outside the Kingdom of Bahrain. Therefore, the CBB assumes no responsibility for the accuracy and completeness of the statements and information contained in this Base Prospectus and expressly disclaims any liability whatsoever for any loss howsoever arising from reliance upon the whole or any part of the content of this Base Prospectus. No offer of Trust Certificates will be made to the public in the Kingdom of Bahrain and this Base Prospectus must be read by the addressee only and must not be issued, passed to, or made available to the public generally.**

## KINGDOM OF SAUDI ARABIA NOTICE

**This Base Prospectus may not be distributed in the Kingdom of Saudi Arabia except to such persons as are permitted under the Rules on the Offer of Securities and Continuing Obligations issued by the Capital Market Authority of the Kingdom of Saudi Arabia (the "Capital Market Authority").**

**The Capital Market Authority does not make any representations as to the accuracy or completeness of this Base Prospectus, and expressly disclaims any liability whatsoever for any loss arising from, or incurred in reliance upon, any part of this Base Prospectus. Prospective purchasers of Trust Certificates issued under the Programme should conduct their own due diligence on the accuracy of the information relating to the Trust Certificates. If a prospective purchaser does not understand the contents of this Base Prospectus he or she should consult an authorised financial adviser.**

## NOTICE TO RESIDENTS OF MALAYSIA

**Any Trust Certificates to be issued under the Programme may not be offered for subscription or purchase and no invitation to subscribe for or purchase such Trust Certificates in Malaysia may be made, directly or indirectly, and this Base Prospectus or any document or other materials in connection therewith may not be distributed in Malaysia other than to persons falling within the categories set out in Part I of Schedule 6 or Section 229(1)(b) and Part I of Schedule 7 or Section 230(1)(b), read together with Schedule 8 or Section 257(3) of the Capital Market and Services Act 2007 of Malaysia (the "CMSA"), as may be amended and/or varied from time to time and subject to any amendments to the applicable laws from time to time.**

**The Securities Commission of Malaysia shall not be liable for any non-disclosure on the part of the Trustee or Emaar and assumes no responsibility for the correctness of any statements made or opinions or reports expressed in this Base Prospectus.**

## STABILISATION

**IN CONNECTION WITH THE ISSUE OF ANY TRANCHE OF TRUST CERTIFICATES, THE DEALER OR DEALERS (IF ANY) NAMED AS STABILISING MANAGER(S) (OR ANY PERSONS ACTING ON BEHALF OF ANY STABILISING MANAGER(S)) IN THE APPLICABLE FINAL TERMS MAY EFFECT TRANSACTIONS WITH A VIEW TO SUPPORTING THE MARKET PRICE OF THE TRUST CERTIFICATES AT A LEVEL HIGHER THAN THAT WHICH MIGHT OTHERWISE PREVAIL. HOWEVER, STABILISATION MAY NOT NECESSARILY OCCUR. ANY STABILISATION ACTION MAY BEGIN ON OR AFTER THE DATE ON WHICH ADEQUATE PUBLIC DISCLOSURE OF THE TERMS OF THE OFFER OF THE RELEVANT TRANCHE OF TRUST CERTIFICATES IS MADE AND, IF BEGUN, MAY CEASE AT ANY TIME, BUT IT MUST END NO LATER THAN THE EARLIER OF 30 DAYS AFTER THE ISSUE DATE OF THE RELEVANT TRANCHE OF TRUST CERTIFICATES AND 60 DAYS AFTER THE DATE OF THE ALLOTMENT OF THE RELEVANT TRANCHE OF TRUST CERTIFICATES. ANY STABILISATION ACTION MUST BE CONDUCTED BY THE RELEVANT STABILISATION MANAGER(S) (OR PERSONS ACTING ON BEHALF OF ANY STABILISATION MANAGER(S)) IN ACCORDANCE WITH ALL APPLICABLE LAWS AND RULES.**

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## RISK FACTORS

*The purchase of the Trust Certificates may involve substantial risks and is suitable only for sophisticated investors who have the knowledge and experience in financial and business matters necessary to enable them to evaluate the risks and merits of such an investment. Before making an investment decision, prospective purchasers of the Trust Certificates should consider carefully, in the light of their own financial circumstances and investment objectives, all of the information in this Base Prospectus.*

*Each of the Trustee and Emaar believes that the factors described below represent the principal risks inherent in investing in the Trust Certificates, but the inability of the Trustee to pay any amounts on or in connection with a Trust Certificate may occur for other reasons and neither the Trustee nor Emaar represents that the statements below regarding the risks of holding a Trust Certificate are exhaustive. There may also be other considerations, including some which may not be presently known to the Trustee or Emaar or which the Trustee or Emaar currently deems immaterial, that may impact an investment in the Trust Certificates.*

*Prospective investors should also read the detailed information set out elsewhere in this Base Prospectus and reach their own views prior to making any investment decision. Words and expressions defined in "Structure Diagram and Cashflows" and "Terms and Conditions of the Trust Certificates" shall have the same meanings in this section.*

### Risk factors relating to the Trustee

At the date of this Base Prospectus, the Trustee is an exempted company with limited liability incorporated under the laws of the Cayman Islands on 8 September 2008 and has a limited operating history. The Trustee will not engage in any business activity other than the issuance of Trust Certificates under the Programme, the acquisition of the Trust Assets as described herein, acting in the capacity as Trustee, the issuance of shares in its capital and other activities incidental or related to the foregoing as required under the Transaction Documents.

The Trustee's only material assets, which will be held on trust for Certificateholders, will be the Trust Assets relating to each Series of Trust Certificates, including the obligation of the Lessee to make payments under the Lease Agreement (as defined below) and the obligation of Emaar (in such capacity, the Obligor) to make payments under the Purchase Undertaking (as defined below) to the Trustee. Therefore, the Trustee is subject to all the risks to which Emaar is subject to the extent that such risks could limit Emaar's ability to satisfy in full and on a timely basis its obligations under the Lease Agreement and the Purchase Undertaking. See "*Risk factors relating to Emaar*" below for a further description of these risks.

The ability of the Trustee to pay amounts due on the Trust Certificates will primarily be dependent upon receipt by the Trustee from the Lessee and the Obligor, respectively, of all amounts due under the Lease Agreement and the Purchase Undertaking or the Sale Undertaking (as defined below), respectively (which in aggregate may not be sufficient to meet all claims under the Trust Certificates and the Transaction Documents).

### Risk factors relating to Emaar

#### *Emaar's financial performance is dependent on economic and other conditions of the regions in which it operates*

Emaar, together with its subsidiaries (the "**Group**"), conducts most of its activities in the Middle East, North Africa and South Asia ("**MENASA**") region and its business, results of operations and financial condition could be adversely affected by changes in the social, political or economic conditions in these regions, including, in particular, in their real estate markets.

Since late 2010, there has been political and civil unrest in a range of countries in the MENASA region, including Egypt, Qatar, the Kingdom of Saudi Arabia ("**KSA**"), Syria, Lebanon and Yemen. This unrest has ranged from public demonstrations to, in extreme cases, armed conflict and has given rise to increased political uncertainty across the region. On 5 June 2017, Saudi Arabia, the UAE, Bahrain and Egypt officially cut diplomatic ties with Qatar, cut trade and transport links and imposed sanctions, attributing the move to Qatar's relations with various terrorist and sectarian groups aimed at destabilising the GCC region. Measures taken by the boycotting countries included the closure of land, sea and air links to Qatar, and requesting certain Qatari officials, residents and visitors to leave the territories of the boycotting countries.

In order to resolve the situation, the affected countries have expressed a willingness to discuss a restoration of ties and the lifting of the other boycott measures on the condition that Qatar commits to agreements it signed, ceases support of terrorist and extremist organisations and stops interfering in other countries' affairs. Diplomatic efforts to end the crisis are being undertaken by Kuwait and several other countries. As at the date of this Base Prospectus, Emaar's operations in those of the aforementioned regions in which it operates (other than Syria) have not been materially adversely affected by any civil or political unrest or disturbances. However, Emaar's operations could be materially adversely affected if civil and political turmoil continue in the medium to long-term.

In Syria, Emaar IGO S.A.'s ("**Emaar IGO**") project development site is adjacent to a military compound. The commercial buildings were completed in prior years and construction at the project is currently on hold due to regional unrest. Aside from a 'swap' transaction, whereby an investor who previously owned a unit in a non-completed building was allotted a unit in a completed building in exchange for cancelling its holding in the non-completed building, no commercial units in Syria have been sold since 1 January 2019. As at the date of this Base Prospectus, no new projects have been launched in Syria and Emaar's exposure in this region is limited to the management of the existing property and remaining land at this project development site.

Emaar also has operations in Pakistan and Turkey, which have, in recent times, been affected by terrorist activities. Any further terrorist acts, particularly in the cities in which Emaar's developments are located, may adversely affect demand for its properties in those areas, which may in turn have an adverse effect on its business, results of operations and financial condition.

The primary risks in each of these jurisdictions pertain to the potential loss of Emaar's capital investment, currency devaluation and the adverse impact on sales (particularly where business interruption cover has not been obtained). If continuing civil and political unrest renders the continuation of Emaar's construction projects impracticable, it may lead to a situation where Emaar's market (for units released in Emaar's projects) ceases to exist. While there has not been a significant impact on the Group's revenues from these countries to date, continuing civil and political unrest could adversely impact Emaar's revenues from, and potentially its investment in, such projects as a whole.

The property and construction markets in the UAE and in a number of other countries in the MENASA region are affected by macroeconomic factors that are beyond Emaar's control, such as real estate market conditions generally, changes in interest rates, consumer spending, inflation rates, real estate taxes and the availability and cost of financing. Although following the global financial crisis the real estate market in Dubai experienced a recovery in demand and pricing during the period from 2011 to the middle of 2015, which resulted in increased sales for Emaar's projects compared to similar periods in 2009 to 2011, the market in Dubai has slowed again in the second half of 2015 up to the present date. There can be no assurance that the current demand and pricing levels (albeit reduced as compared to previous years) for real estate in the UAE or the other markets in which the Group operates will persist. In addition, the Government of Dubai (the "**Government**") has set ambitious goals for development, including in connection with the Dubai 2020 Expo and the Dubai Vision 2030 Plan. A failure to meet these goals could create a negative perception of Dubai's development prospects generally and the real estate market in particular. Any resulting decrease in demand or pricing or deterioration in the other markets in which the Group operates could cause Emaar's financial performance to deteriorate.

A significant proportion of Emaar's operations and interests are in the UAE (accounting for 83.61 per cent. of the Group's total revenue for the six-month period ended 30 June 2019), with a particular focus on Dubai. As a result, the Group is particularly exposed to adverse events affecting the UAE and, in particular, Dubai. While the UAE is currently seen as a relatively stable political environment, certain other jurisdictions in the Middle East have experienced political instability and there is no guarantee that political stability in the UAE will continue in the future.

In addition, although the UAE has not been directly affected by the unrest in the MENASA region to date, it is unclear what impact any continuing instability and unrest could have on the UAE economy, levels of foreign direct investment into the UAE and Dubai's attractiveness as a tourist and residential destination. The occurrence of any or all of these factors could have a material adverse effect on the Group's business, results of operations and financial condition.

Although economic growth rates in the UAE remain above those of many more developed, as well as regional, markets, the UAE has experienced slower economic growth in recent years, following the downturn experienced as a result of the global financial crisis in 2008. There can be no assurance that economic growth or performance in Dubai or the UAE, in general, will be sustained. The UAE, as well as many of the Gulf Cooperation Council ("**GCC**") countries from which Emaar sources its customers, depend in particular on revenue from oil and oil products, the prices of which have declined sharply in recent years, with current pricing levels well below historic highs. In addition, the economies of the UAE and Dubai, in particular, are heavily dependent upon expatriate workers, who have historically made up a significant portion of its customers. If the economies of the UAE or Dubai suffer another decline, or if government intervention fails to support or otherwise restricts or limits the economic growth of the expatriate or general real estate investment community, Emaar's business, results of operations and financial condition could be adversely affected.

No assurance can be given that general political and economic conditions in the regions where Emaar operates will not deteriorate in the future due to further political, financial or general economic crises and it is not possible to predict the impact of such occurrences. A sustained economic downturn, or a period of political instability or unrest, in any of the countries where Emaar operates or a downturn originating in a different country with global or regional repercussions may have a material adverse effect on Emaar's business, results of operations and financial condition.

***Emaar's revenue diversification strategy may not be successful***

Historically, Emaar's business activity was focused on real estate development in Dubai and the Group's revenues were almost entirely derived from the sale of real estate plots for development and the sale of residential properties developed by it. Since 2004, Emaar has sought to diversify its revenue streams geographically through the expansion of its property development business into other markets and through the retention of certain commercial assets developed as part of its masterplans, which led to the business of operating malls and other retail properties, the management of hotels and resorts as well as other hospitality activities located in its developments (Emaar's "other core businesses"), all as part of Emaar's philosophy of creating lifestyle communities (see "*—Description of Emaar Properties PJSC*" for further information on Emaar's developments).

Emaar's other core businesses (described in the section entitled "*Description of Emaar Properties PJSC*") have generated revenues since 2007. For example, the total revenues from hospitality, and rental income from leased properties, retail and related activities, for the six-month period ended 30 June 2019 and for the year ended 31 December 2018 amounted to AED3,545 million, and AED7,202 million, respectively. The revenue from the hospitality and leasing, retail and related activities businesses accounted for 31 per cent. of the Group's total revenue for the six-month period ended 30 June 2019 and 28 per cent. for the year ended 31 December 2018. See note 3 to the Interim Financial Statements and note 3 to the 2018 Financial Statements. All of Emaar's malls (except for one located in Turkey) and most of the hotels which are currently operational are located in Dubai (only one of Emaar's operational hotels is located outside of Dubai). To the extent the overall economy of Dubai deteriorates, as it did during the global economic crisis, Emaar may not be able to collect anticipated rental and operating revenues from its malls, retail and hotel businesses in Dubai. These circumstances may have a material adverse effect on Emaar's business, results of operations and financial condition. Similarly, with respect to Emaar's international businesses, a significant decrease in demand for property (whether for purchase or for rental), high-end hotels and retail space for a prolonged period of time in the countries where Emaar operates (due to a global economic downturn or otherwise) may also have a material adverse effect on Emaar's business, results of operations and financial condition. For more information on the Group's international operations see "*Description of Emaar Properties PJSC*" and in particular *"Real Estate Development–International–Property Developments—Wholly Owned"* and "*Real Estate Development–International–Property Developments—Non-Wholly Owned*".

***Emaar's growth and expansion strategy could strain its ability to respond to the increasing complexities derived from such strategy, including complexities arising in relation to its operational and managerial resources***

Since 2005, the operating complexity of Emaar's business and the responsibility of its management has increased significantly due to Emaar's sustained growth, development, significant geographic expansion, ongoing expansion into its other core businesses and its increasing number of subsidiaries, affiliates and joint ventures. It is expected that the operating complexity of Emaar's business and the responsibility of its management will continue to increase in the future. As at the date of this Base Prospectus, Emaar has been successful in attracting appropriately qualified individuals to fill management roles created by its growth and development. Emaar has also developed a set of control systems to respond to the increase in the operating complexity of its business.

Emaar relies on its senior management for the implementation of its strategy and its day to day operations. Its continued success will depend, *inter alia*, on its ability to continue to retain and attract appropriately qualified personnel, including those with the relevant technical expertise in the real estate development sector and in its other core businesses, to operate its businesses and to improve its operational and financial systems and managerial controls and procedures to keep pace with its growth. Competition for appropriately qualified personnel with the relevant expertise in the property development sector in the regions in which Emaar operates is intense and there can be no assurance that Emaar will continue to be able to successfully recruit such personnel or that the operational controls that it develops will continue to be effective. Should Emaar experience, for any reason, the loss of one or more of its key members of management or staff and be unable to replace them in a timely fashion (or at all) with other appropriately qualified and experienced individuals, such loss may result in, among other things, a loss of organisational focus, poor execution of operations and an inability to identify and execute potential strategic initiatives. In addition, since Emaar's industry is characterised by high demand and increasing competition for appropriately qualified personnel with the relevant expertise and such personnel are lacking in its markets, Emaar may need to offer higher compensation and other benefits in order to attract and retain key personnel in the future.

If Emaar is unable to successfully manage the impact of its growth on its operational and managerial resources, it may not be able to maintain its considerable growth and this could have a material adverse effect on its business, results of operations and financial condition.

***Emaar's business is dependent on large capital investments***

Emaar finances its projects principally through internally generated cashflows that result primarily from the pre-sale of residential units and through third-party bank facilities. Emaar may also require financing to fund land acquisitions, initial project development costs and capital expenditures and to support the ongoing development and future growth of its business and to refinance its existing debt obligations.

In particular, in Dubai, customers pay purchase price instalments for off-plan sales of residential units directly into a designated escrow account with a local bank approved by the Rental Estate Regulatory Agency ("**RERA**"). Although this practice is not clearly stipulated in UAE Law No. 8 of 2007 (the "**Escrow Law**"), it is required by RERA. An escrow agent, also approved by RERA, determines when a developer is permitted to make withdrawals from the escrow account to pay consultants or contractors for the project (these withdrawals are usually permitted in stages as specified construction milestones are completed). The developer is also permitted to use up to 5 per cent. of the escrow funds for "soft costs" such as advertising and sales. If there are insufficient escrow funds, RERA may require the developer to top up the escrow account. Subject to the requirement to retain certain funds for remedial works for one year following the date on which the residential units are registered in the customers' names, the remainder of the escrow funds are released upon completion of the project, except for 5 per cent. of the receipts, which must be retained in the escrow account for one year from the date of completion. As a result, unless Emaar has received permission from RERA to withdraw excess funds from the relevant escrow account, Emaar is not able to finance the development of international projects and investment properties using funds raised from the sale of Dubai property development projects until such projects are completed.

Emaar may not have sufficient capital to undertake, or may be restricted by covenants in its financing agreements from undertaking, future land acquisitions and other investments that it may deem necessary or desirable. Where presales of residential units in a particular project are insufficient to fund its completion, Emaar may have to seek external financing. Emaar's ability to obtain external financing and the cost of such financing are dependent on numerous factors, including general economic and capital market conditions, interest rates, credit availability from banks or other lenders, investor confidence in Emaar and its area of business focus, the success of Emaar's business, provisions of tax and securities laws that may be applicable to Emaar's ability to raise capital and political and economic conditions in any relevant jurisdiction. There can be no assurance that additional financing, either on a short-term or long-term basis, will be available or, if available, that such financing will be obtained on terms favourable to Emaar. Emaar may also be required to provide security over its assets to obtain any such financing and/or agree to contractual limitations on the operations of its businesses. An inability to obtain additional financing on terms favourable to it or at all could result in defaults on existing contracts, construction, completion delays and damage to Emaar's reputation as a reliable contractual counterpart, which, in turn, could have a material adverse effect on Emaar's business, results of operations and financial condition.

***A progressive move towards project financing may impair Emaar's ability to allocate cash to other parts of its business***

Historically, Emaar has derived the majority of its financing from the pre-sale of off-plan units in its developments. However, Emaar has progressively moved towards project financing to fund its projects. Although this type of financing typically results in increased protection for a company (as a creditor's recourse is limited to the assets of the relevant project), the terms of any such financing tend to require a company to reinvest cash generated from such project into the further development of that project or to progressively amortise the specific project financing and include restrictions on the company's ability to allocate cash to other parts of its business. The inability of Emaar to move cash freely from one part of its business to another may have a material adverse effect on Emaar's business, results of operations and financial condition.

***The terms of Emaar's current and any future financings may restrict Emaar from entering into certain transactions and/or limit its ability to respond to changing market conditions***

Emaar's current financing arrangements contain various covenants that limit its ability to engage in specified types of transactions, including, among other things, its ability to incur or guarantee additional financial indebtedness and/or grant security or create any security interests, in addition to maintaining certain financial ratios. In addition, certain of Emaar's current financing arrangements contain cross-default clauses whereby a default under one of Emaar's financing arrangements may constitute an event of default under another financing arrangement. These provisions may restrict Emaar's ability to respond to adverse economic conditions, which could have a material adverse effect on its business, results of operations and financial condition.

Furthermore, if Emaar secures additional funding in the future, such funding would increase its leverage and could thereby limit its ability to raise further funding and/or to react to changes in the economy or the markets in which it operates, and/or prevent it from meeting its debt obligations. Additionally, the incurring of further debt could also, among other things:

- increase Emaar's vulnerability to general economic and industry conditions;
- increase the risk that Emaar may be unable to pay the interest, profit payments or principal on any outstanding obligations;
- require Emaar to provide security over certain of its assets;
- require a substantial portion of cashflow from operations to be dedicated to the payment of financing costs and repayment of principal on Emaar's indebtedness, thereby reducing Emaar's ability to use its cashflow to fund its operations, capital expenditures and future business opportunities;
- restrict Emaar from making strategic acquisitions or cause Emaar to make non-strategic divestitures;
- limit Emaar's ability to obtain additional financing for working capital, capital expenditures, product development, debt service requirements, acquisitions and general corporate or other purposes; and
- limit Emaar's ability to adjust to changing market conditions and place Emaar at a competitive disadvantage compared to its competitors who are less highly leveraged.

Any of the foregoing consequences could have a material adverse effect on Emaar's business, results of operations and financial condition.

***Emaar is exposed to interest rate volatility and inflation***

Interest rates are highly sensitive to factors beyond Emaar's control, including the interest rate and other monetary policies of governments and central banks in the jurisdictions in which it operates, where its customers and potential customers are located and in whose currencies it borrows. A significant proportion of Emaar's debt has been entered into on a floating rate basis. Furthermore, the vast majority of Emaar's floating rate debt is not hedged. If interest rates increase, Emaar will be obliged to pay a higher rate of interest on its debt. Paying a higher rate of interest on its floating rate debt would result in an increase in Emaar's interest expense and may have a material adverse effect on its business, results of operations and financial condition.

Interest rates may also impact the attractiveness of real estate as an investment opportunity. Since the global financial crisis, interest rates have remained at historic lows. In recent years, rental yields available on residential investment properties in Dubai, such as the projects developed by Emaar, have been higher than returns available in certain other international real estate markets. There can be no assurance that this trend will continue. In addition, if interest rates increase materially, investment in real estate may become less appealing as an alternative to traditional financial investment products and could also deter potential customers from seeking mortgage financing to purchase its properties, which could have a material adverse effect on Emaar's business, results of operations and financial condition.

Inflation can also adversely affect Emaar's business by increasing its costs for material and labour, which it may not be able to subsequently pass on to its customers. In addition, inflation is often accompanied by higher interest rates, which could have a negative impact on demand for its properties and the cost of debt financing. The average annual inflation rate in the UAE was 1.6 per cent., 2.0 per cent. and 3.1 per cent. in 2016, 2017 and 2018, respectively, according to the UAE Federal Competitiveness and Statistics Authority. Should inflation or interest rates increase in the future, Emaar's business, results of operations and financial condition could be adversely affected by any of the following:

- decreasing sales as a result of decreased spending levels;
- increasing materials, labour and financing costs, and an inability to receive reimbursement from customers for their share of the increased expenses;
- higher contractual obligations due to exchange rate fluctuations; and/or
- other cost overruns.

***Amlak, an associated company of Emaar, has restructured its debt obligations***

Amlak was launched as a wholly-owned subsidiary by Emaar in April 2000 as part of its business strategy in the Dubai real estate market to offer mortgage lending to Emaar's customers. Amlak was subsequently listed on the Dubai Financial Market (the "**DFM**"). As at 30 June 2019, Emaar had a 48.08 per cent. shareholding in Amlak. Emaar's shareholding in Amlak has not changed as at the date of this Base Prospectus. The global economic downturn of 2008 and the ensuing negative impact on the Dubai real estate market had an adverse effect on Amlak's business and its ability to finance its operations. In 2009, Amlak commenced a financial and debt restructuring process with its creditors under the supervision and guidance of a steering committee established by the UAE cabinet under the chair of the Ministry of Economy with representatives from other federal regulatory bodies. Various creditors of Amlak, including Emaar, held discussions with the steering committee offering suggestions regarding the possible options to secure sustainable funding to enable Amlak to continue to meet its commitments, restructure Amlak's existing facilities and stabilise its position. On 25 November 2014, a U.S.$2.7 billion deal was reached to restructure the debt and finances of Amlak. Subsequent to the restructuring, and after obtaining approval from regulatory authorities, trading in Amlak's shares resumed (following suspension of trading in 2008 in the light of the then pending merger of Amlak and Tamweel PJSC) on 2 June 2015 on the Dubai Financial Market.

Since Amlak's listing on the DFM, the only involvement of Emaar in Amlak has been as a shareholder and a creditor. Emaar did not, and does not, have control over Amlak's day-to-day operations. Emaar is reducing its outstanding exposure to Amlak. As per the terms of the restructuring agreement, during 2014, 20 per cent. of the principal amount of Amlak's existing facility with Emaar was repaid, 65 per cent. was restructured into a long term facility maturing in 12 years' time, carrying a profit rate of 2 per cent. per annum, and the remaining 15 per cent. was restructured into a 12-year contingent convertible instrument. Amlak had paid 12.03 per cent. of the outstanding amount on the restructured facility as at 31 December 2018. Amlak had also redeemed, in cash, 21.1 per cent. of the contingent convertible instrument as at 31 December 2018.

Following the restructuring, Amlak has resumed its normal operations, in accordance with the terms of the restructuring agreement, and has seen positive results. Amlak's interim financial statements for the six-month period ended 30 June 2019 reported a net profit of AED4.36 million. However, should Amlak's financial condition worsen again, due to market conditions or otherwise, Emaar may be required to make provisions in its consolidated financial statements for potential losses arising under the inter-company facilities or instruments, and ultimately it may have to write off amounts owed to it which are not recoverable. Furthermore, such a deterioration in Amlak's financial condition may adversely affect the value of Emaar's shareholding in Amlak. Emaar's exposure to Amlak in total is AED651.27 million as at 30 June 2019 comprised of AED559.59 million of equity and AED91.68 million of loans. If Emaar was to make an impairment in whole or in significant part in respect of its exposure to Amlak, it would have a material adverse effect on the profits of Emaar for the year during which such an impairment was made.

For further information relating to Amlak, please see note 13 (*Loans to Associates and Joint Ventures)* and note 14 (*Investments in Associates and Joint Ventures*) to the Interim Financial Statements, note 15 (*Loans to Associates and Joint Ventures)* and note 16 (*Investments in Associates and Joint Ventures*) to the 2018 Financial Statements, and note 14 (*Loans to Associates and Joint Ventures)* and note 15 (*Investments in Associates and Joint Ventures*) to the 2017 Financial Statements.

***Legal disputes relating to Emaar MGF's Public-Private Partnership with the Delhi Development Authority for the Commonwealth Games Village residential project may have an unfavourable outcome and negative reputational consequences for Emaar (for further information on Emaar MGF including on a demerger in 2016 please see "Description of Emaar Properties PJSC – Real Estate Development – International – Property Developments – Non-Wholly Owned – India")***

Emaar MGF Land Limited ("**Emaar MGF**"), a joint venture between Emaar and MGF Development Limited in India, was involved in the construction, planning and design of The Commonwealth Games Village ("**CGV**"), a mid-rise development on a 40 acre site located in New Delhi, through its subsidiary Emaar MGF Construction Pvt. Ltd. ("**EMCPL**").

EMCPL was awarded a contract, on a public-private partnership basis, with the Delhi Development Authority (the "**DDA**") to develop the CGV into a residential site in 2007 to house the athletes of Commonwealth Games 2010.

Following completion of the Commonwealth Games in October 2010, a legal dispute has ensued whereby the DDA alleges that EMCPL has exceeded the permitted floor area ratio for the development (the ratio of the building's total floor area against the area of land on which it is built (the "**FAR**")). EMCPL contests the basis on which the DDA has calculated the permitted FAR and argues that the DDA confirmed the figure EMCPL worked to in the sanctioned master plan and that the actual FAR achieved is within the permissible limits.

In February and March 2013, the Delhi High Court asked the DDA to refer the matter to, and subsequently directed, the Ministry of Urban Development to decide on the issue. EMCPL received a communication in February 2016 from the DDA, informing them that the Ministry of Urban Development had directed that the entire area constituting the alleged excess FAR be taken into the possession of the Ministry of Urban Development through the DDA and be used for Ministry of Urban Development purposes. Emaar has filed a civil writ petition against the DDA and the Ministry of Urban Development challenging the order. A preliminary hearing relating to the petition took place on 28 February 2018 at which the parties were directed to file replies. The DDA filed an application to allow it to sell Emaar's share, a reply to which was filed by Emaar and a rejoinder thereto by the DDA. The application is due to be heard on 4 September 2019.

On 20 February 2018, there was a hearing in related arbitration proceedings between the DDA and EMCPL. The DDA had made an application to place on record pleadings and other matters relating to arbitration proceedings between EMCPL and Ahluwalia Contractors (India) Limited, the contractor for the project. EMCPL opposed the DDA's application. Although technically the DDA are not yet permitted to make such an application, the arbitral tribunal has now taken the documents on record. In the meantime, the Presiding Arbitrator Hon'ble (Mr.) Justice V.S. Aggarwal (Retd.) had recused himself from the matter for personal reasons and the Hon'ble High Court of Delhi appointed Hon'ble (Mr.) Justice B. D. Ahmed (Retd.) as the Presiding Arbitrator. The initial hearing has taken place, at which the date of the further hearing was scheduled, and the cross-examination of the DDA's sole witness, Shri. D.P. Singh, will take place on such date, being 13 September 2019.

In related proceedings, Emaar, Emaar MGF and EMCPL have challenged an order passed by the DDA dated 16 May 2017 blacklisting Emaar, Emaar MGF and EMCPL from doing further business with the DDA for a period of three years. The matter is under judicial consideration; a hearing took place on 5 July 2019 and the matter has now been listed for a further hearing on 16 January 2020.

A negative outcome in these proceedings could result in financial loss for Emaar (in particular, due to the allegedly excess FAR land that had been developed but not cleared by the DDA). In addition, publicity arising from these disputes may have a negative impact on the market reputation of Emaar and/or Emaar MGF, or may create an adverse market environment for Emaar's operations in India and there can be no assurance that a negative reputation in India will not affect Emaar's reputation elsewhere. This in turn could adversely affect the future profitability of Emaar's international operations and Emaar's business, results of operations and financial condition.

***Emaar's joint venture with Telangana State Industrial Infrastructure Corporation Ltd. ("TSIIC") could have negative consequences on Emaar's business in the State of Telangana in India as well as negative reputational consequences***

On 10 August 2011, the High Court of Andhra Pradesh, acting on a litigation filed by a member of the State Legislative Assembly, ordered an investigation into the business of a joint venture between Andhra Pradesh Industrial Infrastructure Corporation Limited "**APIIC**") (now TSIIC, following the bifurcation of Andhra Pradesh in 2014, to form the new state of Telangana) and Emaar. The investigation, carried out by the Central Bureau of Investigation (the "**CBI**"), culminated in criminal proceedings (in the form of three charge sheets including allegations relating to conspiracy, cheating and breach of trust) being filed with the Principal Special Judge for CBI Cases, Hyderabad in Telangana against 15 individuals (the charges against two of these individuals have now been dropped) and companies, including, *inter alios*, Emaar, Emaar MGF, two joint venture companies in Andhra Pradesh, Mr. Shravan Gupta (Chairman and former Managing Director of Emaar MGF) and Mr. Vijay Raghavan (CFO, Emaar MGF, Southern India). At issue is (i) a development agreement, an agency agreement and an assignment agreement between two joint venture companies and Emaar MGF, which were alleged to be entered into invalidly and to be detrimental to the interests of TSIIC (formerly APIIC) and (ii) misappropriation of the proceeds of sales of certain plots by a third party sales agent and certain individuals. The matter is still pending before the Principal Special Judge for CBI Cases. Emaar believes that it has strong grounds to defend itself in these proceedings.

To resolve the ongoing disputes, the Telangana State Government has constituted the Committee of Secretaries, chaired by the Chief Secretary of the Government of Telangana. Although Emaar has committed resources to present its case before the Committee of Secretaries and resolve this matter as soon as possible, investors should be aware that there can be no assurance as to the outcome of the report by the Committee.

Although any financial loss incurred as a result of the enquiry at committee level or the proceedings before the court, would not be material in the context of the Group, a negative outcome may have an impact on the profitability of Emaar's investment in the State of Telangana in India. In addition, such events may create an adverse market environment for Emaar's operations in India and there can be no assurance that damage to Emaar's reputation in India will not affect Emaar's reputation elsewhere, which may in turn adversely affect Emaar's business, results of operations and financial condition.

***A legal dispute relating to TSIIC's (formerly APIIC's) stake in a joint venture with Emaar may have an unfavourable outcome and negative reputational consequences for Emaar***

The legal dispute relating to TSIIC's stake in a joint venture with Emaar is ongoing. The legal dispute involves an allegation that TSIIC's share in its joint venture with Emaar was diluted when the joint venture entered into a development agreement with Emaar MGF to assist with the construction of its developments. Under the collaboration arrangement dated 19 August 2003, TSIIC had a stake of 26 per cent. in the joint venture, with Emaar having a stake of 74 per cent. However, under the development agreement (also stated above) entered into separately by the joint venture with Emaar MGF, Emaar MGF was entitled to 75 per cent. of the gross revenue received from project sales, with 25 per cent. being retained by the joint venture between TSIIC and Emaar. Emaar MGF was also entitled to 95 per cent. of the lease rentals, with the joint venture retaining five per cent. It has been alleged that TSIIC's initial overall stake in the joint venture has been reduced from 26 per cent. to (i) 6.5 per cent. of revenues from sales of plots, villas, flats and commercial development and (ii) 1.5 per cent. of revenues from lease rentals. However, Emaar is of the view that these allegations are unfounded as they fail to take into consideration the fact that Emaar MGF (and not Emaar) was responsible for all costs relating to the relevant developments. Moreover, with respect to rental property, Emaar MGF was also responsible for all capital costs and operating expenses. As such, the management of Emaar does not believe that Emaar MGF's entitlement to revenues from sales or lease rentals had a prejudicial effect on the revenue-sharing arrangements between itself and TSIIC.

Emaar applied to the High Court of Judicature at Hyderabad in 2010 to request the dispute be settled either through arbitration or a statutory conciliation board in accordance with applicable law. This application remains pending before the High Court. Separately, Emaar is also engaged in regular discussions with the Government of Telangana with the aim of reaching an in-principle agreement on the proposed approach to resolve this dispute.

TSIIC (formerly APIIC) contests that the units which have already been sold cannot be registered and a government order prohibiting registration was also issued. The villa buyer and association have issued a challenge (which is currently pending) to the government order before the High Court of Telangana. As a result, payments from customers in respect of such sales have ceased. Emaar MGF chose to stop construction on the projects in the State of Telangana pending the conclusion of the civil proceedings and construction has not yet been resumed by Emaar.

Although any financial loss incurred as a result of these proceedings would not be material in the context of the Group, there can be no assurance that a negative outcome will not affect Emaar's reputation or its future profitability (including the profitability of Emaar's investment in the State of Telangana in India) and Emaar's business, results of operations and financial condition may be adversely affected thereby.

***Investigations by the Enforcement Directorate against the Emaar MGF group alleging violation of the Foreign Exchange Management Act 1999 and its implementing regulations could adversely affect Emaar's market reputation and future profitability***

On 3 December 2009, Emaar MGF and its subsidiaries and certain of its directors and employees, among others, were subjected to search and seizure operations conducted by the Enforcement Directorate (the "**ED**") under the Foreign Exchange Management Act 1999, as amended ("**FEMA**"). During the course of the search and seizure operations at the offices of Emaar MGF, the ED took custody of certain documents and recorded the statements of certain officers of Emaar MGF. Subsequently, the ED requested further information, documents and explanations which were duly provided by Emaar MGF.

Based on the investigations conducted by the ED, on 17 May 2013, the Assistant Director of the ED filed a written complaint with the Special Director of Enforcement against the Emaar MGF group and its respective directors (the "**Complaint**"). Pursuant to the Complaint, on 4 June 2013, the Special Director of Enforcement issued a show cause notice ("**SCN**") to, *inter alios*, Emaar MGF, EMCPL and their respective directors.

Under the SCN, it is alleged that the Emaar MGF group has utilised the proceeds of foreign direct investment totalling approximately INR86 billion (including INR48.5 billion received from Emaar for the acquisition of agricultural land in India), in violation of FEMA and its implementing regulations. The ED has also initiated adjudication proceedings in relation to these allegations.

On 8 January 2014, Emaar MGF and its subsidiaries filed replies to the SCN and they have since also challenged the adjudication proceedings. Emaar MGF is of the opinion that it is in compliance with FEMA and its implementing regulations and has obtained all required approvals and/or clarifications from the appropriate government authorities. As at the date of this Base Prospectus, the adjudication and ED proceedings are ongoing and no hearing date has yet been received.

Any adverse decision in the above matter could have a negative impact on Emaar's investment in India or may create an adverse market reputation for Emaar. There can be no assurance that damage to Emaar's reputation in India will not affect Emaar's reputation elsewhere, which may adversely affect the future profitability of Emaar's business, results of operations and financial condition.

***Emaar's projects may be delayed, suspended, terminated or materially changed in scope, resulting in delayed recognition of revenue and damage to its reputation***

There are a number of construction, financing, operating and other risks associated with property development. Due to their extensive nature, Emaar's projects require considerable capital expenditure during the initial phases. The Group recognises revenue from its projects according to the percentage completion of the construction process. Payments by its customers are also tied to construction milestones. Material delays in the construction process will, consequently, delay payments due from customers, as well as the revenue the Group is able to recognise. While Emaar frequently experiences construction delays in the ordinary course of business and such delays have historically been made up in subsequent stages of a project, delays can have a significant impact on the associated timing of revenue recognition, which could lead to potentially significant fluctuations in the Group's financial results on a quarterly basis. This is particularly true with respect to high value projects where even a small delay in construction progress can result in delays in large amounts of revenue being recognised. The time taken, and the costs involved, to complete construction can be adversely affected by many factors, including:

- delays in obtaining all, or refusals of any, necessary zoning, land use, building, development, occupancy and other required governmental permits, requisite licences, permits, approvals and authorisations, (including due to new regulatory frameworks);
- unforeseen engineering, environmental or geological problems;
- the need to make significant capital expenditures without receiving revenue from properties until after they are completed;
- an inability to obtain necessary financing arrangements on acceptable terms, or at all, and otherwise fund construction and capital improvements and provide any necessary performance guarantees;
- defaults by, or the bankruptcy or insolvency of, contractors and other counterparties;
- inadequate supporting infrastructure, including as a result of failure by third parties to provide utilities and transportation and other links that are necessary or desirable for the successful operation of a project;
- design or construction defects and otherwise failing to complete projects according to design specification;
- shortages of, or defective, materials and/or equipment, labour shortages, shortages of other necessary supplies and/or disputes with contractors or subcontractors;
- availability of suitable land (including through joint venture partners);
- increases in the cost of construction materials (for example, raw materials such as steel and other commodities common in the construction industry), energy, building equipment (including, in particular, cranes), labour and/or other necessary supplies (due to rising commodity prices or inflation or otherwise);
- shortages of project managers, contractors and construction specialists, both internally and externally, to ensure that planned developments are delivered both on time and on budget;
- strikes and work stoppages or other labour disputes or disturbances affecting Emaar's projects, contractors, sub-contractors or suppliers;
- adverse weather conditions, natural disasters, accidents, force majeure events and/or changes in governmental priorities;
- the failure of contractors to meet agreed timetables, in particular with respect to more complex or technically challenging developments (for example, due to the scale, height or complex design of a development);
- increases in the supply of properties from competitors during the construction of certain projects; and
- changes in demand trends due to, among other things, a shift in buyer preferences, a downturn in the economy, a change in the surrounding environment of the project, including the location or operation of transportation hubs or population density or otherwise.

Any of these factors could give rise to delays in the completion of construction and/or result in construction costs exceeding budgeted amounts. Projects subject to delays or cost overruns may take longer or may fail to generate the revenue, cashflow and profit margins that were originally anticipated. In addition, the targeted return on the investment in the project may not be realised. There can be no assurance that the revenues that Emaar is able to generate from its projects will be sufficient to cover the associated construction costs. The occurrence of any of the foregoing factors could have a material adverse effect on Emaar's business, results of operations and financial condition.

The continued success of Emaar's businesses is dependent in part on the wealth of domestic and international investors, as well as the continued appeal of Dubai and the UAE as real estate investment markets.

Emaar's UAE real estate development business is dependent on the levels of disposable income and investment capital of individuals in the UAE and elsewhere, particularly the KSA and India, as well as new markets, such as China. In addition, Emaar benefits from a strong base of repeat customers, who in the six-month period ended 30 June 2019 purchased a total of 750 of Emaar's residential units in the UAE, accounting for 14.35 per cent. of its residential unit sales in the UAE by number. The wealth of these individuals is affected, in part, by the performance of the international real estate, financial and consumer markets, and the deployment of their disposable income is affected by a variety of factors, including alternative investment opportunities and returns, the availability of financing, including mortgages, as well as foreign currency exposure, interest rates, inflation and tax rates. The global financial crisis in 2008 had a material adverse effect on the levels of disposable income and wealth of individuals worldwide and, in turn, on the demand for properties in the Dubai market. Although the global financial markets have since recovered, any factors that adversely affect the wealth of residential real estate investors and/or the appeal of the Dubai real estate market as an investment outlet for domestic and international investors could have a material adverse effect on Emaar's business, financial condition and results of operations, particularly given the concentration of its business in Dubai.

***Emaar is subject to joint venture risks***

A significant proportion of Emaar's land bank has historically been sourced through the contribution of land by Emaar's joint venture partners, which allows Emaar to acquire land with minimal upfront cash contributions. In line with this strategy, Emaar expects most of its land bank to be sourced through similar arrangements in the near to medium-term. Therefore, co-operation and agreement with Emaar's joint venture partners on existing and future projects, where applicable, are essential for the smooth operation and financial success of such projects and Emaar's business. However, Emaar's joint venture partners may have economic or business interests or goals that are inconsistent with those of Emaar, may be unable or unwilling to fulfil their obligations under the relevant joint venture or other agreements or may experience financial or other difficulties. Furthermore, Emaar may not be able to control the decision-making process of the joint ventures without the cooperation of its joint venture partners, particularly when it does not have a majority control of the joint venture. In addition, disputes with such joint venture partners may arise in the future that could adversely affect Emaar's joint venture projects. In many cases, Emaar's joint venture partners are Emaar's competitors. In addition, many of Emaar's joint venture partners are directly or indirectly owned by government related entities, which further exposes Emaar to additional risks, including the need to satisfy both political and regulatory demands and the need to react to differences in focus or priorities, both of which can lead to delays in decision making, thereby increasing costs and exposure to competition.

In addition, Emaar's ability to expand in the future will continue to depend upon the availability of suitable and willing joint venture partners, in particular, those with high quality land banks, Emaar's ability to complete the relevant transactions and the availability of financing on commercially acceptable terms. Emaar cannot give any assurance that it will be successful in establishing any future joint ventures or that, once established, a joint venture will be profitable. If a joint venture is unsuccessful, Emaar may be unable to recoup its initial investment. In addition, Emaar's inability to realise joint venture opportunities may result in Emaar losing access to premium plots of land which might be developed by Emaar's competitors and/or require it to incur significant capital expenditure to acquire land plots in the future. Any of these factors, alone or in combination, could lead to a decline in construction quality, delays in project delivery, reputational risks and higher capital expenditure and/or funding costs, which could have a material adverse effect on Emaar's business, results of operations and financial condition.

***Emaar may be unsuccessful in executing its business strategy***

The successful implementation of Emaar's strategy will entail actively managing its properties, undertaking development or asset enhancement initiatives, securing tenants for its properties, raising funds in the capital or credit markets, and the co-operation of its investment partners, tenants, and other counterparties. Development of properties will depend significantly on Emaar's ability to complete planned developments on time and within budget and on the availability of external financing or cash in hand to fund these developments. The addition of new properties to Emaar's portfolio will also increase its operating costs and it may not be able to lease these new properties in a profitable manner. Emaar's ability to successfully implement its strategy is also dependent on various other factors, including but not limited to, the competition it faces in its business, which may affect its ability to secure tenants on terms acceptable to it, and Emaar's ability to retain key employees. There can be no assurance that Emaar will be able to implement all of its business strategies as planned, and its failure to do so may adversely affect Emaar's business, results of operations and financial condition.

***Emaar's operations may be subject to delays due to utility and road infrastructure providers' inability to provide required services and connections to Emaar's developments within project delivery times***

Access to certain of Emaar's projects is dependent on the completion of connecting infrastructure, such as roads and utilities for which third party government utilities and agencies are responsible. There can be no assurance that material delays in delivering Emaar's projects will not occur as a result of delays in the connection of infrastructure. For example, in Dubai, the demand for electricity, water and gas has increased substantially in the past decade and may continue to increase in the future if the development and population of Dubai continue to expand. Emaar's international projects, especially but not limited to those located in fast-growing cities (such as Cairo or Istanbul), may be exposed to similar risks. As a result, Emaar's current projects may be delayed and future projects may be hindered due to the inability of utility providers to provide the required levels of water and power generation and connections for these utilities in a timely manner. Any delays in Emaar's projects, even when outside of Emaar's control, may adversely affect its brand and reputation, as well as increase the costs associated with affected projects, and could have a material adverse effect on its business, results of operations and financial condition.

***Emaar is exposed to the risk of default by its contractors***

Should one of Emaar's contractors or suppliers default on its arrangements with Emaar for any reason, including as a result of its bankruptcy or insolvency, or if Emaar's relationship with a contractor or supplier deteriorates, Emaar may not be able to find a suitably qualified replacement promptly, on similar terms or at all. In addition, any new contractor or supplier may need time to familiarise itself with the ongoing project, causing a further delay in the completion of the project. Emaar may also be exposed to the risk that the alternative contractor or supplier fails to meet Emaar's high standards for workmanship and quality. In addition, some contractors may require licences or permits to work for Emaar and there can be no assurance that a successor contractor could be found in a timely manner with the requisite approvals and licences. If any of these events were to occur, it could affect Emaar's ability to complete the affected project(s), which could have a material adverse effect on its business, results of operations and financial condition.

***Emaar relies on experienced third-party contractors and sub-contractors to construct its projects***

All construction activities associated with Emaar's projects are undertaken by third-party contractors and sub-contractors. While the Group has historically had access to experienced contractors there can be no guarantee that it will continue to have such access in the future (particularly in relation to some of its projects located outside the UAE), or that the costs associated with hiring experienced contractors will not increase due to higher levels of competition for their services or otherwise. Furthermore, Emaar's property developments are complex, and in addition to Emaar's reliance on the main contractors who oversee their construction and assist in elements of the design and planning process, Emaar is also dependent on access to numerous specialist sub-contractors to complete its projects in accordance with its high standards. Accordingly, there can be no assurance that the quality of construction of Emaar's completed and ongoing projects will be maintained on Emaar's future projects, particularly if it has difficulty accessing the specialist sub-contractors it requires. Although Emaar believes that it has a strong reputation for developing high quality projects, any difference in the quality of construction from project to project could adversely affect Emaar's brand and have a material adverse effect on its business, results of operations or financial condition.

Emaar's contractors typically provide a one-year warranty on their workmanship and generally remain liable for structural defects for a period of 10 years. Emaar in turn typically offers its customers a one-year warranty on the workmanship in their residential unit and generally remains liable for structural defects for a period of 10 years. If a contractor defaults on its warranty or liability in relation to the correction of a workmanship-related or structural defect which is discovered during the relevant period, Emaar may not be able to locate another suitably qualified contractor to rectify the defect in a timely manner or at all (see "—*Emaar is exposed to the risk of default by its contractors*" above) and may not be able to recover the cost of any repairs from the defaulting contractor. Furthermore, if a significant number of customers encounter workmanship or structural defects and these are not rectified in a timely and satisfactory manner, Emaar's reputation may be adversely affected which could have a material adverse effect on Emaar's business, results of operations and financial condition. Although Emaar has made provisions in its financial statements for these warranties which, historically, have significantly exceeded any claims made under such warranties, there can be no assurance that this will continue to be the case in the future.

***If Emaar's contractors' relationships with their employees deteriorate, Emaar may be faced with labour shortages or stoppages, which could adversely affect its ability to develop and/or operate its projects***

The Group's projects have in the past, and may in the future, be impacted by strikes and work stoppages by its contractors' employees. The contractors the Group engages for the construction of its projects in Dubai source the majority of their workers from countries outside of the UAE using recruitment agencies. In recent years, the policies and practices with respect to the recruitment, compensation and treatment of construction workers in the UAE and other GCC countries have come under increased scrutiny. While the Group seeks to impose standards for the compliance with all relevant laws and regulations by its contractors through its agreements with them, the treatment and status of their workers is ultimately outside of its control. Emaar's contractors' relations with their employees could deteriorate due to disputes related to, *inter alia*, the level of wages, accommodation or benefits or their response to changes in government regulation of workers and the workplace. In addition, changes in regulations such as more restrictive visa requirements or immigration laws relating to the employment in Dubai of unskilled labour could lead to a shortage of workers available to Emaar's contractors. As Emaar relies heavily on its contractors to provide a high quality service, any labour shortage or stoppage could adversely affect Emaar's ability to complete projects on time, which could expose it to liability and damage its reputation. Any such occurrence may have a material adverse effect on Emaar's business, results of operations and financial condition.

***Emaar is exposed to the risk of customers defaulting on their purchase price instalments***

Emaar typically begins selling its projects when they are still off-plan. Upon buying a residential unit, the customer contractually agrees to pay Emaar the purchase price in instalments on a pre-agreed payment schedule. Emaar commences main construction works once it receives a sufficient portion of deposits (typically 30 per cent. of the total value of the residential units sold), and Emaar uses the cash collected to cover initial phase construction costs. Subsequent purchase price instalments are used to fund further construction of the project. If, due to poor economic conditions, declines in property values or otherwise, a significant portion of customers were to default on paying their subsequent instalments at any particular stage in the construction of a project, Emaar would be required to rely on local laws and regulations to seek to recover monies owed, which can be a costly and time consuming process (see "*Description of Emaar Properties PJSC—Business—Real Estate Development—International—Property Developments—Non-Wholly Owned—Marketing and Sales*"). If Emaar is unsuccessful, and is unable to obtain the relevant funds, this could jeopardise the completion of the project, which could have a material adverse effect on Emaar's business, results of operations and financial condition.

***Emaar's off-plan sales model exposes it to reputational risks and liabilities***

The Group's business model is based on selling a significant number of its residential units "off-plan" or in the early stages of construction. The completion of a given project is dependent on a number of factors, including macroeconomic conditions, timely delivery on the part of contractors and sub-contractors and the absence of any force majeure. If a project with pre-sale commitments from customers is delayed or cancelled, customers may bring civil claims against Emaar. In Dubai, even where customers have no contractual right to terminate their contract with Emaar and/or to demand repayment of monies paid, if Emaar fails to deliver a residential unit, under Dubai law, a customer may seek to claim reimbursement from Emaar together with interest. In addition, the majority of Emaar's projects comprise integrated lifestyle master plan communities, which contain amenities and conveniences such as retail areas, supermarkets, clinics and medical centres, schools and parks, many of which will be funded and owned by different companies in the Group. If substantial parts of these amenities are delayed, cancelled or changed, customers who have acquired residential units in affected developments may not be able to enjoy the services or the overall environment which they may have expected when the project was originally launched. Delays in completion or cancellation of all or a portion of a project could also adversely affect Emaar's reputation and ability to attract future customers. Any of the foregoing factors could have a material adverse effect on Emaar's business, results of operations and financial condition.

***Emaar's ability to generate desired returns on its investment properties will depend on its ability to manage and/or dispose of those properties on appropriate terms***

Emaar's ability to achieve returns on its investment properties will be affected by its ability to generate demand for those properties on terms that are attractive to Emaar. Emaar's investment properties include a range of office and retail establishments (including shopping malls) for which it seeks to attract tenants and hotels, resorts and other hospitality venues for which it seeks to attract guests. From time to time, Emaar may also seek to sell investment properties owned by it.

Revenue earned from, and the value of, the investment properties held by Emaar may be materially adversely affected by a number of factors, including:

- in relation to its retail properties, an inability to fully let the properties or to achieve target rental returns;
- in relation to its hotels, resorts and hospitality properties, an inability to achieve target occupancy rates;
- Emaar's inability to adequately manage its communities' maintenance services on commercial terms or at all;
- Emaar's inability to collect rent and service charge payments from tenants and owners and other contractual payments on a timely basis or at all;
- tenants seeking the protection of bankruptcy laws which could result in delays in receipt of rental and other contractual payments or the termination of a tenant's lease, all of which could hinder or delay the re-letting of a property;
- the amount of rent and the terms on which lease renewals and new leases are agreed being less favourable than current leases;
- a competitive rental market, which may affect rental levels or occupancy levels at Emaar's properties;
- the reputation of Emaar within the real estate markets it operates; and
- changes in laws and governmental regulations in relation to real estate, including those governing permitted and planned usage, taxes and government charges. Such changes may lead to an increase in management expenses or unforeseen capital expenditure to ensure compliance.

Any of these factors may have a material adverse effect on Emaar's business, results of operations and financial condition.

***The rental revenues from Emaar Malls' operations depend upon its ability to find tenants, the ability of such tenants to fulfil their lease obligations and the duration of their rental contracts***

Emaar Malls' operations depend on its ability to continue to strategically lease space in its properties including re-leasing space in properties where leases are expiring, optimising its tenant mix and leasing properties on economically favourable terms. There can be no guarantee that Emaar Malls will find or be able to retain suitable retailers to lease space in its shopping centres or an appropriate mix of tenants in its malls on the terms and conditions it seeks. Financial, economic and political developments in or affecting Dubai and the UAE more generally may impact demand for units, the rental rates Emaar Malls is able to agree with its tenants for those units and the footfall throughout its properties. Poor economic conditions generally result in decreased consumer spending, and have in the past resulted, and may in the future result, in tenants seeking to renegotiate the terms of their leases in their favour. Downward rent adjustments may be required to attract certain tenants and maintain occupancy levels, thus reducing rental income. In addition, the financial stability of these tenants may change over time due to factors affecting such tenants directly, such as a down-grading of their credit ratings or broader macroeconomic factors. Emaar Malls' results of operations are dependent on its tenants' liquidity, solvency, financial performance and their ability to meet their financial obligations. Adverse developments in Emaar Malls' tenants' financial health and credit standing, or any inability of such tenants to pay rent for a period of time, with or without cause, may affect the financial performance of Emaar's malls and the cashflows generated by them. Furthermore, most leases include variable rental rates based on the trading performance of Emaar Malls' tenants. Any factors that may adversely affect Emaar Malls' tenants' revenues will reduce such rental rates (if applicable) and therefore reduce the cashflows generated by Emaar Malls.

In addition, the laws of Dubai restrict the annual amount by which a landlord is legally able to increase rental charges on commercial premises. Currently, the permitted rent increase is zero per cent., 5 per cent., 10 per cent., 15 per cent. or 20 per cent. The actual percentage of the permitted rent increase (between the aforementioned range of zero per cent. and 20 per cent.) is dependent on how low the existing rent of the unit is compared to the average market rent applicable to the unit as determined by RERA. Emaar Malls' lease term for anchor tenants typically varies from five to 20 years and for other tenants from between one to five years. Therefore, although the market rents chargeable for its retail space may increase, Emaar Malls may be unable to fully realise any such increases from its existing tenants, which could adversely affect its profit margins, particularly if associated costs are rising at a faster rate than permissible and/or achievable rental rates.

Although Emaar Malls can adjust rents to prevailing market rates, if its anchor or other tenants decide not to renew their leases upon expiration, it may need to expend significant time and money attracting replacement tenants and there is no guarantee that potential new tenants could be sourced or that such tenants would accept the then market rates. New leases could be on terms less favourable than those contained in the expiring leases and a loss of certain tenants may adversely affect Emaar Malls' ability to optimise the tenant mix. In addition, in connection with any renewal or re-letting, Emaar Malls may incur costs to renovate or remodel the relevant rental space. Any of the foregoing factors could affect footfall levels, rental income and/or occupancy rates in Emaar Malls' properties which could have a material adverse effect on Emaar's business, results of operations and financial condition.

***Emaar Malls' properties depend on anchor stores or major tenants to attract shoppers and could be adversely affected by the loss of, or a store closure by, one or more of these tenants***

Shopping malls are typically anchored by department stores and other large nationally and internationally recognised tenants. Furthermore, Emaar Malls' business depends on its relationships with major retail groups that franchise prominent or luxury brands that lease multiple units in its properties. Emaar Malls' business and results of operations could be adversely affected if an anchor tenant or any of these major retail groups experiences financial difficulties or is subject to any business restructuring, reorganisation or change in corporate strategy and, as a result, fails to comply with its contractual obligations, seeks concessions in order to continue operations, or ceases or reduces its operations. In addition, anchor tenants and these retail groups often have significant bargaining power when negotiating rent and other lease terms. In particular, should a conflict or a breakdown in commercial relations arise between Emaar Malls and one of its anchor tenants or retail groups, Emaar Malls may face delays in receiving rental payments or have difficulty in negotiating extensions to leases for many or all of the affected units. Emaar Malls may agree to lease adjustments to retain retail groups or anchor tenants which may in turn reduce its cashflows.

In addition, major tenant closures may result in decreased customer traffic, which could lead to decreased sales at other stores. A significant decline in the sales of stores operating in Emaar Malls' properties (whether due to the closing of anchor tenants, economic conditions or otherwise) may result in such tenants being unable to pay their minimum rents or service charges. Rental income and/or occupancy rates could decline and, to the extent that there is vacant space, rental rates could decline for all tenants. In the event of any default by a tenant or anchor store, Emaar Malls may experience delays and costs in enforcing its rights as landlord to recover amounts due to it under the terms of its agreements with those parties, which may have a material adverse effect on Emaar's business, results of operations and financial condition.

***Emaar's projects could be exposed to catastrophic events or acts of terrorism over which Emaar has no control***

Emaar's projects could be adversely affected or disrupted by natural disasters (such as earthquakes, floods, tsunamis, hurricanes, volcanoes, fires or typhoons) or other catastrophic events, including:

- changes to predominant natural weather, hydrologic and climatic patterns, including sea levels;
- major accidents, including chemical, radioactive or other material environmental contamination;
- major epidemics affecting the health of persons in the region and travel into the region;
- fires resulting from faulty construction materials; and/or
- criminal acts or acts of terrorism.

The occurrence of any of these events at one or more of Emaar's projects or in any city where Emaar operates may cause disruptions to Emaar's operations, which could have a material adverse effect on Emaar's business, results of operations and financial condition. In addition, such an occurrence may increase the costs associated with Emaar's projects, may subject Emaar to liability or impact its brand and reputation and may otherwise hinder the normal operation of Emaar's projects.

On 30 November 2016, Emaar entered into a Settlement, Release and Subrogation Agreement with Orient Insurance PJSC for the insurance claim related to the Address Downtown Dubai Hotel and Serviced Residences which was damaged by fire in 2015. Both parties agreed to the final settlement amount towards business interruption, damage to building and associated works, damage to fit out, furniture, equipment and installation and other claims. The claim settlement amount was fully recovered in 2017. The incidents did not result in any injuries or fatalities. However, these and any future incidents could have a material adverse impact on Emaar's reputation as a developer of safe, high-quality properties.

The foregoing factors could have a material adverse effect on Emaar's business, results of operations and financial condition. The effect of any of these events on Emaar's financial condition and results of operations may be exacerbated to the extent that any such event involves risks for which Emaar is uninsured or not fully insured (see "*—Emaar may not have adequate insurance*").

***Real estate valuation is inherently subjective and uncertain***

Property assets are inherently difficult to value. Factors such as changes in regulatory requirements and applicable laws (including in relation to building and environmental regulations, taxation and planning), political conditions, the condition of financial markets and real estate markets, the financial condition of customers, potential adverse tax consequences, and interest and inflation rate fluctuations all mean that valuations are subject to uncertainty. The judgement of Emaar's management, as well as the independent appraisers who perform valuations on Emaar's behalf, significantly impact the determination of the fair value of Emaar's properties, particularly with respect to joint venture projects and land bank projects. As a result, valuations, including those contained in this Base Prospectus are subject to substantial uncertainty and are made on the basis of assumptions which may not be correct. No assurance can be made that the valuations of Emaar's projects will reflect actual sale prices, even where any such sale occurs shortly after the relevant valuation date and such valuations should not be taken as an indication of the availability of financing for the potential sale of any of its projects or an indication of continuing demand for any of its projects. Significant differences between valuations and actual sales prices could have a material adverse effect on Emaar's business, financial condition and results of operations.

In addition, a key component of determining the value of a project is based on the assessment by management or the independent valuer of real estate market conditions in the city or country where the project is located. The real estate market is in turn affected by many factors such as general economic conditions, availability of financing, interest rates and other factors, including supply and demand, that are beyond Emaar's control and may adversely impact projects after their most recent valuation date. As a result, any material decline in the real estate markets where Emaar operates could have a material adverse effect on its business, results of operations and financial condition.

***Real estate investments are illiquid***

Because real estate investments are generally illiquid, and due to the cyclicality of real estate markets, Emaar's ability to promptly sell one or more of its projects in response to changing political, economic, financial and investment conditions is limited. The real estate market is affected by many factors that are beyond Emaar's control. In addition, to the extent Emaar requires third party funding to develop its projects, it may be required to grant a mortgage over certain projects, or parts thereof, to secure its payment obligations, which could preclude Emaar from selling such projects or affected residential units in the event of a default under such financing arrangements. There can be no assurance that the sale of units in any of Emaar's projects will be at a price which reflects the most recent valuation of the relevant project, particularly if Emaar is forced to sell in adverse economic conditions. Any of these factors, alone or in combination, could have a material adverse effect on Emaar's real estate portfolio which could in turn have a material adverse effect on Emaar's business, results of operations and financial condition.

***Foreign exchange movements may adversely affect Emaar's profitability***

Emaar maintains its accounts and reports its results in UAE dirhams, currently pegged to the U.S. dollar at a fixed exchange rate of 3.67 UAE dirhams to one U.S. dollar, and is the currency in which the majority of its revenues are earned. Some of Emaar's costs (such as its debt) are incurred in U.S. dollars and a part of Emaar's income and expenses are incurred in other currencies. As a result, Emaar is exposed to movements in foreign exchange rates. Although there can be no assurance that foreign currency fluctuations will not adversely affect Emaar's profits and financial performance in the future, Emaar's management believes that Emaar's operations are not generally subject to significant foreign exchange risk in relation to the U.S. dollar due to the UAE dirham U.S. dollar peg. However, all of Emaar's residential units in the UAE are priced and sold in UAE dirhams. Consequently, if the U.S. dollar appreciates relative to the currencies which Emaar's prospective customers use to purchase its residential units, the demand for its residential units could be adversely affected. As a result, the performance of Emaar's business is exposed to foreign currency fluctuations relative to the UAE dirham. In addition, while the GCC states have indicated their commitment to maintaining their peg, there can be no assurance that the Government of the UAE will not de-peg the UAE dirham from the U.S. dollar in the future, which may have a material adverse effect on Emaar's business, results of operations and financial condition.

In relation to its other currency earnings and expenses, Emaar's management believes that its foreign exchange rate risk is reduced by the fact that where earnings in relation to a particular project are in a local currency, these are usually substantially matched by the expenses of the project being incurred in the local currency. Emaar also regularly monitors currency fluctuations and executes hedging transactions if required.

Emaar Turkey's financial statements are maintained in U.S. Dollars. Due to market volatility, the Turkish lira has fluctuated over the years. On 31 July 2016, following the failed coup d'état attempt in Turkey against state institutions on 15 July 2016, the Turkish lira depreciated significantly to TL 3.0727 per U.S. dollar. In addition, after the U.S. presidential election on 8 November 2016, the Turkish lira continued to depreciate significantly against the U.S. dollar. From time to time, the Turkish lira may be subject to increased volatility. For example, the Turkish lira depreciated on 13 August 2018 to TL 6.8798 per U.S. dollar from TL 3.7652 per U.S. dollar as at 2 January 2018 due to market volatility and tensions with the United States. In connection with the volatility of the Turkish lira, on 13 August 2018, the Central Bank of Turkey introduced Turkish lira and foreign exchange liquidity management measures in order to support financial stability and sustain the effective functioning of markets. After the Central Bank of Turkey's decision to increase the policy rate on 13 September 2018, the Turkish lira has appreciated against the U.S. dollar. Although the impact of such movement is currently mainly related to the VAT receivables (TL584m) owed to Emaar Turkey by the Turkish Government (which will eventually be refunded to Emaar Turkey with the VAT on income from operations, such as leasing income from the mall and office, hotel operating income and residential sales), significant fluctuations in the value of the Turkish lira against foreign currencies, in particular the U.S. dollar, could have a material adverse effect on Emaar's business, financial condition and results of operations.

***Emaar faces competition in its property development, malls and hospitality businesses***

Emaar faces competition for the development and leasing of real estate from other property developers in the UAE and internationally. In particular, the population growth of Dubai from 1.3 million in 2005 to an estimated 3.1 million in 2018 (as estimated by the Dubai Statistics Centre), along with the growth in business and leisure travel to Dubai, contributed to an increase in the number of participants in the Dubai real estate market and the number of new developments opening and being announced over this period. Competition may affect Emaar's ability to sell its projects at expected prices, if at all. Emaar's competitors may lower their pricing for comparable developments, which could result in downward pricing pressure. In addition, the Government could decide to support new entrants or other property development companies to implement its general development strategy, which would further increase competition. Emaar also faces the risk that competitors may anticipate and capitalise on certain potential investment opportunities in advance of Emaar doing so. Increased competition may also increase Emaar's costs of financing, materials, contractors and sub-contractors. Certain of Emaar's competitors may have greater financial, technical, marketing or other resources, including with respect to the size and quality of their landbanks, and, therefore, may be able to withstand increased costs, price competition and volatility more successfully. Any oversupply or competition in any region in which Emaar operates (either as a result of new developments or a decrease in the number of tenants or other occupants due to a decline in economic activity) could have a material adverse effect on Emaar's business, results of operations and financial condition.

Property developers may also consolidate to achieve economies of scale. If consolidation in the Dubai real estate market were to occur, there is a risk that Emaar would have to operate in a more competitive market place and against larger competitors than it has had historically. Furthermore, given economic downturns in recent years and the strategy of investors to diversify their investments and re-examine the robustness of various real estate markets in the region, Dubai may see demand for its real estate market decrease in favour of other real estate markets in the region. These circumstances could have a material adverse effect on Emaar's business, results of operations and financial condition.

Emaar believes that it does not currently face any significant competition in many of those countries in which it operates as a property developer. In such cases, Emaar's management believes that Emaar is typically the only developer offering lifestyle projects of the type offered by it. However, there can be no assurance that this will remain the case and Emaar expects that it will face competition from other real estate developers within those countries in the future. This may result in an increase in the cost of completing projects, an increase in supply of real estate projects and/or a decrease in the prices of property, which in turn may have a material adverse effect on Emaar's business, results of operations and financial condition.

Emaar also faces competition in respect of its malls and hospitality businesses in Dubai. There are a number of large malls in Dubai which compete with Emaar's malls for both tenants and customers. Such competition may affect Emaar's ability to attract and retain tenants, resulting in lower than expected rents. Emaar's competitors may also lower their rental rates for retail space within their malls which is comparable to that being offered by Emaar, which may result in downward pressure on Emaar's rental rates. Competitor mall operators may also compete to attract tenants based upon location, condition or unique or attractive features of the relevant property. While Emaar Malls may renovate, refurbish or expand its properties to enhance its attractiveness to visitors and remain competitive, its renovation, refurbishment or expansion plans may involve significant costs and execution risks, and ultimately may not be successful. As a result of competition from new and existing properties or other commerce channels, footfall in Emaar Malls' properties may decline significantly, its tenants' trading performance may be adversely affected, and its occupancy rates and/or rental income may decline, any of which could have a material adverse effect on Emaar's business, results of operations and financial condition.

There are also a number of hospitality venues in Dubai that are comparable to Emaar's hospitality offerings which may affect the ability of Emaar to attract customers and lead to downward pricing pressure. In the event that such competition has the effects described, it may have a material adverse effect on Emaar's business, results of operations and financial condition.

***The MENASA region in which Emaar primarily operates is characterised by a lack of real estate transparency***

According to a real estate transparency survey conducted by Jones Lang LaSalle in 2018, many of the real estate markets in which Emaar operates are categorised as semi-transparent (Dubai, KSA and Egypt) or low-transparent (Pakistan and Morocco). In addition, the other markets in which Emaar conducts its business are also characterised by issues relating to transparency of information. The degree of transparency of a real estate market is determined by reference to a number of factors, including comparable transactions, accessibility of information relating to counterparties and land title, reliability of market data, clarity of regulations relating to all matters of real estate conveyance and access to government agencies to verify information provided by counterparties in connection with real estate transactions. Although Emaar endeavours to undertake comprehensive due diligence with respect to its real estate investments in order to mitigate any risks in connection with the markets in which it operates, there can be no assurance that the factors described above will not result in the discovery at a later date of information or liabilities in association with Emaar's investments that could affect their value, expected purpose or returns on investment.

***The right of Emaar to obtain title to certain parcels of its land is subject to legal complexities and uncertainties***

As a result of various issues related to Emaar's land bank, including, among other things, the gradual contribution of land by joint venture partners over time and/or the process of registration of title, Emaar may not, in some cases, have title to land on which developments are planned or located.

In addition, Emaar may not in the future be able to acquire or be granted unrestricted title or interest to any land, and/or could be determined to be in violation of applicable law should it violate any restrictions applicable to such title or interest.

Any of the aforementioned outcomes could have a material adverse effect on Emaar's business, financial condition and results of operations.

***Emaar's relationships with governments and other key partners may change adversely***

Most of Emaar's land bank in the UAE was granted by the Government, which is the single largest shareholder in Emaar. The land bank has contributed significantly to Emaar's business and revenue. Outside the UAE, Emaar has sought to enter into strategic partnerships with other governments and local companies. The success of Emaar's business strategy and future profitability depends upon its continued ability to acquire or lease land at attractive prices, but there is no assurance that it will be able to continue to do so. Any adverse change to the relationship between Emaar and the Government or any of its other strategic partners may affect Emaar's existing or future operations. Each of the above factors could have a material adverse effect on its business, results of operations and financial condition.

***Emaar may not have adequate insurance***

Although Emaar seeks to ensure that its projects and developed properties are appropriately insured (see "*Description of Emaar Properties PJSC—Insurance*"), no assurance can be given that any of its existing insurance policies will be sufficient to cover losses arising from certain events or will be renewed on equivalent, commercially reasonable terms or at all. In addition, given the increasing volatility and complexity of the markets in which Emaar operates, certain types of risks and losses are either uninsurable or uneconomical to insure, (for example, among others, risks or losses relating to war, terrorism, geo-political climate, threats to cyber security, currency fluctuation, general economic crisis and inadequate succession planning). Furthermore, it may be difficult to identify appropriate insurance solutions to cover these risks, given the vast variety and complexity of products offered in the insurance market in recent years.

Moreover, Emaar has not taken key person insurance with respect to any members of its senior management. If an important member of senior management is unable to perform his or her functions due to extended illness or death, the replacement of such person may take a significant amount of time (due to recruitment and the requisite training of an appropriately qualified individual, who may not be easy to find). Due to the fact that Emaar does not have key person insurance, Emaar may not be able to offset the costs of hiring temporary help or recruiting a successor or the losses incurred due to being unable to transact business as efficiently whilst a successor is being sought (see "*—Emaar's growth and expansion strategy could strain its ability to respond to the increasing complexities derived from such strategy, including complexities arising in relation to its operational and managerial resources*").

The occurrence of an uninsured or uninsurable loss could result in the loss of all or part of the capital invested in, or unrecoverable costs incurred to rectify the loss or pay compensation and anticipated future revenues relating to, any project that is damaged or destroyed. Emaar may also remain liable for any debt or mortgage, indebtedness or other financial obligations related to the relevant project. The occurrence of any such event could have a material adverse effect on Emaar's business, results of operations and financial condition.

***Emaar may be liable for certain maintenance costs for its investment properties***

Emaar bears the risk of repairing fair wear and tear to its investment properties, together with paying for the cost of their maintenance. As a result, Emaar must use its own resources to carry out such work which may necessitate significant operational and maintenance capital expenditure. Emaar's capital expenditure could increase as a result of a number of factors, including an increase in subcontracted costs, labour costs, repair and maintenance costs, insurance premiums and/or utility costs. Not all of these expenses are, or can be, passed on to tenants. In addition, unforeseen maintenance or repair may result in business interruption, payment of damages or other obligations to third parties.

Furthermore, Emaar has limited (if any) control over the operation and maintenance by third parties of properties that are handed over upon completion and sale and that are therefore not managed by Emaar as investment properties. Failure to maintain properties, either by third parties or by Emaar, could result in customer dissatisfaction and affect Emaar's reputation and brand and the value or marketability of its properties. The occurrence of any of these factors could have a material adverse effect on Emaar's business, results of operations and financial condition.

***The regulatory framework governing the UAE and Dubai real estate market may be subject to change***

Emaar cannot predict the contents of any future legislation that is imposed or implemented by RERA or the Government. While many of the real estate laws and regulations recently implemented, and to be implemented in the future, are intended to improve the real estate market in Dubai, the effects of the implementation of such laws are often uncertain, there may be difficulties or delays in enforcing them, and there can be no assurance that such laws and regulations will not impose more onerous obligations on Emaar or have a material adverse effect on Emaar's business, results of operations and financial condition.

***During the ordinary course of business, Group companies may become subject to lawsuits which could materially and adversely affect the Group***

From time to time, Group companies may in the ordinary course of business be named as defendant in lawsuits, claims and other legal proceedings. Disputes may also arise in connection with construction or other contracts or agreements entered into with contractors, customers or other third parties. These actions may seek, among other things, compensation for alleged losses, civil penalties or injunctive or declaratory relief. If any such action is ultimately resolved unfavourably, and the Group is required to bear all or a portion of the costs arising as a result of a lack of, or inadequate insurance proceeds, the outcome could have a material adverse effect on the Group's business, results of operations and financial condition.

***Infringement of Emaar's trademarks and other intellectual property could materially adversely affect its business***

Emaar relies on brand recognition and the goodwill associated with the Emaar brand. Therefore, the name "Emaar" and its associated trading names and trademarks are key to Emaar's business. A deterioration of the value of the Emaar brand or of any other brands on which Emaar relies, whether due to property related issues, customer complaints, adverse publicity, legal action, third party infringements or other factors, could have a material adverse effect on Emaar's business, results of operations and financial condition.

***Certain of Emaar's businesses are required to maintain and renew numerous licences and permits to operate their businesses, the violation of which could adversely affect their financial performance and prospects***

Emaar's operations are required to comply with numerous laws and regulations, both at the local and national level, and require the maintenance and renewal of commercial licences and permits to conduct its various businesses in each of the jurisdictions in which it operates. It is the responsibility of the relevant operating entity that is undertaking the activity requiring the licence (with the assistance of Emaar and, where applicable, its joint venture partners) to obtain and maintain such licences.

Because of the complexities involved in procuring and maintaining numerous licences and permits, as well as in ensuring continued compliance with different and sometimes inconsistent local and national licensing regimes, Emaar cannot give any assurance that it will at all times be in compliance with all of the requirements imposed on each of its businesses and projects, although it is not aware of any material breaches that currently exist. Emaar's potential failure to comply with applicable laws and regulations or to obtain and maintain requisite approvals, certifications, permits and licences, whether intentional or unintentional, could lead to substantial sanctions, including criminal, civil or administrative penalties, revocation of its licences and/or increased regulatory scrutiny, and liability for damages. It could also trigger a default under one or more of its financing agreements, result in contracts to which Emaar is party being deemed to be unenforceable or invalidate or increase the cost of the insurance that Emaar maintains for its businesses (assuming it is covered for any consequential losses). For the most serious violations, it could also be forced to suspend operations until it obtains required approvals, certifications, permits or licences or otherwise bring its operations into compliance. In addition, any adverse publicity resulting from any compliance failure, particularly as regards the safety of Emaar's projects (including its malls and leisure and entertainment venues), could negatively impact its reputation and have a material adverse effect on its business, results of operations and financial condition.

Furthermore, changes to existing, or the introduction of new laws, regulations or licensing requirements in the jurisdictions in which Emaar operates are beyond its control and may be influenced by political or commercial considerations not aligned with Emaar's interests. Any such laws, regulations or licensing requirements could adversely affect its business by reducing its revenue and/or increasing its operating costs, and Emaar may be unable to mitigate the impact of such changes. Any of these occurrences could have a material adverse effect on its business, results of operations and financial condition.

***Emaar may incur unanticipated costs related to compliance with health and safety and environmental laws and regulations***

Emaar has adopted safety standards to comply with applicable laws and regulations in the various jurisdictions in which it carries on business. In addition, safety requirements are contractually agreed with Emaar's contractors. If Emaar and/or its contractors fail to comply with the relevant standards, either or both may be liable for penalties and the business and/or reputation of Emaar might be materially and adversely affected.

In addition, Emaar seeks to ensure that it and its contractors comply with all applicable environmental, health and safety laws in the various jurisdictions in which it conducts its business. While Emaar believes it is in material compliance with such laws, there can be no assurance that Emaar will not be subject to potential liability, including remediation obligations with respect to contaminated project sites or liability in the event of an accident at one of its projects. If an environmental liability arises in relation to, or an accident occurs at, any project owned or developed by Emaar and it is not remedied, is not capable of being remedied or is required to be remedied at the cost of Emaar, this may have a material adverse effect on the relevant project (including a reduction in its value and an impact on the ability of Emaar to dispose of such project), Emaar's reputation and its business, results of operations and financial condition, by virtue of the cost implications for Emaar and/or the disruption to services provided at the relevant project or property.

Amendments to existing laws and regulations relating to health and safety standards and the environment may impose more onerous requirements on Emaar and subject its developments to more rigorous scrutiny than is currently the case. Emaar's compliance with such laws or regulations may necessitate further capital expenditure or subject Emaar to other obligations or liabilities, which could have a material adverse effect on Emaar's business, results of operations and financial condition.

**Risks relating to emerging markets**

***Investments in emerging markets are subject to greater risks than more developed markets, including significant political, social and economic risks***

Almost all of Emaar's operations are conducted, and most of its assets are, as at the date of this Base Prospectus, located in emerging markets. While most of the countries in which Emaar conducts business have historically not been affected by political instability, there is no assurance that any political, social, economic and market conditions affecting such countries and the MENASA region generally (as well as outside the MENASA region because of interrelationships within the global financial markets) would not have a material adverse effect on Emaar's business, results of operations and financial condition. See "—*Emaar's financial performance is dependent on economic and other conditions of the regions in which it operates*".

Specific risks in these countries and the MENASA region that may have a material impact on Emaar's business, results of operations and financial condition include:

- an increase in inflation and the cost of living;
- a devaluation in the currency of any country in which the Group has operations;
- external acts of warfare and civil clashes or other hostilities involving nations in the region;
- governmental actions or interventions, including tariffs, protectionism and subsidies;
- difficulties and delays in obtaining governmental or other approvals, new permits and consents for Emaar's operations or renewing existing ones;
- potential lack of transparency or reliability as to title to real property in certain jurisdictions where Emaar operates;
- cancellation of contractual rights;
- lack of infrastructure;
- expropriation or nationalisation of assets;
- inability to repatriate profits and/or dividends;
- continued regional political instability and unrest, including government or military regime change, riots or other forms of civil disturbance or violence, including through acts of terrorism;
- military strikes or the outbreak of war or other hostilities involving nations in the region;
- a material curtailment of the industrial and economic infrastructure development that is currently underway across the MENASA region;
- increased government regulations, or adverse governmental activities, with respect to price, import and export controls, the environment, customs and immigration, capital transfers, foreign exchange and currency controls, labour policies, land and water use and foreign ownership;
- changing tax regimes, including the imposition of taxes in currently tax favourable jurisdictions;
- arbitrary, inconsistent or unlawful government action, including capricious application of tax laws and selective tax audits;
- limited availability of capital or debt financing; and
- slowing regional and global economic environment.

Any unexpected changes in the political, social, economic or other conditions in the countries in which Emaar operates or neighbouring countries may have a material adverse effect on Emaar's business, results of operations and financial condition.

It is not possible to predict the occurrence of events or circumstances such as or similar to those outlined above or the impact of such occurrences and no assurance can be given that Emaar would be able to sustain its current profit levels if such events or circumstances were to occur.

Investors should also be aware that emerging markets are subject to greater risks than more developed markets, including in some cases significant legal, economic and political risks. Accordingly, investors should exercise particular care in evaluating the risks involved and must decide for themselves whether, in light of those risks, their investment is appropriate. Generally, investment in developing markets is only suitable for sophisticated investors who fully appreciate the significance of the risks involved.

To the extent that economic growth or performance in the countries in which Emaar operates slows or begins to decline, or political conditions become sufficiently unstable so as to have a material adverse effect on Emaar's operations in those countries, Emaar's business, financial condition and results of operations may be materially adversely affected.

***Legal and regulatory systems may create an uncertain environment for investment and business activities***

The majority of the countries in which Emaar currently operates are emerging market economies, which are in various stages of developing institutions and legal and regulatory systems that are not yet as fully matured and as established as those of Western Europe and the United States. Some of these countries are also in the process of transitioning to a market economy and, as a result, are experiencing changes in their economies and their government policies (including, without limitation, policies relating to foreign ownership, repatriation of profits, property and contractual rights and planning and permit granting regimes) that may affect Emaar's business in those countries. Such countries are also characterised by less comprehensive legal and regulatory environments and systems. Existing laws and regulations may be applied inconsistently with anomalies in their interpretation or implementation. Such anomalies could affect Emaar's ability to enforce its rights under its contracts or to defend its business against claims by others.

As these economies mature, and in part due to the desire of certain countries in the MENASA region to accede to the World Trade Organisation, the governments of these countries have begun, and Emaar expects they will continue, to implement new laws and regulations which could impact the way Emaar conducts many of its businesses. Changes in the UAE legal and regulatory environment, including further changes to the ability of non-UAE residents to own property, in zoning, planning or construction regulations or building codes, in labour, welfare or benefit policies or in tax regulations could have a material impact on Emaar's business. For example, Law Dubai No. 27 of 2007 ("**Law No. 27**") concerning jointly owned properties sets out the framework for granting purchasers of individual residential units in a building freehold ownership rights to their residential units together with ownership of a proportionate share of the common areas in the building. Pursuant to directions supplementing Law No. 27, introduced on 13 April 2010 (the "**Directions**"), Emaar is required to comply with certain disclosure requirements (for both new and existing developments), including, among others, an obligation to provide each customer with a jointly owned property declaration (the "**JOPD**"). The JOPD is required to register the sale of a residential unit with the Dubai Land Department and, if the disclosure requirements under the Directions are not satisfied, the relevant sale contract may be held to be void. Emaar believes it is in compliance with the disclosure requirements in all material respects and in view of the current practice in this regard. However, if a large number of purchases of residential units from Emaar or its subsidiaries were held to be void, this could have a material adverse effect on Emaar's business, results of operations and financial condition.

There can be no assurance that if laws or regulations were imposed in respect of the products and services offered by Emaar it would not increase its costs, impact the costs that are associated with buying properties in Dubai and internationally, adversely affect the way in which Emaar conducts its business or otherwise have a material adverse effect on its results of operations and financial condition.

In addition, given the relatively illiquid nature of Emaar's property assets (see "*—Real estate investments are illiquid*"), a change in law or regulation that results in Emaar ceasing to conduct business in a particular country could result in a significant loss to Emaar on the sale of its material properties in that country.

Any of the above factors, alone or in combination, may have a material adverse effect on Emaar's business, results of operations and financial condition.

***UAE visa legislation may have an adverse effect on Emaar's business***

A federal decision No. 281 of 2009 issued by the Minister of the Interior in May 2009 (the "**Resolution**"), which came into effect on 1 June 2009, standardised the terms of residency permits issued to expatriate residential property owners across the UAE. The decree allows expatriate property owners to apply for renewable multiple-entry visas with a validity of six months. The residency permit does not entitle the holder to work in the UAE and is in effect a long-term visit visa. In order to successfully apply for the new permit, expatriate property owners must satisfy certain criteria, including a minimum property valuation of at least AED1 million, earning thresholds and the maintenance of appropriate insurance. While the Resolution was passed with the intention of standardising the previous rules and stimulating the domestic real estate market, it is not possible to assess whether the Resolution has had a positive or negative effect on levels of foreign investment in the UAE residential property market. Separately, the Government, through the Dubai Land Department, has introduced a two-year residency visa for residential property owners in Dubai, and, while the criteria for obtaining this residency visa is similar to the residency permit, it provides the holder with UAE residency status, allowing the individual to obtain an Emirates ID card and a UAE driving licence as well as to sponsor dependants (subject to meeting the relevant criteria for dependant sponsorship). The Government has introduced other new visa measures to make the UAE more appealing to investors, including the 10-year 'Golden' visa. However, any changes to the UAE's visa policies may discourage foreign nationals from investing in property in the UAE, which would have an adverse effect on Emaar's business, results of operations and financial condition.

***The UAE introduced value added tax from 2018***

The UAE introduced a value added tax ("**VAT**"), effective 1 January 2018. The Government of the UAE published its domestic VAT law (Federal Law No. 8 of 2017) (the "**VAT Law**") in August 2017 and executive regulations made thereunder (Cabinet Decision No.52 of 2017) ("**Executive Regulations**") in November 2017.

As per the VAT Law, the first sale of residential units by developers is zero-rated, **provided that** the sale takes place within three years from the date of completion of the unit in question. All secondary sales of residential units are exempted. In this regard, Emaar is eligible to recover all the VAT paid related to the construction and development of its residential properties. However, if there are residential units remaining unsold after three years of completion, the sale of those residential units would be treated as an exempt supply. The VAT related to the exempt supply would not be recoverable by Emaar and Emaar may need to reverse the VAT credits claimed in line with Article 57 and Article 58 of the Executive Regulations. In this case, Emaar may have to absorb the cost of 5 per cent. which may adversely affect its profit margins.

The responsibility of accounting for VAT resides with Emaar and there will be significant compliance costs for Emaar in ensuring that it collects and remits the tax to the UAE Ministry of Finance and otherwise complies with the reporting requirements. Emaar is registered for VAT effective 1 January 2018 and filed its first VAT return on 27 February 2018. Emaar has engaged with a local tax adviser to assist in the implementation of VAT within the Group. Following such implementation, Emaar retained the services of the same local tax adviser to review its compliance with the VAT Law and the Executive Regulations, as well as to undertake routine advisory work.

There can be no assurance that the implementation of the VAT in the UAE will not adversely affect demand for Emaar's projects in Dubai, that it will be able to pass on the taxes to its customers, or that the costs of upgrading its systems to manage the collection and remittance of the taxes (if any) or of any fines or other penalties to which it may be subject if it is unable to begin properly to collect the taxes will not be material, which could have a material adverse effect on Emaar's business, results of operations and financial condition.

Other Group entities such as Emaar Malls Group, Hospitality Group and Entertainment Group are all registered for VAT. All transactions by Emaar with other entities will be implicated with VAT-like corporate recharges. Whilst VAT will be charged within the Group as Group entities have different VAT registrations, the VAT paid within the Group will be netted off against any VAT collected from its sales. However, for real estate companies such as Emaar Development PJSC, where such a company mainly provides zero-rated supplies, there may be timing differences between payment of VAT charges and obtaining VAT refunds from the tax authorities, given that the refund process may take several months before the refund is granted and received.

If other authorities in the jurisdictions in which Emaar operates impose new tax regimes on Emaar, this may have a material adverse effect on Emaar's business, results of operations and financial condition. In addition, any imposition of a tax on earnings would reduce the amount of funds which would ordinarily be distributed to Emaar's shareholders through dividends.

***Risks arising from unlawful or arbitrary governmental action***

Governmental authorities in many of the countries in which Emaar operates may have a high degree of discretion and, at times, act selectively or arbitrarily, without hearing or prior notice, and sometimes in a manner that is contrary to law or influenced by political or commercial considerations. Such governmental action could include, among other things, the withdrawal of building permits, the expropriation of property without adequate compensation or the forcing of business acquisitions, combinations or sales. Any such action taken may have a material adverse effect on Emaar's business, results of operations and financial condition.

***Statistical information***

The statistical information in this Base Prospectus has been derived from a number of different identified sources. Certain information is only available on a federal basis relating to the UAE as a whole and investors should note Dubai's own position may differ in material respects from the position at an overall federal level. All statistical information provided in this Base Prospectus may differ from that produced by other sources for a variety of reasons, including the use of different definitions and cut-off times. The International Monetary Fund, in its 2015 Article IV Consultation on the UAE, highlighted continued shortcomings in the UAE's statistical base which will have impacted the statistical data included in this document.

***International sanction considerations***

European, U.S. and other international sanctions have in the past been imposed on companies engaging in certain types of transactions with specified countries or companies or individuals in those countries. Companies operating in certain countries in the MENASA region have been subject to such sanctions in the past and certain of such countries are subject to such sanctions as at the date of this Base Prospectus. The terms of legislation and other rules and regulations which establish sanctions regimes are often broad in scope and difficult to interpret.

Although in the past Emaar has conducted business activities in countries which have been subject to sanctions, as at the date of the Base Prospectus, no Group company is in violation of any existing European, U.S. or international sanctions. If Emaar were in the future to violate existing European, U.S. or international sanctions, penalties could include a prohibition or limitation on Emaar's ability to conduct business in certain jurisdictions or to access the U.S. or international capital markets. Any such sanction could have a material adverse effect on Emaar's business, results of operations and financial condition.

For example, Emaar has limited operations in Syria (see "*Emaar's financial performance is dependent on economic and other conditions of the regions in which it operates*"), which is a country that the US Department of Treasury's Office of Foreign Assets Control has targeted for economic and trade sanctions. Syria also faces, *inter alia*, H.M. Treasury and European Union sanctions. Should Syria be the subject of further sanctions by the international and/or regional community, this may lead to a deterioration in the country's economic environment, which may in turn materially adversely affect Emaar's operations in that country.

**Risk factors relating to the Trust Certificates**

***Absence of secondary market/limited liquidity***

There is no assurance that a market for the Trust Certificates of any Series will develop or, if it does develop, that it will continue for the life of such Trust Certificates. Accordingly, a Certificateholder may not be able to find a buyer to buy its Trust Certificates readily or at prices that will enable the Certificateholder to realise a desired yield. The market value of the Trust Certificates may fluctuate and a lack of liquidity, in particular, can have a severe adverse effect on the market value of the Trust Certificates. In addition, questions as to the *Sharia* permissibility of the structure or the issue and the trading of the Trust Certificates may limit the liquidity and adversely affect the market value of the Trust Certificates. Accordingly, the purchase of the Trust Certificates is suitable only for investors who can bear the risks associated with a lack of liquidity in the Trust Certificates and the financial and other risks associated with an investment in the Trust Certificates. An investor in Trust Certificates must be prepared to hold the relevant Trust Certificates for an indefinite period of time or until their maturity. Whilst an application has been made for the listing of certain Series to be issued under the Programme on the DFSA Official List, there can be no assurance that any such listing will occur or will enhance the liquidity of the Trust Certificates of the relevant Series.

***The Trust Certificates are limited recourse obligations***

Recourse to the Trustee in respect of each Series of Trust Certificates is limited to the Trust Assets of that Series and the proceeds of such Trust Assets are the sole source of payments on the relevant Trust Certificates. Upon the occurrence of a Dissolution Event or early dissolution pursuant to Condition 11, the sole rights of each of the Trustee, the Delegate and (to the extent provided in Condition 16.4) the

Certificateholders of the relevant Series of Trust Certificates will be against the Trustee and Emaar to perform their respective obligations under the Transaction Documents. Certificateholders will otherwise have no recourse to any assets of the Trustee, the Delegate, Emaar, the Arrangers, the relevant Dealer, the Trustee, the Agents or any affiliate of any of the foregoing entities in respect of any shortfall in the expected amounts due under the relevant Trust Assets. Certificateholders will also not be able to petition for, or join any other person in instituting proceedings for, the reorganisation, liquidation, winding-up or receivership of Emaar (in respect of its obligations under the Transaction Documents to the extent that it fulfils all such obligations), or the Trustee or any of their affiliates as a consequence of such shortfall or otherwise. Emaar is obliged to make certain payments under the Transaction Documents directly to the Trustee, and the Trustee and the Delegate will have recourse against Emaar to recover payments due to the Trustee from Emaar pursuant to the Transaction Documents. There can be no assurance that the net proceeds of the realisation of, or enforcement with respect to, the Trust Assets will be sufficient to make all payments due in respect of the Trust Certificates of the relevant Series. After enforcing or realising the relevant Trust Assets and distributing the net proceeds of such Trust Assets in accordance with Condition 5.2, the obligations of the Trustee in respect of the Trust Certificates of the relevant Series shall be satisfied and no Certificateholder may take any further steps against the Trustee to recover any further sums in respect of such Trust Certificates and the right to receive any such sums unpaid shall be extinguished. Furthermore, under no circumstances shall any Certificateholder, the Trustee or the Delegate have any right to cause the sale or other disposition of any of the Trust Assets except pursuant to the Transaction Documents and the sole right of the Trustee, the Delegate and the Certificateholders against Emaar shall be to enforce the performance by Emaar of its obligations under the Transaction Documents.

***The Trust Certificates may be subject to early redemption***

In the event that the amount payable on the Trust Certificates is required to be increased to include additional amounts in certain circumstances and/or Emaar is required to pay additional amounts pursuant to certain Transaction Documents, in each case as a result of certain changes affecting taxation in the UAE or the Cayman Islands as the case may be, or in each case any political subdivision or any authority thereof or therein having power to tax, Emaar may be entitled to require the Trustee to redeem all but not some only of the Trust Certificates upon giving notice in accordance with the Conditions (as defined herein).

**Risk factors relating to taxation**

***Taxation risks on payments***

Payments made by Emaar to the Trustee under the Transaction Documents or by the Trustee in respect of the Trust Certificates could become subject to taxation. The Transaction Documents require Emaar to pay additional amounts in the event that any withholding or deduction is required by UAE law to be made in respect of payments made by it to the Trustee which are intended to fund Periodic Distribution Amounts and Dissolution Amounts. Condition 13 provides that the Trustee is required to pay additional amounts in respect of any such withholdings or deductions imposed by the Cayman Islands or the United Arab Emirates in certain circumstances. In the event that the Trustee fails to gross-up for any such withholding or deduction on payments due in respect of the Trust Certificates to Certificateholders, Emaar has, pursuant to the Master Trust Deed, unconditionally and irrevocably undertaken (irrespective of the payment of any fee), as a continuing obligation, to pay to the Trustee (for the benefit of the Certificateholders) an amount equal to the liabilities of the Trustee in respect of any and all additional amounts required to be paid in respect of the Trust Certificates pursuant to Condition 13 in respect of any withholding or deduction in respect of any tax as set out in that Condition.

**Risks relating to the Trust Assets**

***Ownership of the Relevant Lease Assets***

The *Sharia* analysis is as follows: an ownership interest in the Assets will pass to the Trustee under the relevant Purchase Agreement and the Trustee will lease the Relevant Lease Assets to Emaar under the relevant Lease Agreement. The Trustee will declare a trust in respect of the Relevant Lease Assets and the other Trust Assets in favour of the Certificateholders of the relevant Series pursuant to the relevant Trust Deed. Accordingly, from a *Sharia* perspective Certificateholders will, through the ownership interest obtained by the Trustee pursuant to the terms of the relevant Purchase Agreement, have an ownership interest in the Relevant Lease Assets.

However, no investigation or enquiry will be made and no due diligence will be conducted in respect of any Relevant Lease Assets of any Series. The Relevant Lease Assets will be selected by Emaar and the Certificateholders, the Trustee, the Agents and the Delegate will have no ability to influence such selection. Only limited representations will be obtained from Emaar in respect of the Relevant Lease Assets of any Series. No steps will be taken to perfect the legal transfer of the ownership interest (including registration if required as a matter of law) in the Relevant Lease Assets of any Series with any relevant regulatory authority in the UAE and, therefore, in relation to any Assets or Relevant Lease Assets which require perfection in order to legally transfer any ownership interest, Certificateholders shall not have any interest in any such Asset or Relevant Lease Assets.

***Transfer of the Relevant Lease Assets***

No investigation has been or will be made as to whether any Relevant Lease Asset may be transferred as a matter of the law of the jurisdiction where such assets are located or any other relevant law. No investigation will be made to determine if the relevant Purchase Agreement will have the effect of transferring the Relevant Lease Assets of the relevant Series.

Nevertheless, as indicated earlier, although the *Sharia* analysis is such that an ownership interest in the Relevant Lease Assets will pass to the Trustee under the relevant Purchase Agreement, the Certificateholders will not have any rights of enforcement as against the Relevant Lease Assets and their rights are limited to enforcement against Emaar of its obligation to purchase the Relevant Lease Assets pursuant to the terms of the Purchase Undertaking in accordance with the terms of the Transaction Documents.

However, Emaar has covenanted in:

(i) the Purchase Undertaking that it will fully accept all or any ownership interest that the Trustee may have in the Relevant Lease Assets; and

(ii) the Purchase Undertaking and the Master Trust Deed that if the relevant Exercise Price is not paid in accordance with the Transaction Documents for any reason whatsoever, Emaar shall (as an independent, severable and separately enforceable obligation) fully indemnify the Trustee for the purpose of redemption in full of the outstanding Trust Certificates and, accordingly, the amount payable under any such indemnity claim will equal the relevant Exercise Price.

***Total Loss Event***

From a *Sharia* perspective, if Condition 11.4 is specified in the applicable Final Terms as being applicable, as owner of the Lease Assets relating to each Series, the Trustee is required, among other things, to insure the Relevant Lease Assets. The Trustee has appointed Emaar, as its servicing agent, who has undertaken in the Servicing Agency Agreement, *inter alia*, to insure the Relevant Lease Assets in these circumstances in the name of the Trustee against the occurrence of a Total Loss Event for their full reinstatement value (and to ensure, in relation to each relevant Series, that such amount is not at any time less than the aggregate face amount of Trust Certificates of such Series then outstanding plus accrued but unpaid Periodic Distribution Amounts less the aggregate amounts of the Deferred Sale Price, if any, payable by the Buyer to the Seller pursuant to the Master Murabaha Agreement for such Series then outstanding). A "**Total Loss Event**" is defined as the total loss or destruction of, or damage to the whole of, the Relevant Lease Assets or any event or occurrence that renders the whole of the Relevant Lease Assets permanently unfit for any economic use and (but only after taking into consideration any insurances or other indemnity granted by any third party in respect of the Relevant Lease Assets) the repair or remedial work in respect thereof is wholly uneconomical.

Nevertheless, should such an event occur the relevant Lease will terminate and the Trust Certificates of the relevant Series will be repaid using the proceeds of the insurance received by the Trustee and, if any, the aggregate amounts of the Deferred Sale Price then outstanding. In this scenario, potential investors should be aware that: (i) rental under the Lease will cease upon the occurrence of a Total Loss Event as that Lease will have terminated and accordingly the Periodic Distribution Amount payable to the Certificateholders of the relevant Series will not accrue after the date of such Total Loss Event and (ii) there may be a delay in the Trustee receiving the proceeds of insurance and therefore in the relevant Certificateholders receiving a Dissolution Amount in respect of their Trust Certificates and no additional Periodic Distribution Amount will be paid in respect of this delay. In this regard, the Servicing Agency Agreement provides that if the insurance proceeds for an amount equal to the full reinstatement value are not paid directly into the Transaction Account within 30 days of the occurrence of the Total Loss Event, Emaar, as Servicing Agent (unless it proves beyond any doubt that any shortfall in the insurance proceeds is not attributable to its negligence or its failure to comply with the terms of the Servicing Agency Agreement relating to insurance) shall be responsible for paying any shortfall. The Delegate will be entitled to enforce this undertaking against Emaar on behalf of the Certificateholders of the relevant Series.

***Risks relating to the Murabaha Contracts***

*Taxation risk*

Pursuant to the terms of the Master Murabaha Agreement, in connection with each relevant Tranche of Trust Certificates outstanding from time to time under the Programme, the Seller shall enter into a Murabaha Contract (as defined herein) with the Buyer using the Murabaha percentage specified in the applicable Final Terms, being no more than 49 per cent. of the face amount of such relevant Tranche. Upon the receipt of and pursuant to a purchase order from the Buyer, the Seller will purchase certain commodities from certain suppliers at the spot price and, pursuant to a letter of offer and acceptance, the Buyer will irrevocably undertake to purchase such commodities from the Seller in consideration for a deferred sale price.

Upon purchasing and prior to on-selling any commodities, the Buyer will for a limited period assume the legal and beneficial title to such commodities. It is possible that the acquisition of the commodities, or the disposal thereof, may be, or may by virtue of a change in law become, subject to increased taxation. To the extent that taxation costs arise in respect of the Buyer's acquisition, ownership or disposition of the commodities, there may be a material adverse effect on the Buyer's ability to perform its obligations (including payment obligations) under the Master Murabaha Agreement and, in turn, in respect of the Trust Certificates.

*Price fluctuation risk*

The price at which a commodity changes hands is determined as a function of its market as a whole, and both under-supply and over-supply of a commodity can have significant implications for the price at which it is traded. If, after the Buyer has purchased any commodities, the market for the commodities becomes over- supplied or flooded, the price at which the commodities can be on-sold or traded subsequently may be adversely affected. Similarly, if after the Buyer has purchased the commodities, additional governmental or import or export licences become applicable to the market for the commodities, the price at which the commodities can be sold or traded subsequently may also be adversely affected. The effect of such price fluctuations may have a material adverse impact on the Buyer's ability to secure satisfactory on-sale prices for the commodities and, in turn, have a material adverse effect on the Buyer's ability to perform its obligations (including payment obligations) under the Master Murabaha Agreement and, in turn in respect of the Trust Certificates.

*Commodity risk*

Upon purchasing commodities from the Seller and prior to selling the commodities to an independent third party purchaser, the Buyer will for a limited period assume the operational risks associated with taking ownership of the commodities. These risks include, without limitation, that:

(i) the commodities may suffer damage of a nature that reduces their value whilst in storage or during transit;

(ii) the Buyer's storage and/or transfer of the commodities may cause environmental damage, such as pollution, leakage or contamination, which may breach environmental laws or regulations making the Buyer susceptible to legal or financial recourse;

(iii) the commodities may be liable to theft and or vandalism; and

(iv) the commodities may be damaged by terrorist attacks, natural disasters, fire or other catastrophic events that are beyond the control of the Buyer.

To the extent that these risks are not mitigated, or fully covered, by any insurance taken out in respect of the commodities, the occurrence of any of these events may have a material adverse effect on the value of the commodities and/or the Buyer's ability to on-sell the commodities which may, in turn, affect the Buyer's ability to perform its obligations (including payment obligations) under the Master Murabaha Agreement and, in turn in respect of the Trust Certificates.

**Risk factors relating to enforcement**

***UAE bankruptcy law***

In the event of Emaar's insolvency, UAE bankruptcy law may adversely affect Emaar's ability to perform its obligations under the Transaction Documents to which it is a party and, consequently, the Trustee's ability to perform its obligations in respect of any Trust Certificates issued under the Programme. Prospective investors should note that the insolvency regime in the UAE is largely untested as there have been no large scale insolvencies. As a result, there is little guidance as to how the legislative framework will be applied in practice and, in particular, the definitive approach that would be adopted by a trustee in bankruptcy appointed by a court in the UAE in relation to Emaar in assessing the claims of creditors of a company incorporated in the UAE. Accordingly, there is little precedent to predict how a claim on behalf of Certificateholders, the Trustee and/or the Delegate against Emaar upon its insolvency would be resolved, and therefore there can be no assurance that Certificateholders will receive payment of their claims in full or at all in these circumstances.

***Change of law***

The structure of the issue of the Trust Certificates under the Programme is based on English law, DIFC law, Dubai law and, to the extent applicable in Dubai, UAE federal law, and administrative practices in these jurisdictions in effect as at the date of this Base Prospectus. No assurance can be given as to the impact of any possible change to English law, DIFC law, Dubai law, UAE federal law or any such administrative practices after the date of this Base Prospectus, nor can any assurance be given as to whether any such change could adversely affect the ability of the Trustee to make payments under any Trust Certificates or of the Trustee and Emaar to comply with their respective obligations under the Transaction Documents.

***Enforcement risk***

Ultimately the payments under the Trust Certificates are dependent upon Emaar making payments in the manner contemplated under the Transaction Documents. If Emaar fails to do so, it may be necessary for an investor to bring an action against Emaar to enforce its obligations and/or to claim damages, as appropriate, which could be both time consuming and costly.

Furthermore, to the extent that the enforcement of remedies must be pursued in the UAE, it should be borne in mind that there is limited scope for self-help remedies under UAE law and that generally enforcement of remedies in the UAE must be pursued through the courts.

Emaar has irrevocably agreed to certain of the Transaction Documents being governed by English law and, where this is the case, that any dispute arising from such Transaction Documents may, unless the option to litigate is exercised, be referred to arbitration in London under the rules of arbitration of the LCIA.

The 1958 New York Convention on the Recognition and Enforcement of Foreign Arbitral Awards (the "**New York Convention**") entered into force in the UAE on 19 November 2006. In the absence of any other multilateral or bilateral enforcement convention, any arbitration award rendered in London should therefore be enforceable in Dubai (being the jurisdiction in which, as at the date of this Base Prospectus, many of Emaar's assets are located) in accordance with the terms of the New York Convention. Under the New York Convention, the UAE has an obligation to recognise and enforce foreign arbitration awards, unless the party opposing enforcement can prove one of the grounds under Article V of the New York Convention to refuse enforcement, or the UAE courts find that the subject matter of the dispute is not capable of settlement by arbitration or enforcement would be contrary to the public policy of the UAE.

There is limited jurisprudence to indicate how the UAE courts would interpret and apply the New York Convention in any action before them to recognise and enforce a foreign arbitral award. Although there are examples of foreign arbitral awards being enforced in the UAE under the New York Convention, there are other cases where the enforcement of foreign arbitral awards have been refused. The uncertainty regarding the interpretation and application of the New York Convention provisions by the UAE courts is further reinforced by the lack of a system of binding judicial precedent in the UAE and no full and reliable reporting of court judgments. Further, some Emirates within the UAE, including Dubai, have their own independent court systems, and the rulings of the courts in an Emirate may have less persuasive force in the courts of other Emirates.

Under the Transaction Documents (other than the Master Purchase Agreement, each Supplemental Purchase Agreement, the Master Lease Agreement, each Supplemental Lease Agreement and each Sale Agreement), any dispute may also be referred to the courts in England or the DIFC courts (or such other court of competent jurisdiction which the Trustee, Emaar or the Delegate, as applicable, may elect).

Where an English judgment, or any other foreign judgment, has been obtained, there is no assurance that Emaar has or would at the relevant time have assets in the United Kingdom or such other relevant foreign jurisdiction, as the case may be, against which such a judgment could be enforced. Emaar is incorporated in the UAE and, as at the date of this Base Prospectus, the majority of its assets are located in the UAE. Under current UAE federal law, reciprocity is required and there are conditions that must be fulfilled before the UAE courts will enforce an English court judgment, including that the judgment is not inconsistent with any judgment made by the UAE courts and is not contrary to the public order or morals in the UAE. The courts in the UAE are unlikely to enforce an English judgment, without re-examining the merits of the claim.

In such cases, the UAE courts may not observe the choice by the parties of English law as the governing law of such Transaction Documents. In the UAE, foreign law is required to be established as a question of fact and the interpretation of English law by a court in the UAE may not accord with the interpretation of an English court.

In principle, courts in the UAE recognise the choice of foreign law if they are satisfied that an appropriate connection exists between the relevant transaction agreement and the foreign law which has been chosen. In addition, even if English law is accepted as the governing law, this will only be applied to the extent that it is compatible with the laws of Dubai, the UAE, Sharia and public policy, order or morals in the UAE. This may mean that the Dubai courts may seek to interpret English law governed documents as if governed by UAE law and there can therefore be no certainty that in those circumstances the Dubai courts would give effect to such documents in the same manner as the parties may intend.

As the UAE judicial system is based on a civil code, judicial precedents in the UAE have no binding effect on subsequent decisions. In addition, there is no formal system of reporting court decisions in the UAE. These factors create greater judicial uncertainty. The enforcement of a foreign judgment or arbitral award may be a lengthy process in the UAE.

In the case of any dispute under the Transaction Documents (other than the Master Purchase Agreement, each Supplemental Purchase Agreement, the Master Lease Agreement, each Supplemental Lease Agreement and each Sale Agreement) which, at the option of the Trustee, Emaar or the Delegate, as applicable, has been referred to the DIFC courts, any final and unappealable judgment, order or award made by the DIFC courts must, upon application to the Dubai Court of Execution, be enforced against Emaar and/or its assets situated in Dubai without that court being able to reconsider the merits of the case (pursuant to, and in accordance with, the Law on the Judicial Authority at DIFC (Dubai Law No.12 of 2004, as amended by Dubai Law No.16 of 2011 and Dubai Law No.5 of 2017 (the "**Judicial Authority Law**"))).

Investors should note however that, as at the date of this Base Prospectus, the expansion of the DIFC courts' jurisdiction by amendment to the Judicial Authority Law in 2011 to include civil and commercial cases where both parties select the DIFC court's jurisdiction to resolve disputes remains relatively untested. Therefore, there remains some uncertainty as to how the DIFC courts will exercise their jurisdiction under this law should any party dispute the right of the DIFC courts to hear a particular dispute where any party is unconnected to the DIFC. There also remains some uncertainty that the Dubai Court of Execution will, in all circumstances, enforce the judgment of the DIFC court without reconsidering the merits of the case, although the Dubai Court of Execution has done so.

If proceedings relating to a dispute under the Transaction Documents (other than the Master Purchase Agreement, each Supplemental Purchase Agreement, the Master Lease Agreement, each Supplemental Lease Agreement and each Sale Agreement) were brought in the DIFC courts, and a party also commenced proceedings in the Dubai courts in relation to the same dispute (in breach of the dispute resolution provisions in those Transaction Documents), a party or the Dubai Attorney General may apply to the Judicial Tribunal for the Dubai courts and DIFC courts (the "**Judicial Tribunal**") to determine the competent court to hear the dispute pursuant to Dubai Decree No.19 of 2016. In this situation, there is a risk that proceedings in the DIFC courts may be stayed or transferred to the Dubai courts where the Judicial Tribunal determines that the Dubai court is the competent court to hear the dispute. Some cases on jurisdiction issues decided by the Judicial Tribunal have been referred to the Dubai courts and the DIFC courts have been instructed to cease from entertaining those cases.

***Claims for specific enforcement***

In the event that Emaar fails to perform its obligations under any Transaction Document to which it is a party, the potential remedies available to the Trustee and the Delegate include obtaining an order for specific enforcement of the relevant obligations or a claim for damages. There is no assurance that a court will provide an order for specific enforcement which is a discretionary matter.

The amount of damages which a court may award in respect of a breach will depend upon a number of possible factors including an obligation on the Trustee and the Delegate to mitigate any loss arising as a result of the breach. No assurance is provided on the level of damages which a court may award in the event of a failure by Emaar to perform its obligations set out in the Transaction Documents to which it is a party.

***Emaar's waiver of immunity may not be effective under UAE law***

Emaar has waived its rights in relation to sovereign immunity under the Transaction Documents to which it is a party. However, there can be no assurance as to whether such waivers of immunity from execution or attachment or other legal process by it under the Transaction Documents to which it is a party are valid and binding under the laws of Dubai and, to the extent applicable therein, the federal laws of the UAE.

**Additional risks**

***Credit ratings may not reflect all risks***

One or more independent credit rating agencies may assign credit ratings to Emaar or the Trust Certificates. The ratings may not reflect the potential impact of all risks related to the transaction structure, the market, the additional factors discussed herein or any other factors that may affect the value of the Trust Certificates. A credit rating is not a recommendation to buy, sell or hold securities and may be revised, suspended or withdrawn by the rating agency at any time.

In general, European regulated investors are restricted under the CRA Regulation from using credit ratings for regulatory purposes, unless such ratings are issued by a credit rating agency established in the EU and registered under the CRA Regulation (and such registration has not been withdrawn or suspended, subject to transitional provisions that apply in certain circumstances whilst the registration application is pending). Such general restriction will also apply in the case of credit ratings issued by non-EU credit rating agencies, unless the relevant credit ratings are endorsed by an EU-registered credit rating agency or the relevant non-EU rating agency is certified in accordance with the CRA Regulation (and such endorsement action or certification, as the case may be, has not been withdrawn or suspended). The list of registered and certified rating agencies published by ESMA on its website in accordance with the CRA Regulation is not conclusive evidence of the status of the relevant rating agency included in such list, as there may be delays between certain supervisory measures being taken against a relevant rating agency and the publication of the updated ESMA list. Certain information with respect to the credit rating agencies and ratings is set out on the cover of this Base Prospectus.

***Investors who hold less than the minimum Specified Denomination may be unable to sell their Trust Certificates and may be adversely affected if definitive Trust Certificates are subsequently required to be issued***

In relation to any issue of Trust Certificates which have denominations consisting of a minimum Specified Denomination plus one or more higher integral multiples of another smaller amount, it is possible that such Trust Certificates may be traded in amounts in excess of the minimum Specified Denomination that are not integral multiples of such minimum Specified Denomination. In such a case a holder who, as a result of trading such amounts, holds a face amount of less than the minimum Specified Denomination would need to purchase an additional amount of Trust Certificates such that it holds an amount equal to at least the minimum Specified Denomination to be able to trade such Trust Certificates.

A holder who holds an amount which is less than the minimum Specified Denomination in his or her account with the relevant clearing system at the relevant time may not receive a definitive Trust Certificate in respect of such holding (should definitive Trust Certificates be printed or issued) and would need to purchase a face amount of Trust Certificates at or in excess of the minimum Specified Denomination such that its holding amounts to a Specified Denomination in order to be eligible to receive a definitive Trust Certificate.

If definitive Trust Certificates are issued, holders should be aware that definitive Trust Certificates which have a denomination that is not an integral multiple of the minimum Specified Denomination may be illiquid and difficult to trade.

***Emerging Markets***

Investors in emerging markets should be aware that these markets are subject to greater risks than more developed markets, including, in some cases, significant legal, economic and political risks. Accordingly, investors should exercise particular care in evaluating the risks involved and must decide for themselves whether, in light of those risks, their investment is appropriate. Generally, investment in emerging markets is only suitable for sophisticated investors who fully appreciate the significance of the risk involved.

***Consents to variation of Transaction Documents and other matters***

The Conditions contain provisions for calling meetings of Certificateholders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Certificateholders including Certificateholders who did not attend and vote at the relevant meeting and Certificateholders who voted in a manner contrary to the majority.

The Master Trust Deed contains provisions permitting the Delegate from time to time and at any time without any consent or sanction of the Certificateholders to agree to any modification of, or to the waiver or authorisation of any breach or proposed breach of, any Transaction Document or determine, without any such consent or sanction as aforesaid, that any Dissolution Event or Potential Dissolution Event shall not be treated as such if, in the opinion of the Delegate (a) such modification is of a formal, minor or technical nature, or (b) such modification is made to correct a manifest error, or (c) save in relation to a Reserved Matter, such modification, waiver, authorisation or determination is not materially prejudicial to the interests of Certificateholders, **provided that** in the case of (c) above no such waiver, authorisation or determination may be made in contravention of any express direction by Extraordinary Resolution or request in writing by the holders of at least 20 per cent. of the outstanding aggregate face amount of Trust Certificates. Unless the Delegate otherwise decides, any such modification, waiver, authorisation or determination shall as soon as practicable thereafter be notified by the Trustee to the Certificateholders in accordance with Condition 18 and shall in any event be binding upon the Certificateholders.

***Reliance on Euroclear and Clearstream, Luxembourg procedures***

Trust Certificates issued under the Programme will be represented on issue by a Global Certificate that will be deposited with a common depositary for Euroclear and Clearstream, Luxembourg. Except in the circumstances described in each Global Certificate, investors will not be entitled to receive Trust Certificates in definitive form. Euroclear and Clearstream, Luxembourg and their respective direct and indirect participants will maintain records of the beneficial interests in the Global Certificates. While the Trust Certificates of any Series are represented by a Global Certificate, investors will be able to trade their beneficial interests only through Euroclear and Clearstream, Luxembourg and their respective participants.

While the Trust Certificates are represented by a Global Certificate, the Trustee will discharge its payment obligation under the Trust Certificates by making payments through the relevant clearing systems. A holder of a beneficial interest in a Global Certificate must rely on the procedures of the relevant clearing system and its participants to receive payments under the Trust Certificates. The Trustee has no responsibility or liability for the records relating to, or payments made in respect of, beneficial interests in any Global Certificate.

Holders of beneficial interests in a Global Certificate will not have a direct right to vote in respect of the Trust Certificates so represented. Instead, such holders will be permitted to act only to the extent that they are enabled by the relevant clearing system and its participants to appoint appropriate proxies.

***Trust Certificates subject to early dissolution by the Trustee***

An early dissolution feature of any Trust Certificate is likely to limit its market value. During any period when the Trustee may elect to dissolve Trust Certificates, the market value of those Trust Certificates generally will not rise substantially above the dissolution amount payable. This also may be true prior to any dissolution period.

The Trustee may be expected to redeem Trust Certificates when Emaar's cost of financing is lower than the profit rate on the Trust Certificates. At those times, an investor generally would not be able to reinvest the redemption proceeds at an effective profit rate as high as the profit rate on the Trust Certificates being redeemed and may only be able to do so at a significantly lower rate. Potential investors should consider reinvestment risk in light of other investments available at that time.

***If an investor holds Trust Certificates which are not denominated in the investor's home currency, he or she will be exposed to movements in exchange rates adversely affecting the value of his or her holding. In addition, the imposition of exchange controls in relation to any Trust Certificates could result in an investor not receiving payments on those Trust Certificates***

The Trustee will make all payments on the Trust Certificates in the Specified Currency. This presents certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency or currency unit (the "**Investor's Currency**") other than the Specified Currency. These include the risk that exchange rates may significantly change (including changes due to devaluation of the Specified Currency or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls. An appreciation in the value of the Investor's Currency relative to the Specified Currency would decrease (1) the Investor's Currency-equivalent yield on the Trust Certificates (2) the Investor's Currency-equivalent value of the principal payable on the Trust Certificates and (3) the Investor's Currency-equivalent market value of the Trust Certificates.

Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate or the ability of the Trustee to make payments in respect of the Trust Certificates. As a result, investors may receive less profit or principal than expected, or no profit or principal.

***Sharia rules***

The Fatwa and Sharia Supervisory Board of Dubai Islamic Bank and the Shariah Supervisory Committee of Standard Chartered Bank has each confirmed that the Transaction Documents are, in their view, *Sharia* compliant. However, there can be no assurance that the Transaction Documents or any issue and trading of any Trust Certificates will be deemed to be *Sharia* compliant by any other *Sharia* board or *Sharia* scholars. None of the Trustee, Emaar, the Arrangers, the Agents or the Dealers makes any representation as to the *Sharia* compliance of any Tranche and potential investors are reminded that, as with any *Sharia* views, differences in opinion are possible. Potential investors should obtain their own independent *Sharia* advice as to the compliance of the Transaction Documents and the issue and trading of any Tranche with their individual standards of compliance with *Sharia* principles. Questions as to the *Sharia* permissibility of the structure or the issue and the trading of the Trust Certificates may limit the liquidity and adversely affect the market value of the Trust Certificates. A brief description of the members of the Fatwa and Sharia Supervisory Board of Dubai Islamic Bank and the Shariah Supervisory Committee of Standard Chartered Bank is set out below under "*General Information – Sharia Boards*".

In addition, prospective investors are reminded that, pursuant to the terms of the Transaction Documents (other than the Master Purchase Agreement, each Supplemental Purchase Agreement, the Master Lease Agreement, each Supplemental Lease Agreement and each Sale Agreement), the enforcement of any obligations of any of the parties would be, if in dispute, the subject of arbitration in London under the rules of arbitration of the LCIA. Emaar has also agreed under the Transaction Documents to which it is a party (other than the Master Purchase Agreement, each Supplemental Purchase Agreement, the Master Lease Agreement, each Supplemental Lease Agreement and each Sale Agreement) to submit to the exclusive jurisdiction of the courts of England or the courts of the DIFC. In such circumstances, the arbitrator or judge, as the case may be, will apply the relevant law of the relevant Transaction Document rather than *Sharia* principles in determining the obligation of the parties.

***Sharia requirements in relation to interest awarded by a court***

In accordance with applicable *Sharia* principles, each of the Trustee and the Delegate will waive all and any entitlement it may have to interest awarded in its favour by any court in connection with any dispute under the Transaction Documents. Should there be any delay in the enforcement of a judgment given against Emaar, judgment interest may accrue in respect of that delay and, as a result of the waiver referred to above, Certificateholders will not be entitled to receive any part of such interest.

## DOCUMENTS INCORPORATED BY REFERENCE

The following documents which have previously been published or are published simultaneously with this Base Prospectus shall be incorporated in, and form part of, this Base Prospectus:

(a) the auditors' report and audited consolidated annual financial statements for the financial year ended 31 December 2018 of Emaar;

(b) the auditors' report and audited consolidated annual financial statements for the financial year ended 31 December 2017 of Emaar;

(c) the auditors' review report and unaudited interim condensed consolidated financial statements for the six months ended 30 June 2019 of Emaar; and

(d) the "*Terms and Conditions of the Trust Certificates*" contained on pages 69 to 94 (inclusive) of the base prospectus dated 31 August 2016 in respect of the Programme.

Following the publication of this Base Prospectus, a supplementary prospectus may be prepared by the Trustee and Emaar and approved by the DFSA in accordance with the Markets Law and the Markets Rules. Statements contained in any such supplementary prospectus (or contained in any document incorporated by reference therein) shall, to the extent applicable, be deemed to modify or supersede statements contained in this Base Prospectus or in a document which is incorporated by reference in this Base Prospectus. Any statement so modified or superseded shall not, except as so modified or superseded, constitute a part of this Base Prospectus.

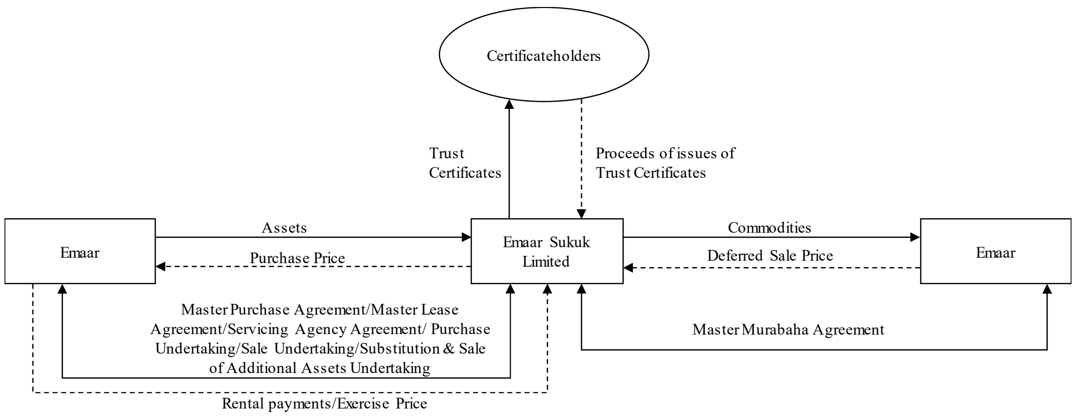
Copies of documents incorporated by reference in this Base Prospectus can be obtained from the registered office of the Trustee and from the specified office of the Paying Agent for the time being in London.

The Trustee and Emaar will, in the event of (i) any significant change in, or a material mistake or inaccuracy affecting, any matter included in this Base Prospectus or (ii) any significant new matter arising, in each case which is capable of affecting the assessment of any Trust Certificates, prepare a supplementary prospectus to this Base Prospectus or publish a new Base Prospectus for use in connection with any subsequent issue of Trust Certificates.

## STRUCTURE DIAGRAM AND CASHFLOWS

*Set out below is a simplified structure diagram and description of the principal cash flows underlying each Series of Trust Certificates issued. Potential investors are referred to the Conditions and the detailed descriptions of the relevant Transaction Documents set out elsewhere in this document for a fuller description of certain cash flows and for an explanation of the meaning of certain capitalised terms used below.*

### Structure Diagram




### Cashflows

***Payments by the Certificateholders and the Trustee***

On the Issue Date of each Tranche of Trust Certificates, the relevant Certificateholders will pay the issue price in respect of such Trust Certificates (the "**Issue Proceeds**") to the Trustee and the Trustee will apply:

(a) the percentage thereof specified in the applicable Final Terms as the Lease Asset percentage, being no less than 51 per cent. of the aggregate face amount of the relevant Trust Certificates, payable pursuant to the relevant Supplemental Purchase Agreement (or, in the case of each subsequent Tranche of such Series, pursuant to the relevant sale agreement under the Substitution and Sale of Additional Assets Undertaking) for the purchase from Emaar of all of Emaar's rights, benefits and entitlements in, to and under certain real estate related assets (the "**Assets**" or, in the case of each subsequent Tranche of such Series, the "**Additional Assets**"); and

(b) the remaining portion of the Issue Proceeds (if any), being no more than 49 per cent. of the aggregate face amount of the relevant Trust Certificates, in the purchase of commodities to be sold to Emaar on a deferred payment basis for an amount specified in the relevant letter of offer and acceptance (the "**Deferred Sale Price**") pursuant to the Master Murabaha Agreement (the "**Commodity Murabaha Investment**").

Pursuant to the Master Lease Agreement, as supplemented by the relevant Supplemental Lease Agreement, the Trustee (in such capacity, the "**Lessor**") may lease the Assets (for this purpose, the "**Lease Assets**") to Emaar (in such capacity, the "**Lessee**") and the Lessee shall pay the relevant rental (the "**Rental**") to the Lessor in respect of each relevant rental period (the "**Rental Period**").

Pursuant to the Master Murabaha Agreement, Emaar (in such capacity, the "**Buyer**") has undertaken to pay to the Trustee (in such capacity, the "**Seller**") the Deferred Sale Price in the amounts and on the dates specified in the relevant letter of offer and acceptance, as may be adjusted in accordance with clause 7.2 of the Master Murabaha Agreement.

***Periodic Payments by the Trustee***

Prior to each Periodic Distribution Date, the Lessee will pay to the Lessor the relevant Rental for the relevant Rental Period and the Buyer shall pay the relevant proportion of the Deferred Sale Price on the relevant Deferred Payment Date, which amounts, together, are intended to be sufficient to fund the Periodic

Distribution Amounts payable by the Trustee under the Trust Certificates and shall be applied by the Trustee for that purpose.

***Dissolution Payments***

On the Maturity Date in relation to each Series:

(a) the aggregate amounts of the Deferred Sale Price then outstanding, if any, shall become immediately due and payable by Emaar; and

(b) the Trustee will have the right under the Purchase Undertaking to require Emaar to purchase all of its rights, benefits and entitlements in, to and under the relevant Lease Assets at the relevant exercise price (the "**Exercise Price**"),

and such amounts are intended to fund the relevant Dissolution Amount payable by the Trustee under the Trust Certificates of the relevant Series on the Maturity Date.

The Trust Certificates in relation to any Series may be redeemed prior to the relevant Maturity Date for the following reasons: (i) upon the occurrence of a Tax Event; (ii) if so specified in the applicable Final Terms, at the option of the Trustee; (iii) if so specified in the applicable Final Terms, at the option of the Certificateholders; (iv) if so specified in the applicable Final Terms, upon the occurrence of a Total Loss Event; or (v) upon the occurrence of a Dissolution Event.

In the case of (i) and (ii) above:

(a) the aggregate amounts of the Deferred Sale Price then outstanding, if any, shall become immediately due and payable by Emaar; and

(b) Emaar will have the right under the Sale Undertaking to require the Trustee to sell, transfer and convey all of its rights, benefits and entitlements in, to and under the relevant Lease Assets at the relevant Exercise Price,

and such amounts are intended to fund the relevant Dissolution Amount payable by the Trustee under the Trust Certificates of the relevant Series on the relevant Dissolution Date or, as the case may be, the relevant Optional Dissolution Date.

In the case of (iii) and (v) above, such redemption shall be funded in a similar manner as for the payment of the relevant Dissolution Amount on the Maturity Date (in respect of all or the applicable portion of the Deferred Sale Price and the Lease Assets) and such amounts are intended to fund the relevant Dissolution Amount payable by the Trustee under the Trust Certificates of the relevant Series on the relevant Certificateholder Put Right Date or, as the case may be, the date specified in the relevant Dissolution Notice.

In the case of (iv) above:

(a) the aggregate amounts of the Deferred Sale Price then outstanding, if any, shall become immediately due and payable by Emaar in accordance with the terms of the Master Murabaha Agreement; and

(b) the Trustee will have the right under the Servicing Agency Agreement to receive all insurance proceeds relating to the Lease Assets,

and such amounts are intended to fund the relevant Dissolution Amount payable by the Trustee under the Trust Certificates of the relevant Series on the relevant Total Loss Dissolution Date. The Servicing Agency Agreement provides that if the Servicing Agent fails to comply with its obligations under clause 5.2 thereof and, as a result, any insurance amounts paid into the Transaction Account are less than the Full Reinstatement Value (the difference between such amount and the amount (if any) paid into the Transaction Account being the "**Total Loss Shortfall Amount**"), the Servicing Agent shall (subject to the terms of the Servicing Agency Agreement) be responsible for paying the Total Loss Shortfall Amount into the Transaction Account by no later than the close of business in London on the 31st day after the occurrence of the Total Loss Event.

For *Sharia* reasons, the Optional Dissolution (Call) and the Certificateholder Put Right cannot both be specified as applicable in the applicable Final Terms.

## GENERAL DESCRIPTION OF THE PROGRAMME

*This overview does not contain all of the information that an investor should consider before investing in Trust Certificates and is qualified in its entirety by the remainder of this Base Prospectus and, in relation to each Tranche of Trust Certificates, the applicable Final Terms. Each investor should read the entire Base Prospectus and, in relation to each Tranche of Trust Certificates, the applicable Final Terms carefully, especially the risks of investing in the Trust Certificates issued under the Programme discussed under "Risk Factors".*

Words and expressions defined in "*Form of the Trust Certificates*" and "*Terms and Conditions of the Trust Certificates*" shall have the same meanings in this general description. In particular, the expressions "Trust Deed", "Lease Agreement" and "Purchase Agreement" mean, in relation to each Series, the Master Trust Deed when read together with the relevant Supplemental Trust Deed, the Master Lease Agreement when read together with the relevant Supplemental Lease Agreement and the Master Purchase Agreement when read together with the relevant Supplemental Purchase Agreement, respectively.

The Programme provides a facility for the issuance of Trust Certificates in Series. The terms and conditions governing each Series of Trust Certificates will be the "*Terms and Conditions of the Trust Certificates*" as described herein, as modified or supplemented by the applicable Final Terms. The following is an overview of the principal features of the Trust Certificates.

On the occasion of each issuance of Trust Certificates, the Trustee will receive contributions from the Certificateholders representing the proceeds of the Trust Certificates in the amount specified in the relevant Supplemental Trust Deed.

In relation to each Series of Trust Certificates, the Trustee will apply:

(a) the percentage of the Issue Proceeds specified in the applicable Final Terms as the Lease Asset percentage, being no less than 51 per cent. of the aggregate face amount of the relevant Trust Certificates, payable pursuant to the relevant Supplemental Purchase Agreement (or, in the case of each subsequent Tranche of such Series, pursuant to the relevant sale agreement under the Substitution and Sale of Additional Assets Undertaking) for the purchase from Emaar of all of Emaar's rights, benefits and entitlements in, to and under the Assets (or, in the case of each subsequent Tranche of such Series, the "**Additional Assets**"); and

(b) the remaining portion of the Issue Proceeds (if any), being no more than 49 per cent. of the aggregate face amount of the relevant Trust Certificates, in the purchase of commodities to be sold to Emaar on a deferred payment basis for an amount equal to the Deferred Sale Price pursuant to the Master Murabaha Agreement.

The Trustee (in its capacity as Lessor) will lease the Relevant Lease Assets to Emaar (in its capacity as Lessee). The relevant Lease will commence on the Issue Date of the first Tranche of each Series of Trust Certificates and will end on the earlier of (a) the Maturity Date or (b) in the event that the relevant Series of the Trust Certificates is redeemed in full prior to its Maturity Date, on the date of such redemption (unless the relevant Supplemental Lease Agreement is terminated earlier in accordance with its terms or extended in accordance with the Purchase Undertaking).

Under the Servicing Agency Agreement, the Trustee (in its capacity as Lessor) has appointed Emaar (as the Servicing Agent) in respect of the Lease Assets, with responsibility for insuring the Lease Assets, paying proprietorship taxes and performing major maintenance and structural repair.

Pursuant to the Servicing Agency Agreement, the Servicing Agent has undertaken to, *inter alia*, (a) be responsible for ensuring that the Lease Assets are properly insured to the extent consistent with general industry practice by prudent owners of similar assets (including against a Total Loss Event, and has further undertaken to ensure that the insured amount relating to a Total Loss Event will, at all times, be at least equal to the Full Reinstatement Value), (b) promptly make a claim in respect of each loss relating to the Lease Assets in accordance with the terms of such insurances, and (c) ensure that, on the occurrence of a Total Loss Event, save for third party liability insurance proceeds, all proceeds of the Insurances are paid in the Specified Currency directly into the Transaction Account by no later than the 30th day after the occurrence of the Total Loss Event.

If the Servicing Agent fails to comply with such insurance obligations and, as a result of such breach, the amount (if any) credited to the Transaction Account pursuant to paragraph (c) above is less than the Full Reinstatement Value (the difference between the Full Reinstatement Value and the amount paid into the Transaction Account being the Total Loss Shortfall Amount), then the Servicing Agent (unless it proves beyond any doubt that any shortfall in the insurance proceeds is neither attributable to its negligence nor its failing to comply with the terms of the Servicing Agency Agreement relating to insurance) irrevocably and unconditionally undertakes to pay (in same day, freely transferable, cleared funds) the Total Loss Shortfall Amount directly to the Transaction Account by no later than close of business in London on the 31st day after the Total Loss Event has occurred. Subject to the Servicing Agent paying such Total Loss Shortfall Amount, there will be no further claim against the Servicing Agent for failing to comply with its obligations relating to insurance pursuant to the terms of the Servicing Agency Agreement. For the avoidance of doubt, any breach of the insurance obligations in the above paragraph will not constitute an Emaar Event.

Emaar (in its capacity as Obligor) has agreed to purchase all or (in the case of an exercise of a Certificateholder Put Right) a proportion, of the rights, benefits and entitlements of the Trustee in, to and under the Relevant Lease Assets on the relevant Maturity Date or, as the case may be, on the relevant Dissolution Date pursuant to an amended and restated purchase undertaking dated 2 September 2019 executed as a deed by the Obligor (the "**Purchase Undertaking**"), to be supplemented, at the time of each such purchase, by a sale agreement (each a "**Sale Agreement**") substantially in the form annexed to the Purchase Undertaking. In addition, in any case where the Trustee is entitled to require the redemption of the Trust Certificates of any Series, Emaar has the right to purchase the Trustee's rights, benefits and entitlements in, to and under the Relevant Lease Assets on the relevant Dissolution Date pursuant to an amended and restated sale undertaking dated 2 September 2019 executed as a deed by the Trustee (the "**Sale Undertaking**"), to be supplemented, at the time of each such purchase, by a sale agreement (each a "**Sale Agreement**") substantially in the form annexed to the Sale Undertaking. The exercise price (the "**Exercise Price**") payable by Emaar pursuant to each Sale Agreement (and the Purchase Undertaking or Sale Undertaking, as the case may be) will be an amount equal to (a) the aggregate face amount of the relevant Trust Certificates then outstanding to be redeemed on the Maturity Date or the relevant Dissolution Date, as the case may be, (b) all accrued but unpaid Periodic Distribution Amounts (if any) relating to the Trust Certificates to be redeemed on such date, (c) without duplication or double counting, an amount representing any amounts payable by the Trustee (in any capacity) under the Transaction Documents to which it is a party (including but not limited to, if all Trust Certificates of the relevant Series are being redeemed in full, an amount equal to any Service Charge Amounts in respect of which a corresponding payment of Supplementary Rental has not been made in accordance with the Master Lease Agreement and the relevant Supplemental Lease Agreement), **provided that**, in the case of any amounts payable pursuant to Condition 5.2(a), Emaar has received notification from the Delegate of such amounts by no later than the third Business Day prior to the date on which the Exercise Notice is delivered, plus (d) without duplication or double counting, any other amounts payable on redemption of the relevant Series of Trust Certificates as specified in the applicable Final Terms, less (e) the aggregate amounts of the Deferred Sale Price then outstanding, if any (or, if applicable, a proportion thereof equal to the face amount of the Trust Certificates to be redeemed to the aggregate face amount of the Trust Certificates then outstanding for such Series immediately prior to such redemption). The Trustee will distribute the proceeds of sale of the Trustee's rights, benefits and entitlements in, to and under the Relevant Lease Assets to Certificateholders of the relevant Series in the manner provided in the Conditions or as otherwise specified in the applicable Final Terms.

In relation to each Series of Trust Certificates, the Trustee has granted Emaar the right to require the Trustee to:

(a) sell, transfer and convey any or all of the Relevant Lease Assets (the "**Substituted Assets**") to it in exchange for new assets (the "**New Assets**") of a value which is equal to or greater than the value of such Substituted Assets and **provided that** the aggregate value of the Assets (which, for this purpose, shall include the New Assets and exclude the Substituted Assets) is equal to or greater than 51 per cent. of the aggregate face amount of the relevant Trust Certificates; and

(b) in connection with the exercise by the Trustee of its rights under Condition 21 to issue additional Trust Certificates, purchase all of Emaar's rights, benefits and entitlements in, to and under certain additional assets (the "**Additional Assets**") in consideration for the payment by the Trustee (as purchaser) to Emaar (as seller) of the purchase price therefor pursuant to the relevant Sale Agreement.

Such rights of substitution and/or purchase have been granted by the Trustee to Emaar pursuant to an amended and restated substitution and sale of additional assets undertaking dated 2 September 2019 executed as a deed by the Trustee (the "**Substitution and Sale of Additional Assets Undertaking**"), to be supplemented at the time of each such substitution or purchase, as the case may be, by a sale agreement (each a "**Sale Agreement**") substantially in the form annexed to the Substitution and Sale of Additional Assets Undertaking and containing the specific terms applicable to the relevant substitution or purchase, as the case may be. The substitution of the Substituted Assets with the New Assets or the purchase, as the case may be, will become effective on the Substitution Date (as specified in the Substitution Notice to be delivered by Emaar in accordance with the Substitution and Sale of Additional Assets Undertaking) or the Additional Assets Purchase Date (as specified in the Additional Assets Notice to be delivered by Emaar in accordance with the Substitution and Sale of Additional Assets Undertaking) by the Trustee and Emaar entering into a Sale Agreement and the relevant Lease Agreement shall be amended in the manner provided in the Substitution Notice or the Additional Assets Notice, as the case may be. Each Sale Agreement will (i) effect the transfer of rights in the Substituted Assets or the Additional Assets, as the case may be, from the Trustee to Emaar and (ii) effect the transfer of the rights in the New Assets or Additional Assets, as the case may be, from Emaar to the Trustee and (a) in the case of a substitution, the Substitution Notice will provide that the New Assets and any Relevant Lease Assets not replaced and/or (b) in the case of a purchase, the Additional Assets Notice will provide that the existing Lease Agreement and the Additional Assets, will, in each case, be leased to Emaar under a replacement Lease Agreement.

Pursuant to the Master Murabaha Agreement, Emaar (in its capacity as Buyer) has undertaken to pay to the Trustee (in its capacity as Seller) the Deferred Sale Price in the amounts and on the dates specified in the relevant letter of offer and acceptance, as may be adjusted in accordance with clause 7.2 of the Master Murabaha Agreement.

Pursuant to the Trust Deed, the Trustee will declare a trust (a "**Trust**") over all of its rights, title, interest and benefit, present and future, in, to and under the Relevant Lease Assets and over all of its rights, title, interest and benefit, present and future, in, to and under each of the Transaction Documents (other than in relation to any representations given to the Trustee by Emaar pursuant to any of the Transaction Documents) and any amounts standing to the credit of the Transaction Account for the relevant Series of Trust Certificates, subject to the terms of the relevant Supplemental Trust Deed.

The Trustee will act as trustee in respect of the Trust Assets for the benefit of Certificateholders of each Series in accordance with the Trust Deed and the Conditions. Under the Master Trust Deed, the Trustee will, with effect from and including the date of the Master Trust Deed and save in certain limited respects only, unconditionally and irrevocably delegate certain of the present and future duties, powers, authorities and discretions vested in the Trustee under the Trust Deed to the Delegate.

Following the distribution of the relevant Trust Assets to the Certificateholders of any Series in accordance with the Conditions and the Trust Deed, the Trustee shall not be liable for any further sums, and accordingly those Certificateholders may not take any action against the Trustee or any other person to recover any such sum in respect of the relevant Trust Certificates or the relevant Trust Assets.

The Trustee shall not be bound in any circumstances to take any action to enforce or to realise such Trust Assets or take any action against Emaar under any Transaction Documents unless directed or requested to do so by the relevant Certificateholders in accordance with the Conditions, and then only to the extent indemnified and/or secured and/or prefunded to its satisfaction.

No Certificateholder shall be entitled to proceed directly against Emaar unless (i) the Trustee, having become so bound to proceed, fails to do so within 30 days of becoming so bound and such failure is continuing and (ii) the relevant Certificateholder (together with the other Certificateholders of the same Series who propose to proceed directly against Emaar) holds at least 20 per cent. of the aggregate face amount of the relevant Series of Trust Certificates then outstanding.

The foregoing is subject to the following: in relation to each Series after enforcing or realising the Trust Assets and distributing the net proceeds of the Trust Assets in accordance with Condition 5.2, the obligations of the Trustee in respect of the Trust Certificates shall be satisfied and no Certificateholder may take any further steps against the Trustee to recover any further sums in respect of the Trust Certificates and the right to receive any such sums unpaid shall be extinguished. Under no circumstances shall the Trustee or any Certificateholder have any right to cause the sale or other disposition of any of the Trust Assets except pursuant to the Transaction Documents, and the sole right of the Trustee and the

Certificateholders against Emaar shall be to enforce the obligation of Emaar to pay the Dissolution Amount and amounts due under the Transaction Documents.

**Certificateholders, by subscribing for or acquiring Trust Certificates, acknowledge that no recourse may be had for the payment of any amount owing in respect of any Trust Certificates against the Trustee or the Delegate, in any circumstances whatsoever, to the extent the relevant Trust Assets have been exhausted, following which all obligations of the Trustee and the Delegate shall be extinguished.**

**Certificateholders should note that the Trustee and the Delegate will have recourse to Emaar (pursuant to the terms of the Transaction Documents) and the ability of the Trustee to pay the amounts due in respect of the Trust Certificates will ultimately be dependent on Emaar.**

A description of Emaar is included in this Base Prospectus under "*Description of Emaar Properties PJSC*" below.

Certain Transaction Documents are described in more detail in "*Summary of the Principal Transaction Documents*" below.

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| **Trustee, Purchaser, Seller and Lessor:** | Emaar Sukuk Limited, an exempted company incorporated in accordance with the laws of the Cayman Islands. |
| **Obligor, Seller, Lessee, Buyer, Servicing Agent and Emaar:** | Emaar Properties PJSC. |
| **Ownership of the Trustee:** | The authorised share capital of the Trustee is U.S.$50,000 consisting of 50,000 shares of U.S.$1.00 each, of which 250 shares are fully paid up and issued. The Trustee's entire issued share capital is held by MaplesFS Limited, P.O. Box 1093, Queensgate House, Grand Cayman, KY1-1102, Cayman Islands under the terms of a trust for charitable purposes. |
| **Administration of the Trustee:** | The affairs of the Trustee are managed by MaplesFS Limited (the "**Trustee Administrator**"), who will provide, amongst other things, certain administrative services for and on behalf of the Trustee pursuant to the Amended and Restated Corporate Services Agreement dated 5 July 2012 between the Trustee and the Trustee Administrator (the "**Corporate Services Agreement**"). |
| **Arrangers:** | Dubai Islamic Bank PJSC and Standard Chartered Bank (the "**Arrangers**"). |
| **Dealers:** | Dubai Islamic Bank PJSC, Standard Chartered Bank, and any other Dealers appointed in accordance with the Programme Agreement. |
| **Certain Restrictions:** | Each Tranche of Trust Certificates denominated in a currency in respect of which particular laws, guidelines, regulations, restrictions or reporting requirements apply will only be issued in circumstances which comply with such laws, guidelines, regulations, restrictions or reporting requirements from time to time (see "*Subscription and Sale*"). The proceeds of any issue of Trust Certificates will not be accepted in the United Kingdom except in compliance with applicable law, including article 5 of the Financial Services and |

Markets Act 2000 (Regulated Activities) Order 2001.

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|---|---|
| **Delegate:** | Citibank, N.A., London Branch. |
| **Principal Paying Agent and Transfer Agent:** | Citibank, N.A., London Branch. |
| **Registrar:** | Citigroup Global Markets Europe AG. |
| **Calculation Agent:** | Citibank, N.A., London Branch (or such other institution specified in the applicable Final Terms). |
| **Programme Size:** | Up to U.S.$2,000,000,000 (or its equivalent in other currencies calculated as described in the Programme Agreement) outstanding at any time. The Trustee and Emaar may increase the amount of the Programme in accordance with the terms of the Programme Agreement. |
| **Issuance in Series:** | Trust Certificates will be issued in Series. Each Series may comprise one or more Tranches issued on different Issue Dates. The Trust Certificates of each Series will have the same terms and conditions or terms and conditions which are the same in all respects save for the amount and date of the first payment of Periodic Distribution Amounts thereon and the date from which Periodic Distribution Amounts start to accrue. |
| **Distribution:** | Trust Certificates may be distributed by way of private or public placement and in each case on a syndicated or non-syndicated basis. |
| **Currencies:** | Subject to any applicable legal or regulatory restrictions, any currency agreed between the Trustee, Emaar and the relevant Dealer. |
| **Maturities:** | The Trust Certificates will have such maturities as may be agreed between the Trustee, Emaar and the relevant Dealer, subject to such minimum or maximum maturities as may be allowed or required from time to time by the relevant central bank (or equivalent body) or any laws or regulations applicable to the Trustee, Emaar or the relevant Specified Currency. |
| **Issue Price:** | Trust Certificates may be issued at any price on a fully paid basis, as specified in the applicable Final Terms. The price and amount of Trust Certificates to be issued under the Programme will be determined by the Trustee, Emaar and the relevant Dealer at the time of issue in accordance with prevailing market conditions. |
| **Form of Trust Certificates:** | The Trust Certificates will be issued in registered form as described in "*Form of the Trust Certificates*". |
| **Status:** | Each Trust Certificate will evidence an undivided ownership interest of the Certificateholders in the Trust Assets of the relevant Series, will be a limited recourse obligation of the Trustee and will rank *pari* |

*passu*, without any preference or priority, with all other Trust Certificates of the relevant Series issued under the Programme.

**Periodic Distributions:** Certificateholders are entitled to receive Periodic Distribution Amounts calculated on the basis specified in the applicable Final Terms.

**Redemption of Trust Certificates:** Trust Certificates shall be redeemed at the relevant Dissolution Amount specified in the applicable Final Terms.

**Face Amount of Trust Certificates:** The Trust Certificates will be issued in such face amounts as may be agreed between the Trustee, Emaar and the relevant Dealer save that the minimum face amount of each Trust Certificate will be such amount as may be allowed or required from time to time by the relevant central bank (or equivalent body) or any laws or regulations applicable to the relevant Specified Currency, see "*Certain Restrictions*" above, and save that (i) the minimum face amount of each Trust Certificate listed on Nasdaq Dubai will be U.S.$100,000 (or, if the Trust Certificates are issued in a currency other than United States dollars, the equivalent amount in such currency) and (ii) the minimum face amount of each Trust Certificate admitted to trading on a regulated market within the European Economic Area or offered to the public in a Member State of the European Economic Area in circumstances which require the publication of a prospectus under the Prospectus Regulation will be €100,000 (or, if the Trust Certificates are issued in a currency other than euro, the equivalent amount in such currency).

**Dissolution Events:** Upon the occurrence of any Dissolution Event and the provision of a Dissolution Notice, the Trust Certificates may be redeemed on the Dissolution Date at 100 per cent. of their face amount and the relevant Return Accumulation Period may be adjusted accordingly. See Condition 15.

**Optional Dissolution:** If so specified in the applicable Final Terms, a Series of Trust Certificates may be redeemed prior to its Maturity Date in the circumstances set out in Conditions 11.2, 11.3 and 11.6.

**Certificateholder Put Right:** If so specified in the applicable Final Terms, Certificateholders may, in accordance with Condition 11.5, elect to redeem their Trust Certificates on any Certificateholder Put Right Date(s) specified in the applicable Final Terms at the applicable Optional Dissolution Amount (Put) together with all accrued and unpaid Periodic Distribution Amounts in accordance with Condition 11.5.

**Total Loss Event:** If Total Loss Event is specified in the applicable Final Terms as applying in relation to any Series, the occurrence of a Total Loss Event will result in the redemption of the Trust Certificates of that Series and the consequent dissolution of the relevant Trust. In the event of a Total Loss Event occurring, the Servicing Agent is responsible for ensuring that all insurance proceeds in respect thereof are paid in the Specified Currency directly into the Transaction Account by no later than the 30th day after the occurrence of the Total Loss Event.

**Cancellation of Trust Certificates held by Emaar and/or any of its subsidiaries:**

Trust Certificates purchased by or on behalf of Emaar or any of its Subsidiaries may in Emaar's sole discretion be surrendered for cancellation in accordance with the terms of the Master Trust Deed, the Agency Agreement and the Sale Undertaking. Any Trust Certificates so surrendered for cancellation may not be reissued or resold.

**Substitution of Lease Assets:**

Pursuant to the Substitution and Sale of Additional Assets Undertaking, Emaar may, at any time, exercise its right to require the Trustee to substitute on any Substitution Date some or all of the relevant Lease Assets with New Assets (as specified in the relevant Substitution Notice) having a value which is equal to or greater than the value of the Lease Assets being substituted.

**Purchase of Additional Assets and entry into a Murabaha Contract upon issuance of additional Trust Certificates pursuant to Condition 21:**

In connection with the exercise by the Trustee of its rights under Condition 21 to issue additional Trust Certificates, Emaar may require the Trustee to:

(a) purchase all of Emaar's rights, benefits and entitlements in, to and under certain Additional Assets in accordance with the Substitution and Sale of Additional Assets Undertaking in consideration for the payment by the Trustee (as purchaser) to Emaar (as seller) of the Additional Assets Purchase Price specified in the relevant Sale Agreement; and

(b) **provided that** the value of Additional Assets is less than the aggregate face amount of the additional Trust Certificates, enter into a Murabaha Contract with Emaar in accordance with the Master Murabaha Agreement pursuant to which Emaar will purchase commodities from the Trustee at a Deferred Sale Price equal to the aggregate of: (i) the aggregate issue proceeds of the additional Trust Certificates less the purchase price of the Additional Assets, and (ii) the relevant Murabaha Profit Amount (as defined in the Master Murabaha Agreement).

The value of the Additional Assets and (if applicable) the Deferred Sale Price shall be at least equal to the aggregate face amount of the additional Trust Certificates.

On the date upon which any sale agreement is entered into in connection with the creation and issuance of additional Trust Certificates pursuant to the provisions described in the preceding paragraph (being the relevant Issue Date for that Tranche of Trust Certificates), the Trustee will execute a Declaration of Commingling of Assets for and on behalf of the holders of the existing Trust Certificates and the holders of such additional Trust Certificates so created and issued, declaring that the relevant Additional Assets and the Lease Assets in respect of the relevant Series in existence immediately prior to the creation and issue of the additional Trust Certificates are commingled and shall collectively comprise part of the Trust Assets for the benefit of the holders of the existing Trust Certificates and the holders of such additional Trust Certificates as tenants in common *pro rata* according to the face amount of Trust Certificates held by each Certificateholder, in accordance with the Master Trust Deed. In addition, the Trustee and Emaar will execute a replacement Supplemental Lease Agreement in the manner described in the relevant additional assets notice delivered in accordance with the Substitution and Sale of Additional Assets Undertaking.

**Withholding Tax:**

All payments by the Lessee under the Lease Agreement shall be made without withholding or deduction for, or on account of, any taxes, levies, imposts, duties, fees, assessments or governmental charges of whatever nature imposed or levied by or on behalf of any Relevant Jurisdiction. In the event that any such withholding or deduction is made, the Lessee will be required to pay additional amounts so that the Trustee will receive such net amounts as would have been receivable by it if no such withholding or deduction had been made.

All payments in respect of Trust Certificates by the Trustee shall be made without withholding or deduction for, or on account of, any taxes, levies, imposts, duties, fees, assessments or governmental charges of whatever nature imposed or levied by or on behalf of any Relevant Jurisdiction. In the event that any such withholding or deduction is made, the Trustee will, save in the limited circumstances provided in Condition 13, be required to pay additional amounts as shall be necessary in order that the net amount which otherwise would have been due and payable under the Trust Certificates is received by parties entitled thereto.

**Negative Pledge and Other Covenants:**

Condition 6 contains a negative pledge and certain other covenants given by Emaar.

**Cross Default:**

Condition 15 contains a cross default provision in relation to Emaar.

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| **Trustee Covenants:** | The Trustee has agreed to certain restrictive covenants as set out in Condition 6. |
| **Ratings:** | The ratings assigned to each Series of Trust Certificates to be issued under the Programme will be specified in the applicable Final Terms. A rating is not a recommendation to buy, sell or hold the Trust Certificates (or beneficial interests therein) and may be subject to revision, suspension or withdrawal at any time by the assigning rating organisation. Whether or not each credit rating applied for in relation to the relevant Series of Trust Certificates will be issued by a credit rating agency established in the European Union and registered under the CRA Regulation will be disclosed in the applicable Final Terms. |
| **Listing and admission to trading:** | Application has been made to the DFSA for Trust Certificates issued under the Programme during the period of 12 months after the date hereof to be admitted to the DFSA Official List and to Nasdaq Dubai for such Trust Certificates to be admitted to trading on Nasdaq Dubai.<br><br>Trust Certificates may be listed or admitted to trading, as the case may be, on other or further stock exchanges or markets agreed between the Trustee, Emaar and the relevant Dealer in relation to the Tranche. Trust Certificates which are neither listed nor admitted to trading on any market may also be issued.<br><br>The applicable Final Terms will state whether or not the relevant Trust Certificates are to be listed and/or admitted to trading and, if so, on which stock exchanges and/or markets. |
| **Governing Law and Dispute Resolution:** | The Trust Certificates will be governed by, and construed in accordance with, English law.<br><br>The Master Trust Deed, each Supplemental Trust Deed, the Programme Agreement, each Subscription Agreement, the Agency Agreement, the Servicing Agency Agreement, the Purchase Undertaking, the Sale Undertaking, the Substitution and Sale of Additional Assets Undertaking and the Master Murabaha Agreement will be governed by English law. In respect of any dispute under any such Transaction Document to which it is a party, Emaar has consented to arbitration in London under the rules of arbitration of the LCIA. Any dispute may also be referred to the courts in each of England or the DIFC (who shall have exclusive jurisdiction to settle any dispute arising from such documents, subject to the terms of the relevant Transaction Documents).<br><br>The Master Purchase Agreement, each Supplemental Purchase Agreement, the Master Lease Agreement, each Supplemental Lease Agreement and each Sale Agreement will be |

governed by the laws of Dubai and, to the extent applicable in Dubai, the federal laws of the UAE. Emaar has consented to the Dubai courts having exclusive jurisdiction to settle any dispute arising from such documents.

The Corporate Services Agreement is governed by the laws of the Cayman Islands. The courts of the Cayman Islands will have jurisdiction to hear all disputes relating to it.

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| **Waiver of Immunity:** | To the extent that Emaar may claim for itself or its assets or revenues immunity from jurisdiction, enforcement, prejudgment proceedings, injunctions and all other legal proceedings and relief and to the extent that such immunity (whether or not claimed) may be attributed to it or its assets or revenues, Emaar will agree in the Transaction Documents not to claim and will irrevocably and unconditionally waive such immunity in relation to any legal proceedings. Further, Emaar will irrevocably and unconditionally consent to the giving of any relief or the issue of any process, including without limitation, the making, enforcement or execution against any property whatsoever (irrespective of its use or intended use) of any order or judgment made or given in connection with any legal proceedings. |
| **Selling Restrictions:** | There are restrictions on the offer, sale and transfer of the Trust Certificates in the United States, the European Economic Area (including the United Kingdom), the Cayman Islands, the DIFC, Hong Kong, Malaysia, Saudi Arabia, Singapore and the United Arab Emirates (excluding the DIFC) and such other restrictions as may be required in connection with the offering and sale of a particular Tranche of Trust Certificates, see "*Subscription and Sale*". |
| **United States Selling Restrictions:** | Regulation S, Category 2. |

## FORM OF THE TRUST CERTIFICATES

The Trust Certificates of each Tranche will be in registered form. Trust Certificates will be issued and sold solely outside the United States in reliance on Regulation S under the Securities Act.

Each Tranche of Trust Certificates will initially be represented by a global trust certificate in registered form (a "**Global Trust Certificate**"). Global Trust Certificates will be deposited with a common depositary (the "**Common Depositary**") for Euroclear Bank SA/NV ("**Euroclear**") and Clearstream Banking S.A. ("**Clearstream, Luxembourg**") and will be registered in the name of a nominee for the Common Depositary. Persons holding beneficial interests in Global Trust Certificates will be entitled or required, as the case may be, under the circumstances described below, to receive physical delivery of definitive Trust Certificates in fully registered form.

Payments of any amount in respect of each Global Trust Certificate will, in the absence of provision to the contrary, be made to the person shown on the relevant Register (as defined in Condition 2.2) as the registered holder of the relevant Global Trust Certificate. None of the Trustee, the Delegate, any Paying Agent or the Registrar will have any responsibility or liability for any aspect of the records relating to or payments or deliveries made on account of beneficial ownership interests in the Global Trust Certificates or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

Payment of any amounts in respect of Trust Certificates in definitive form will, in the absence of any provision to the contrary, be made to the persons shown on the relevant Register on the relevant Record Date (as defined in Condition 1.1) immediately preceding the due date for payment in the manner provided in the Conditions.

Interests in a Global Trust Certificate will be exchangeable (free of charge), in whole but not in part, for definitive Trust Certificates only upon the occurrence of an Exchange Event. The Trustee will promptly give notice to Certificateholders in accordance with Condition 18 if an Exchange Event occurs. For these purposes, "**Exchange Event**" means that (i) the Delegate has given notice in accordance with Condition 15 that a Dissolution Event (as defined in Condition 15) has occurred and is continuing, or (ii) the Trustee and the Delegate have been notified that both Euroclear and Clearstream, Luxembourg are closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or have announced an intention permanently to cease business or have in fact done so and, in any such case, no successor clearing system is available. In the event of the occurrence of an Exchange Event, Euroclear and/or Clearstream, Luxembourg (acting on the instructions of any holder of an interest in such Global Trust Certificate) may give notice to the Registrar requesting exchange and, in the event of the occurrence of an Exchange Event as described in (ii) above, the Trustee may also give notice to the Registrar requesting exchange. Any such exchange shall occur not later than 10 days after the date of receipt of the first relevant notice by the Registrar.

For so long as any of the Trust Certificates is represented by a Global Trust Certificate held on behalf of Euroclear and/or Clearstream, Luxembourg each person (other than Euroclear or Clearstream, Luxembourg) who is for the time being shown in the records of Euroclear or of Clearstream, Luxembourg as the holder of a particular face amount of such Trust Certificates (in which regard any certificate or other document issued by Euroclear or Clearstream, Luxembourg as to the face amount of such Trust Certificates standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error) shall be treated by the Trustee, the Delegate and their respective agents as the holder of such face amount of such Trust Certificates for all purposes other than with respect to any payment on such face amount of such Trust Certificates, for which purpose the registered holder of the relevant Global Trust Certificate shall be treated by the Trustee, the Delegate and their respective agents as the holder of such face amount of such Trust Certificates in accordance with and subject to the terms of the relevant Global Trust Certificate and the expressions "**Certificateholder**" and "**holder of Trust Certificates**" and related expressions shall be construed accordingly.

Pursuant to the Agency Agreement (as defined herein), the Principal Paying Agent shall arrange that, where a further Tranche is issued which is intended to form a single Series with an existing Tranche at a point after the Issue Date of the further Tranche, the Trust Certificates of such further Tranche shall be assigned a common code and ISIN which are different from the common code and ISIN assigned to Trust Certificates of any other Tranche of the same Series until such time as the Tranches are consolidated and form a single Series.

Any reference herein to Euroclear and/or Clearstream, Luxembourg shall, whenever the context so permits, be deemed to include a reference to any additional or alternative clearing system specified in the applicable Final Terms.

## FORM OF FINAL TERMS

*Set out below is the form of Final Terms which will be completed for each Tranche issued under the Programme.*

**[MiFID II product governance / Professional investors and ECPs only target market –** Solely for the purposes of [the/each] manufacturer's product approval process, the target market assessment in respect of the Trust Certificates has led to the conclusion that: (i) the target market for the Trust Certificates is eligible counterparties and professional clients only, each as defined in Directive 2014/65/EU (as amended, "**MiFID II**"); and (ii) all channels for distribution of the Trust Certificates to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Trust Certificates (a "**distributor**") should take into consideration the manufacturer['s/s'] target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Trust Certificates (by either adopting or refining the manufacturer['s/s'] target market assessment) and determining appropriate distribution channels.]

**[Singapore Securities and Futures Act Product Classification –** In connection with Section 309B of the Securities and Futures Act (Chapter 289) of Singapore (the "**SFA**") and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the "**CMP Regulations 2018**"), the Trustee has determined, and hereby notifies all relevant persons (as defined in Section 309A of the SFA) that the Trust Certificates are ["prescribed capital markets products"]/[capital markets products other than "prescribed capital markets products"] (as defined in the CMP Regulations 2018) and ["Excluded Investment Products"]/["Specified Investment Products"] (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

[*Date*]

**EMAAR SUKUK LIMITED**

**Legal Entity Identifier (LEI): 549300NZHOOO6634T541**

**Issue of [*Aggregate Face Amount of Tranche*] [*Title of Trust Certificates*] under the U.S.$2,000,000,000 Trust Certificate Issuance Programme**

**PART A – CONTRACTUAL TERMS**

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the base prospectus dated 2 September 2019 [and the supplementary prospectus[es] dated [•]] which [together] constitute[s] a base prospectus (the "**Base Prospectus**"). This document constitutes the Final Terms of the Trust Certificates described herein and must be read in conjunction with the Base Prospectus[, as so supplemented]. Full information on the Trustee, Emaar Properties PJSC and the offer of the Trust Certificates is only available on the basis of a combination of these Final Terms and the Base Prospectus[, as so supplemented]. The Base Prospectus [and the supplementary prospectus[es]] [is/are] available for viewing during normal business hours at the registered office of the Trustee at c/o MaplesFS Limited, P.O. Box 1093, Queensgate House, Grand Cayman, KY1-1102, Cayman Islands and copies may be obtained from that office.

*The following alternative language applies if the first tranche of an issue which is being increased was issued under the Base Prospectus with an earlier date.*

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the base prospectus dated [*original date*] [and the supplementary prospectus[es] dated [•] which are incorporated by reference in the base prospectus dated [•]. This document constitutes the Final Terms of the Trust Certificates described herein and must be read in conjunction with the base prospectus dated [*current date*] [and the supplementary prospectus dated [•]] which [together] constitute[s] a base prospectus (the "**Base Prospectus**"), save in respect of the Conditions which are extracted from the base prospectus dated [•] [and the supplementary prospectus[es] dated [•]]. Full information on the Trustee, Emaar Properties PJSC and the offer of the Trust Certificates is only available on the basis of the combination of these Final Terms and the base prospectuses dated [*original date*] and [*current date*] (the "**Base Prospectuses**") [and the supplementary prospectuses dated [•] and [•]]. [The Base Prospectuses [and the supplementary prospectuses] are available for viewing during normal business hours at the registered office of the Trustee at c/o MaplesFS Limited, P.O. Box 1093, Queensgate House, Grand Cayman, KY1-1102, Cayman Islands and copies may be obtained from that office.

[*Include whichever of the following apply or specify as "Not Applicable". Note that the numbering should remain as set out below, even if "Not Applicable" is indicated for individual paragraphs or sub-paragraphs (in which case the sub-paragraphs of the paragraphs which are not applicable can be deleted). Italics denote directions for completing the Final Terms.*]

[*The proceeds of any issue of Trust Certificates should not be accepted in the United Kingdom except in compliance with applicable law, including article 5 of the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001.*]

[*Trust Certificates which have a maturity of less than one year from the date of their issue must have a minimum denomination of £100,000 or its equivalent in any other currency.*]

| | | | |
|---|---|---|---|
| 1. | Trustee, Seller and Lessor: | | Emaar Sukuk Limited |
| 2. | Buyer, Obligor and Lessee: | | Emaar Properties PJSC ("**Emaar**") |
| 3. | (a) | Series Number: | [ ] |
| | (b) | Tranche Number: | [ ] |
| | (c) | Date on which the Trust Certificates become fungible: | [The Trust Certificates will be consolidated and form a single Series with [*identify earlier Tranche(s)*] on [*insert date/* the Issue Date]] [Not Applicable] |
| 4. | Specified Currency: | | [ ] |
| 5. | Aggregate Face Amount: | | [ ] |
| | (i) | Series | [ ] |
| | (ii) | Tranche | [ ] |
| 6. | Issue Price: | | [ ] per cent. of the Aggregate Face Amount |
| 7. | (a) | Specified Denominations: | [ ]<br><br>*(N.B. If an issue of Trust Certificates is (i) NOT admitted to trading on an European Economic Area exchange; and (ii) only offered in the European Economic Area in circumstances where a prospectus is not required to be published under the Prospectus Regulation, the €100,000 minimum denomination is not required.*<br><br>*N.B. If an issue of Trust Certificates is NOT listed on Nasdaq Dubai, the U.S.$100,000 minimum denomination is not required.)* |
| | (b) | Calculation Amount: | [ ]<br><br>(*If only one Specified Denomination, insert that Specified Denomination. If more than one Specified Denomination, insert the highest common factor.*<br><br>*Note: There must be a common factor in the case of two or more Specified Denominations.*) |

| | | | |
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| 8. | (a) | Issue Date: | [ ] |
| | (b) | Return Accrual Commencement Date: | [Issue Date][*specify other*] |
| | (c) | Return Accumulation Date: | [Issue Date][*specify other*] |
| 9. | Maturity Date: | | [*Specify date or (for Floating Periodic Distribution Trust Certificates) Periodic Distribution Date falling in or nearest to the relevant month and year*] |
| 10. | Periodic Distribution Amount Basis: | | [[ ] per cent. Fixed Periodic Distribution Amount] [[*specify reference rate*] +/- [ ] per cent. Floating Periodic Distribution Amount]<br><br>(further particulars specified below) |
| 11. | Dissolution Basis: | | The Trust Certificates will be redeemed at [100] per cent. of the Aggregate Face Amount. |
| 12. | Change of Periodic Distribution Basis: | | [*Specify the date when any fixed to floating rate change occurs or cross refer to paragraphs 15 and 16 below and identify there*] [Not Applicable] |
| 13. | Put/Call Options: | | [Not Applicable]<br>[Certificateholder Put Right]<br>[Optional Dissolution (Call)]<br>[Clean Up Call Right] |
| 14. | (a) | Status: | Unsubordinated |
| | (b) | [Date [Board] approval for issuance of Trust Certificates obtained:] | [ ] [and [ ], respectively]<br>(*N.B. Only relevant where Board (or similar) authorisation is required for the particular Tranche of Trust Certificates*) |

**PROVISIONS RELATING TO PERIODIC DISTRIBUTIONS PAYABLE**

| | | | |
|---|---|---|---|
| 15. | Fixed Periodic Distribution Provisions: | | [Applicable/Not Applicable]<br><br>(*If not applicable, delete the remaining subparagraphs of this paragraph*) |
| | (a) | Rate[(s)]: | [ ] per cent. per annum [payable [annually/semi-annually/quarterly/monthly] in arrear on each Periodic Distribution Date] |
| | (b) | Periodic Distribution Date(s): | [[ ] in each year up to and including the Maturity Date]<br><br>(*N.B. This will need to be amended in the case of long or short return accumulation periods.*) |
| | (c) | Fixed Amount(s): *(Applicable to Trust Certificates in definitive form)* | [ ] per Calculation Amount |
| | (d) | Broken Amount(s) for Trust Certificates in definitive form (and in relation to Trust | [ ] per Calculation Amount, payable on the Periodic Distribution Date falling on [ ] [Not Applicable] |

| | | | |
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| | | Certificates in global form, see Condition 7): | (*Insert particulars of any initial or final broken Periodic Distribution Amounts which do not correspond with the Fixed Amount(s) specified under paragraph 15(c)*) |
| | (e) | Day Count Fraction: | [30/360] [Actual/Actual (ICMA)] |
| | (f) | Determination Date(s): | [[ ] in each year] [Not Applicable]<br><br>[*Insert regular periodic distribution dates, ignoring issue date or maturity date in the case of a long or short first or last return accumulation period*<br><br>*N.B. Only relevant where Day Count Fraction is Actual/ Actual (ICMA)]* |
| 16. | Floating Periodic Distribution Provisions: | | [Applicable/Not Applicable]<br><br>(*If not applicable, delete the remaining subparagraphs of this paragraph*) |
| | (a) | Specified Periodic Distribution Dates: | [[ ] in each year, commencing on [ ], [subject to adjustment in accordance with the Business Day Convention set out in (c) below/not subject to any adjustment, as the Business Day Convention in (c) below is specified to be Not Applicable]<br><br>(*Specified Period and Specified Periodic Distribution Dates are alternatives. If the Business Day Convention is the Floating Rate Convention, insert "Not Applicable"*) |
| | (b) | Specified Period: | [ ] [Not Applicable]<br><br>(*Specified Period and Specified Periodic Distribution Dates are alternatives. A Specified Period, rather than Specified Periodic Distribution Dates, will only be relevant if the Business Day Convention is the Floating Rate Convention. Otherwise, insert "Not Applicable"*) |
| | (c) | Business Day Convention: | [Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention] [Not Applicable] |
| | (d) | Additional Business Centre(s): | [Not Applicable/*give details*] |
| | (e) | Manner in which the Rate(s) is/are to be determined: | [Screen Rate Determination/ISDA Determination] |
| | (f) | Screen Rate Determination: | |
| | | (i) Reference Rate: | [•] month [*currency*] [LIBOR/EURIBOR/EIBOR/*specify other Reference Rate*] |
| | | (ii) Periodic Distribution Determination Date: | [ ]<br>(*Second London business day prior to the start of each Return Accumulation Period if LIBOR (other than Sterling or euro LIBOR), first day of each Return Accumulation Period if Sterling LIBOR, the second day on which the TARGET2 System is open prior to the start* |

| | | | |
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| | | | *of each Return Accumulation Period if EURIBOR or euro LIBOR and second Dubai business day prior to the start of each Return Accumulation Period if EIBOR*) |
| | (iii) | Relevant Screen Page: | [ ] |
| | | | (*In the case of EURIBOR, if not Reuters EURIBOR01 or, in the case of LIBOR, if not Reuters LIBOR01 or, in the case of EIBOR, if not Reuters AEIBOR, ensure it is a page which shows a composite rate. If it is not a page which shows a composite rate, consider whether additional information is required including with reference to fallback provisions (see Condition 8.4(b)*) |
| | (iv) | Relevant Time: | [*For example, 11.00 a.m. London time*] |
| (g) | ISDA Determination: | | |
| | (i) | Floating Rate Option: | [ ] |
| | (ii) | Designated Maturity: | [ ] |
| | (iii) | Reset Date: | [ ] |
| (h) | Party responsible for calculating the Rate and the Periodic Distribution Amount (if not the Principal Paying Agent): | | [ ] |
| (i) | Margin: | | [[+ / -]] |
| (j) | Linear Interpolation | | [Not Applicable/Applicable - the Rate for the [long/short] [first/last] Periodic Distribution Period shall be calculated using Linear Interpolation (*specify for each short or long periodic distribution period*)] |
| (k) | Day Count Fraction: | | [[Actual/Actual (ISDA)][Actual/Actual]<br>Actual/365 (Fixed)<br>Actual/365 (Sterling)<br>Actual/360<br>[30/360][360/360][Bond Basis]<br>[30E/360][Eurobond Basis]<br>[30E/360 (ISDA)] |

**PROVISIONS RELATING TO DISSOLUTION**

| | | | |
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| 17. | Notice Periods for Condition 11.2: | | Minimum period: [30] days |
| | | | Maximum period: [60] days |
| 18. | Optional Dissolution (Call): | | [Applicable/Not Applicable] |
| | | | (*If not applicable, delete the remaining subparagraphs of this paragraph*) |
| | (a) | Optional Dissolution Amount (Call): | [Final Dissolution Amount] Amount] [[ ] per Calculation |
| | (b) | Optional Dissolution Date: | [Any Periodic Distribution Date] [*specify other*] |
| | (c) | Notice periods: | Minimum period: [30] days |

| | | |
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| | | Maximum period: [60] days |
| | | *(N.B. When setting notice periods, the Trustee is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems (which require a minimum of 15 clearing system business days' notice for a put) and custodians, as well as any other notice requirements which may apply, for example, as between the Trustee and/or Emaar and the Principal Paying Agent or Delegate)* |
| 19. | Certificateholder Put Right: | [Applicable/Not Applicable] |
| | | (*If not applicable, delete the remaining subparagraphs of this paragraph*) |
| | (a) Certificateholder Put Right Date(s): | [ ] |
| | (b) Optional Dissolution Amount (Put): | [ ] |
| | (c) Notice periods: | Minimum period: [15] days |
| | | Maximum period: [30] days |
| | | *(N.B. When setting notice periods, the Trustee is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems (which require a minimum of 15 clearing system business days' notice for a put) and custodians, as well as any other notice requirements which may apply, for example, as between the Trustee and/or Emaar and the Principal Paying Agent or Delegate)* |
| 20. | Clean Up Call Right: | [Applicable/Not Applicable] |
| | | (*If not applicable, delete the remaining subparagraphs of this paragraph*) |
| | (a) Clean Up Call Dissolution Amount: | [Final Dissolution Amount] Amount] [[ ] per Calculation |
| | (b) Notice periods: | Minimum period: [30] days |
| | | Maximum period: [60] days |
| | | *(N.B. When setting notice periods, the Trustee is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems (which require a minimum of 15 clearing system business days' notice for a put) and custodians, as well as any other notice requirements which may apply, for example, as between the Trustee and/or Emaar and the Principal Paying Agent or Delegate)* |
| 21. | Final Dissolution Amount: | [ ] per Calculation Amount |

| | | |
|---|---|---|
| 22. | Early Dissolution Amount (Tax): | [Final Dissolution Amount] Amount] [[ ] per Calculation |
| 23. | Dissolution Amount pursuant to Condition 1: | [ ] per Calculation Amount] [*specify other*] |

**GENERAL PROVISIONS APPLICABLE TO THE TRUST CERTIFICATES**

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| 24. | Form of Trust Certificates: | Registered Certificates: Global Trust Certificate exchangeable for Trust Certificates in definitive registered form in the limited circumstances specified in the Global Trust Certificate |
| 25. | Additional Financial Centre(s): | [ ]<br>*(Note that this paragraph relates to the place of payment and not Return Accumulation Period end dates, to which sub-paragraph 16(d) relates)* |

**PROVISIONS IN RESPECT OF THE TRUST ASSETS**

| | | | |
|---|---|---|---|
| 26. | On the Issue Date: | | |
| | (a) | Lease Asset percentage: | [ ] per cent. |
| | (b) | Murabaha percentage: | [[ ] per cent./Not Applicable] |
| 27. | Trust Assets: | | Condition 5.1 applies |
| 28. | Details of Transaction Account: | | Emaar Sukuk Limited Transaction Account No: [ ] with [ ] for Series No.: [1/2/3 etc] |
| 29. | Other Transaction Document Information: | | [ ] |
| | (a) | Supplemental Trust Deed: | Supplemental Trust Deed dated [ ] between the Trustee, Emaar and the Delegate |
| | (b) | Supplemental Purchase Agreement: | Supplemental Purchase Agreement dated [ ] between the Trustee, the Purchaser and the Seller |
| | (c) | Supplemental Lease Agreement | Supplemental Lease Agreement dated [ ] between the Trustee, the Lessor, the Lessee and the Delegate |
| | (d) | Declaration of Commingling of Assets: | [Declaration of Commingling of Assets dated [ ] executed by the Trustee][Not Applicable]<br>(*N.B. This will only be executed upon the issuance of additional Trust Certificates pursuant to Condition 21*) |
| | (e) | [Purchase Order and Letter of Offer and Acceptance:] | [Purchase Order dated [ ] from the Buyer to the Seller and Letter of Offer and Acceptance dated [•] from the Seller to the Buyer.] |
| 30. | Total Loss Event: | | Condition 11.4 [does/does not] apply |
| 31. | Financial Covenants: | | |
| | (a) | Ratio of Consolidated Total Net Indebtedness to Total Equity: | [not to exceed 1.5:1, as set out in Condition 6] / [not to exceed [ ]:1, as set out in the Supplemental Lease Agreement dated [ ]] / [Not Applicable] |

| | | |
|---|---|---|
| (b) | Ratio of Consolidated EBITDA to Consolidated Net Finance Charges Payable: | [not less than 1.5:1, as set out in Condition 6] / [not less than [ ]:1, as set out in the Supplemental Lease Agreement dated [ ]] / [Not Applicable] |

| | |
|---|---|
| Signed on behalf of Emaar Sukuk Limited (the "**Trustee**"): | Signed on behalf of Emaar Properties PJSC: |
| By: ..................................................................<br>*Duly authorised* | By: ..................................................................<br>*Duly authorised* |

**PART B – OTHER INFORMATION**

1. **LISTING AND ADMISSION TO TRADING**

| | | |
|---|---|---|
| (i) | Listing and admission to trading: | [Application has been made by the Trustee (or on its behalf) for the Trust Certificates to be admitted to trading on [*specify relevant regulated market (for example, Nasdaq Dubai) and, if relevant, listing on an official list (for example, the Official List of the DFSA)*] with effect from [ ].] [Application is expected to be made by the Trustee (or on its behalf) for the Trust Certificates to be admitted to trading on [*specify relevant regulated market (for example, Nasdaq Dubai) and, if relevant, listing on an official list (for example, the Official List of the DFSA)*] with effect from [ ].]<br><br>[Not Applicable.]<br><br>(*Where documenting a fungible issue need to indicate that original Trust Certificates are already admitted to trading.*) |
| (ii) | Estimate of total expenses related to admission to trading: | [ ] |

2. **RATINGS**

| | |
|---|---|
| Ratings: | [The Trust Certificates to be issued [[have been]/[are expected to be]] rated]/[The following ratings reflect ratings assigned to Trust Certificates of this type issued under the Programme generally]<br><br>[Moody's: [ ]]<br>[S&P: [ ]]<br>[[*Other*]: [ ]]<br><br>Moody's Investors Services Ltd. is established in the European Union and is registered under Regulation (EC) No. 1060/2009.<br><br>Standard & Poor's Credit Market Services Europe Limited is established in the European Union and is registered under Regulation (EC) No. 1060/2009.<br><br>(*The following language should be used where the Trust Certificates are to be rated by a credit rating agency other than the Moody's and S&P legal entities set out above.*)<br><br>[The Trust Certificates to be issued [[have been]/[are expected to be]] rated [*insert details*] by [*insert the legal name of the relevant credit rating agency entity(ies)*].]<br><br>[[*Insert the legal name of the relevant credit rating agency entity*] is established in the European Union and is registered under Regulation (EC) No. 1060/2009 (as amended).]<br><br>[[*Insert the legal name of the relevant non-EU credit rating agency entity*] is not established in the |

|  |  |
|---|---|
|  | European Union and is not registered in accordance with Regulation (EC) No. 1060/2009 (as amended).] |
|  | [[*Insert the legal name of the relevant non-EU credit rating agency entity*] is not established in the European Union and is not registered in accordance with Regulation (EC) No. 1060/2009 (as amended) (the "**CRA Regulation**"). However, [*insert the legal name of the relevant EU CRA affiliate*], which is established in the European Union and registered under the CRA Regulation, has disclosed the intention to endorse credit ratings of [*insert the legal name of the relevant non-EU credit rating agency*]]] |
|  | [[*Insert legal name of particular credit rating agency providing rating*] is not established in the European Union, but it is certified in accordance with Regulation (EC) No. 1060/2009 (as amended).] |
|  | (*The above disclosure should reflect the rating allocated to Trust Certificates of the type being issued under the Programme generally or, where the issue has been specifically rated, that rating.*) |

3. **INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE**

[Save for any fees payable to the [Managers/Dealer], so far as each of the Trustee and Emaar is aware, no person involved in the issue of the Trust Certificates has an interest material to the offer. The [Managers/Dealer] and [its/their] affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform services for, Emaar (and its affiliates) in the ordinary course of business – *Amend as appropriate if there are other interests*.]

[*(When adding any other description, consideration should be given as to whether such matters described constitute "significant new matters" and consequently trigger the need for a supplementary prospectus under Rule 2.9 of the Markets Rules (MKT) Module of the Dubai Financial Services Authority rulebook.)*]

4. **PROFIT OR RETURN**
(*Fixed Periodic Distribution Trust Certificates only*)

|  |  |
|---|---|
| Indication of profit or return: | [ ] |
|  | The profit or return is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future profit or return. |

5. **OPERATIONAL INFORMATION**

|  |  |  |
|---|---|---|
| (i) | ISIN Code: | [ ] |
| (ii) | Common Code: | [ ] |
| (iii) | FISN: | [See the website of the Association of National Numbering Agencies (ANNA) or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN / Not Applicable / Not Available] |
| (iv) | CFI Code: | [See the website of the Association of National Numbering Agencies (ANNA) or alternatively sourced from the responsible National Numbering |

| | | |
|---|---|---|
| | | Agency that assigned the ISIN / Not Applicable / Not Available] |
| (v) | Any clearing system(s) other than Euroclear Bank SA/NV and Clearstream Banking S.A. and the relevant identification number(s): | [Not Applicable/*give name(s) and number(s)*] |
| (vi) | Delivery: | Delivery [against/free of] payment |
| (vii) | Names and addresses of additional Paying Agent(s) (if any): | [ ] |

6. **DISTRIBUTION**

| | | |
|---|---|---|
| (i) | Method of distribution: | [Syndicated/Non-syndicated] |
| (ii) | If syndicated, names of Managers: | [Not Applicable/*give names*] |
| (iii) | Stabilising Manager(s) (if any): | [Not Applicable/*give name(s)*] |
| (iv) | If non-syndicated, name of relevant Dealers: | [Not Applicable/*give names*] |
| (v) | U.S. Selling Restrictions: | Regulation S, Category 2 |

## TERMS AND CONDITIONS OF THE TRUST CERTIFICATES

*The following is the text of the Terms and Conditions of the Trust Certificates, which (save for the text in italics and subject to completion and amendment and as supplemented or varied in accordance with the provisions of Part A of the relevant Final Terms) will be endorsed on each Trust Certificate in definitive registered form issued under the Programme and will apply to each Global Trust Certificate.*

Emaar Sukuk Limited (in its capacities as issuer and as trustee, as applicable, the "**Trustee**") has established a programme (the "**Programme**") for the issuance of up to U.S.$2,000,000,000 in aggregate face amount of Trust Certificates.

As used herein, "**Tranche**" means Trust Certificates which are identical in all respects (including as to listing and admission to trading) and "**Series**" means a Tranche of Trust Certificates together with any further Tranche or Tranches of Trust Certificates which (a) are expressed to be consolidated and form a single series and (b) have the same terms and conditions or terms and conditions which are the same in all respects save for the amount and date of the first payment of Periodic Distribution Amounts (as defined herein) thereon and the date from which Periodic Distribution Amounts start to accrue.

The final terms for this Trust Certificate (or the relevant provisions thereof) are set out in Part A of the Final Terms attached to or endorsed on this Trust Certificate which supplement these Terms and Conditions (the "**Conditions**"). References to the "**applicable Final Terms**" are to Part A of the Final Terms (or the relevant provisions thereof) attached to or endorsed on this Trust Certificate.

Each of the Trust Certificates will represent an undivided ownership interest in the Trust Assets which are held by the Trustee on trust (the "**Trust**") for, *inter alia*, the benefit of the holders of the Trust Certificates pursuant to (i) an amended and restated Master Trust Deed (the "**Master Trust Deed**") dated 2 September 2019 and made between the Trustee, Emaar Properties PJSC ("**Emaar**") and Citibank, N.A., London Branch (the "**Delegate**") and (ii) a supplemental trust deed (the "**Supplemental Trust Deed**" and, together with the Master Trust Deed, the "**Trust Deed**") having the details set out in the applicable Final Terms.

In these Conditions, references to "**Trust Certificates**" shall be references to the Trust Certificates of the relevant Series.

Payments relating to the Trust Certificates will be made pursuant to an amended and restated agency agreement dated 2 September 2019 (the "**Agency Agreement**") made between the Trustee, the Delegate, Emaar and Citibank, N.A., London Branch in its capacity as principal paying agent (in such capacity, the "**Principal Paying Agent**", which expression shall include any successor), transfer agent (in such capacity, the "**Transfer Agent**", which expression shall include any successor) and calculation agent (in such capacity, the "**Calculation Agent**", which expression shall include any successor) and Citigroup Global Markets Europe AG in its capacity as registrar (in such capacity, the "**Registrar**", which expression shall include any successor). The Principal Paying Agent, the Calculation Agent, the Transfer Agent and the Registrar are together referred to in these Conditions as the "**Agents**".

The holders of the Trust Certificates (the "**Certificateholders**") are entitled to the benefit of, are bound by, and are deemed to have notice of, all the provisions of the documents set out below, copies of which are available for inspection during normal business hours at the specified office for the time being of the Principal Paying Agent:

(a) an amended and restated master purchase agreement between the Trustee (in its capacity as purchaser) and Emaar Properties PJSC (in its capacity as seller) dated 2 September 2019 (the "**Master Purchase Agreement**");

(b) the supplemental purchase agreement (the "**Supplemental Purchase Agreement**" and, together with the Master Purchase Agreement, the "**Purchase Agreement**") having the details set out in the applicable Final Terms;

(c) an amended and restated master lease agreement between the Trustee (in such capacity, the "**Lessor**"), Emaar Properties PJSC (in such capacity, the "**Lessee**") and the Delegate dated 2 September 2019 (the "**Master Lease Agreement**");

(d) the supplemental lease agreement (the "**Supplemental Lease Agreement**" and, together with the Master Lease Agreement, the "**Lease Agreement**") having the details set out in the applicable

Final Terms (including any new Supplemental Lease Agreement entered into pursuant to (i) the Substitution and Sale of Additional Assets Undertaking, (ii) the Purchase Undertaking, or (iii) the Sale Undertaking);

(e) an amended and restated purchase undertaking entered into by Emaar (in such capacity, the "**Obligor**") as a deed dated 2 September 2019 (the "**Purchase Undertaking**"), containing the form of sale agreement (the "**Sale Agreement**") to be executed by Emaar and the Trustee on the Maturity Date or, as the case may be, the relevant Dissolution Date;

(f) an amended and restated sale undertaking entered into by the Trustee as a deed dated 2 September 2019 (the "**Sale Undertaking**") containing the form of sale agreement (the "**Sale Agreement**") to be executed by Emaar and the Trustee on the relevant Dissolution Date;

(g) an amended and restated substitution and sale of additional assets undertaking entered into by the Trustee as a deed dated 2 September 2019 (the "**Substitution and Sale of Additional Assets Undertaking**") containing the form of sale agreement (the "**Sale Agreement**") to be executed by the Trustee and Emaar on the exercise by Emaar of its right under the Substitution and Sale of Additional Assets Undertaking to require the Trustee to sell, transfer and convey any or all of the Lease Assets to it in consideration for new Lease Assets of a value which is equal to or greater than the value of the substituted Lease Assets (each such expression having the meaning given to it in the Substitution and Sale of Additional Assets Undertaking);

(h) an amended and restated servicing agency agreement between the Lessor and Emaar Properties PJSC (in its capacity as servicing agent) dated 2 September 2019 (the "**Servicing Agency Agreement**");

(i) an amended and restated master murabaha agreement between the Trustee (in such capacity, the "**Seller**") and Emaar (in such capacity, the "**Buyer**") dated 2 September 2019 (the "**Master Murabaha Agreement**");

(j) the Trust Deed;

(k) the Agency Agreement; and

(l) the applicable Final Terms.

The statements in the Conditions include summaries of, and are subject to, the detailed provisions of the Trust Deed and the Agency Agreement.

Each initial Certificateholder, by its acquisition and holding of its interest in a Trust Certificate, shall be deemed to authorise and direct the Trustee (acting as trustee on behalf of the Certificateholders) to enter into each Transaction Document (as defined herein) to which it is a party, subject to the terms and conditions of the Trust Deed and these Conditions and to apply the sums paid by it in respect of its Trust Certificates in accordance with the terms of the Transaction Documents.

## 1. INTERPRETATION

### 1.1 Definitions

Words and expressions defined in the Trust Deed and the Agency Agreement or used in the applicable Final Terms shall have the same meanings where used in the Conditions unless the context otherwise requires or unless otherwise stated and **provided that**, in the event of inconsistency between any such document and the applicable Final Terms, the applicable Final Terms will prevail. In addition, in these Conditions the following expressions have the following meanings:

"**Average Life**" means, as of the date of determination with respect to any Financial Indebtedness or Refinancing Financial Indebtedness, the quotient obtained by dividing:

(a) the sum of the products of:

(i) the numbers of years from the date of determination to the date or dates of each successive scheduled principal payment of such Financial Indebtedness or Refinancing Financial Indebtedness; and

(ii) the amount of each such principal payment;

by

(b) the sum of all such principal payments;

"**Calculation Agent**" means the Principal Paying Agent or such other Person specified in the applicable Final Terms as the party responsible for calculating the Periodic Distribution Amount and/or such other amount(s) as may be specified in the applicable Final Terms in accordance with Condition 8;

"**Cancellation Date**" means the date on which Trust Certificates are to be cancelled as specified in the Exercise Notice;

"**Capital Stock**" means, with respect to any person, any and all shares, interests, participations or other equivalents (howsoever designated, whether voting or non-voting) or such person's equity, including any preferred stock of such person, whether outstanding on the relevant Issue Date or issued after the date thereof including, without limitation, all series or classes of such Capital Stock;

"**Consolidated Cash and Cash Equivalents**" means, in respect of the Group, at any time the aggregate of the following:

(a) cash in hand or on deposit with any acceptable bank or any bank which is licensed by the central bank of its jurisdiction of incorporation;

(b) certificates of deposit, maturing within one year after the relevant date of calculation, issued by an acceptable bank;

(c) any investment in marketable obligations issued or guaranteed by (i) the government of the United States of America or the United Kingdom or by an instrumentality or agency of the government of the United States of America or the United Kingdom having an equivalent credit rating or (ii) the government of any country in which Emaar has operations, provided in the case of (ii) such obligations have a maturity of less than one year;

(d) open market commercial paper:

(i) for which a recognised trading market exists;

(ii) issued in the United States of America or the United Kingdom;

(iii) which matures within one year after the relevant date of calculation; and

(iv) which has a credit rating of either A-1 by Standard & Poor's or Fitch or P-1 by Moody's or if no rating is available in respect of the commercial paper, the issuer of which has, in respect of its long-term debt obligations, an equivalent rating; and

(e) Sterling bills of exchange eligible for rediscount at the Bank of England and accepted by an acceptable bank in each case, to which any member of the Group is beneficially entitled at that time and which is capable of being applied against Consolidated Total Indebtedness. An acceptable bank for this purpose is a commercial bank or trust company which has a rating of BBB– or higher by Standard & Poor's or Fitch or Baa3 or higher by Moody's or a comparable rating from a nationally recognised credit rating agency for its long-term obligations;

"**Consolidated EBITDA**" means, in respect of any Measurement Period, the consolidated net pre-taxation profits of the Group for such Measurement Period as adjusted by:

(a) adding back Consolidated Net Finance Charges Payable;

(b) taking no account of any exceptional or extraordinary item;

(c) adding back any amount attributable to minority interests;

(d) adding back depreciation and amortisation; and

(e) taking no account of any revaluation of an asset or any loss or gain over book value arising on the disposal of an asset (otherwise than the ordinary course of trading) by a member of the Group during the Measurement Period,

and:

(i) including the net pre-taxation profits of a member of the Group or business or assets acquired during that Measurement Period for the part of that Measurement Period when it was not a member of the Group and/or the business or assets were not owned by a member of the Group; but

(ii) excluding the net pre-taxation profits attributable to any member of the Group or to any business or assets sold during that Measurement Period;

"**Consolidated Finance Charges Payable**" means, in respect of any Measurement Period, all Finance Charges (but excluding Finance Charges on trade payables) incurred by the Group during such Measurement Period;

"**Consolidated Finance Charges Receivable**" means, in respect of any Measurement Period, all financing charges received or receivable by the Group during such Measurement Period;

"**Consolidated Net Finance Charges Payable**" means, in respect of any Measurement Period, Consolidated Finance Charges Payable less Consolidated Finance Charges Receivable during such Measurement Period;

"**Consolidated Total Indebtedness**" means, in respect of the Group or any Subsidiary, as the case may be, at any time the aggregate of the following:

(a) the outstanding principal amount of any moneys borrowed but excluding all trade payables (as defined in the most recently available audited consolidated financial statements or interim condensed consolidated financial statements, as the case may be, of the Lessee or the relevant Subsidiary, as the case may be);

(b) the outstanding principal amount of any bond, note, debenture, loan stock or other similar instrument;

(c) the capitalised element of indebtedness under a finance or capital lease;

(d) the outstanding principal amount of all moneys owing in connection with the sale or discounting of receivables (otherwise than on a non-recourse basis);

(e) the outstanding principal amount of any indebtedness arising from any deferred payment agreements arranged primarily as a method of raising finance or financing the acquisition of an asset;

(f) any fixed or minimum premium payable on the repayment or redemption of any instrument referred to in paragraph (b) above;

(g) the outstanding principal amount of any indebtedness arising in connection with any other transaction (including any forward sale or purchase agreement and whether in connection with any Islamic financing arrangements or otherwise) which has the commercial effect of a borrowing; and

(h) the outstanding principal amount of any indebtedness of any person of a type referred to in paragraphs (a) to (g) above which is the subject of a guarantee, indemnity or similar assurance against financial loss given by a member of the Group or the relevant Subsidiary, as the case may be;

**provided that** Consolidated Total Indebtedness shall not include any indebtedness in respect of letters of credit or performance guarantees issued in the ordinary course of business to the extent such letters of credit or performance guarantees are not drawn upon or, if drawn upon, are honoured in accordance with their terms;

"**Consolidated Total Net Indebtedness**" means at any time Consolidated Total Indebtedness less Consolidated Cash and Cash Equivalents;

"**Day Count Fraction**" means the day count fraction for the relevant Tranche specified in the applicable Final Terms and calculated in accordance with these Conditions;

"**Deferred Sale Price**" has the meaning given to it in the Master Murabaha Agreement;

"**Dissolution Amount**" means, as appropriate, the Final Dissolution Amount, the Early Dissolution Amount (Tax), the Optional Dissolution Amount (Call), the Optional Dissolution Amount (Put), the Clean Up Call Dissolution Amount, the Dissolution Amount for the purposes of Condition 15 or such other amount in the nature of a redemption amount as may be specified in, or determined in accordance with the provisions of, the applicable Final Terms (including any amount payable following a Total Loss Event (if so specified in the applicable Final Terms));

"**Dissolution Date**" means, as the case may be, (a) following the occurrence of a Dissolution Event (as defined in Condition 15), the date on which the Trust Certificates are redeemed in accordance with the provisions of Condition 15, (b) the date on which the Trust Certificates are redeemed in accordance with the provisions of Condition 11.2, (c) the Optional Dissolution Date, (d) the Total Loss Dissolution Date, (e) the Certificateholder Put Right Date or (e) the Clean Up Call Right Dissolution Date;

"**Dissolution Notice**" has the meaning given to it in Condition 15;

"**Emaar Event**" means any of the following events or circumstances:

(a) default is made by Emaar in the payment of an amount which is equivalent to principal or profit payable by it pursuant to any Transaction Document to which it is a party, and the default continues for a period of seven days in the case of amounts in the nature of principal and 14 days in the case of amounts in the nature of profit;

(b) Emaar fails to perform or observe any of its other obligations under any of the Transaction Documents to which it is a party (other than Condition 6.2, as the same may be amended in the relevant Supplemental Trust Deed and the applicable Final Terms) and (except in any case where, in the opinion of the Delegate, the failure is incapable of remedy when no such continuation or notice as is hereinafter mentioned will be required) the failure continues for a period of 30 days next following the service by the Delegate on Emaar of written notice requiring the same to be remedied, except in each case that a failure by Emaar (acting in its capacity as Servicing Agent) to comply with its obligations set out in clause 5.2 of the Servicing Agency Agreement (and, for the avoidance of doubt, a failure by Emaar to register (to the extent registrable) any Lease (as defined in the Lease Agreement) or sale and purchase of Assets (as defined in the Purchase Agreement) pursuant to the Purchase Agreement, or complete any other formalities as may be required to give effect to such sale and purchase) will not constitute an Emaar Event; or

(c) Emaar fails to perform or observe any of its obligations under Condition 6.2, as the same may be amended in the relevant Supplemental Trust Deed and the applicable Final Terms; or

(d) (i) any Indebtedness of Emaar or any Material Subsidiary is not paid when due or (as the case may be) within any originally applicable grace period, (ii) any such Indebtedness becomes due and payable prior to its stated maturity by reason of default (however described) or (iii) Emaar or any Material Subsidiary fails to pay when due or (as the case may be) within any originally applicable grace period any amount payable by it under any guarantee of any Indebtedness, **provided that** each such event shall not constitute an Emaar Event unless the aggregate amount of all such Indebtedness, either alone or when aggregated with all other Indebtedness in respect of which such an event shall have occurred and be continuing, shall be more than U.S.$50,000,000 (or its equivalent in any other currency or currencies); or

(e) one or more judgments or orders for the payment of any sum in excess of U.S.$40,000,000 is rendered against Emaar or any Material Subsidiary and continues unsatisfied, unstayed and unappealed for a period of 30 days after the date thereof (or, if appealed, the appeal is unsuccessful and thereafter the judgment continues unsatisfied and unstayed for a period of 30 days); or

(f) any order is made by any competent court or resolution passed for the winding up or dissolution of Emaar or any Material Subsidiary, save in connection with a Permitted Reorganisation; or

(g) Emaar or any Material Subsidiary ceases or threatens to cease to carry on all or substantially all of its business, save in connection with a Permitted Reorganisation, or Emaar or any Material Subsidiary stops or threatens to stop payment of, or is unable to, or admits its inability to, pay, its debts (or any class of its debts) as they fall due, or is deemed unable to pay its debts pursuant to or for the purposes of any applicable law, or is adjudicated or found bankrupt or insolvent; or

(h) (i) any court or other formal proceedings are initiated under any applicable liquidation, insolvency, composition, reorganisation or other similar laws, or an application is made (or documents filed with a court) for the appointment of an administrative or other receiver, manager, administrator or other similar official (and such proceedings are not being actively contested in good faith by Emaar or the relevant Material Subsidiary), or an administrative or other receiver, manager, administrator or other similar official is appointed, in each case against or in relation to Emaar or any Material Subsidiary or, as the case may be, in relation to all or substantially all of the undertaking or assets of Emaar, or all or substantially all of the undertaking or assets of such Material Subsidiary; and/or (ii) an encumbrancer takes possession of all or substantially all of the undertaking or assets of Emaar, or all or substantially all of the undertaking or assets of any Material Subsidiary, or a distress, execution, attachment, sequestration or other process is levied, enforced upon, sued out or put in force against any of the same and (iii) any such event as is mentioned in (i) or (ii) above (other than the appointment of an administrator) is not discharged within 30 days; or

(i) Emaar or any Material Subsidiary initiates or consents to judicial proceedings relating to itself under any applicable liquidation, insolvency, composition, reorganisation or other similar laws (including the obtaining of a moratorium) or makes a conveyance or assignment for the benefit of, or enters into any composition or other arrangement with, its creditors generally (or any class of its creditors) or any meeting is convened to consider a proposal for an arrangement or composition with its creditors generally (or any class of its creditors) save in connection with a Permitted Reorganisation; or

(j) any event occurs which under the laws of the United Arab Emirates or any Emirate therein or any other jurisdiction has an analogous effect to any of the events referred to in paragraphs (f) to (i) above; or

(k) at any time it is or becomes unlawful for Emaar to perform or comply with any or all of its obligations under or in respect of any Transaction Document or any of the obligations of Emaar thereunder are not or cease to be legal, valid, binding or enforceable; or

(l) all or substantially all of any of Emaar's Material Subsidiaries', revenues or assets are seized, nationalised, expropriated or compulsorily acquired by or under the authority of any national, regional or local government,

**provided, however, that** in the case of the happening of any of the events described in paragraphs (b) or (other than the winding up or dissolution of Emaar) (e) to (l) inclusive above, the Delegate shall have certified in writing to Emaar that such event is, in its opinion, materially prejudicial to the interests of the holders of the Trust Certificates. An Emaar Event is "**continuing**" if it has not been remedied or waived;

"**Exercise Notice**" means a notice substantially in the form set out in Schedule 1 of the Sale Undertaking;

"**Extraordinary Resolution**" has the meaning given in Schedule 4 to the Master Trust Deed;

"**Finance Charges**" means, for any Measurement Period, the aggregate amount of the accrued interest, commission, fees, discounts, prepayment fees, premiums or charges and other finance payments in respect of Financial Indebtedness (whether, in each case, paid or payable by any member of the Group (calculated on a consolidated basis)) in respect of that Measurement Period;

"**Financial Indebtedness**" means any indebtedness for or in respect of:

(a) moneys borrowed;

(b) any amount raised by acceptance under any acceptance credit facility or dematerialised equivalent;

(c) any amount raised pursuant to any note purchase facility or the issue of bonds, notes, debentures, loan stock or any similar instrument;

(d) the amount of any liability in respect of any lease or hire purchase contract which would, in accordance with IFRS, be treated as a finance or capital lease;

(e) receivables sold or discounted (other than any receivables to the extent they are sold on a non- recourse basis);

(f) any amount raised under any other transaction (including any forward sale or purchase agreement) having the commercial effect of a borrowing;

(g) any derivative transaction entered into in connection with protection against or benefit from fluctuation in any rate or price (and, when calculating the value of any derivative transaction, only the marked to market value shall be taken into account);

(h) any counter-indemnity obligation in respect of a guarantee, indemnity, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution excluding any performance or bid bonds;

(i) any amount of any liability under an advance or deferred purchase agreement if one of the primary reasons behind the entry into the agreement is to raise finance;

(j) any obligations incurred in respect of any Islamic financing arrangements; and

(k) (without double counting) the amount of any liability in respect of any guarantee or indemnity for any of the items referred to in paragraphs (a) to (j) above;

"**Fitch**" means Fitch Ratings Ltd;

"**Group**" means Emaar and its Subsidiaries taken as a whole;

"**IFRS**" means International Financial Reporting Standards;

"**Indebtedness**" means all obligations, and guarantees or indemnities in respect of obligations, for moneys borrowed or raised (whether or not evidenced by bonds, debentures, notes or other similar instruments) or any *Sharia* compliant alternative of the foregoing other than any such obligations, guarantees or indemnities owing or given by one member of the group to another member of the Group;

"**Instalment Profit Amount**" has the meaning given to it in the Master Murabaha Agreement;

"**Investment Grade Rating**" means a rating equal to or higher than: (i) Baa3 (or the equivalent) by Moody's; (ii) BBB- (or the equivalent) by Standard & Poor's; or (iii) BBB- (or the equivalent) by Fitch or in each case the equivalent thereof from any other Rating Agency (as applicable);

"**Investment Grade Status**" means that Emaar has an Investment Grade Rating from at least one Rating Agency;

"**Joint Venture Company**" means an entity which is at any particular time, jointly controlled (whether directly or indirectly) by Emaar and any other person or persons. For the purposes of this definition, an entity shall be considered as being "**jointly controlled**" by Emaar and such other person or persons if it is accounted for as a jointly controlled entity in Emaar's financial statements and, for the avoidance of doubt, as at the date of these Conditions, each of Dubai Hills Estate LLC and The Lagoons Development LLC shall be considered a Joint Venture Company;

"**Lease Assets**" has the meaning given to it in the Lease Agreement;

"**Material Subsidiary**" means at any time a Subsidiary of the Lessee:

(a) whose Consolidated EBITDA (consolidated in the case of a Subsidiary which itself has Subsidiaries) or whose total assets (consolidated in the case of a Subsidiary which itself has Subsidiaries) represent in each case (or, in the case of a Subsidiary acquired after the end of the financial period to which the then latest audited consolidated accounts of the Lessee and its Subsidiaries relate, are equal to) not less than 10 per cent. of the Consolidated EBITDA of the Lessee, or, as the case may be, consolidated total assets, of the Lessee and its Subsidiaries taken as a whole, all as calculated respectively by reference to the then latest audited accounts (consolidated or, as the case may be, unconsolidated) of such Subsidiary and the then latest audited consolidated accounts of the Lessee and its Subsidiaries taken as a whole, **provided that** in the case of a Subsidiary of the Lessee acquired after the end of the financial period to which the then latest audited consolidated accounts of the Lessee and its Subsidiaries relate, the reference to the then latest audited consolidated accounts of the Lessee and its Subsidiaries for the purposes of the calculation above shall, until consolidated accounts for the financial period in which the acquisition is made have been prepared and audited as aforesaid, be deemed to be a reference to such first-mentioned accounts as if such Subsidiary had been shown in such accounts by reference to its then latest relevant audited accounts, adjusted as deemed appropriate by the Lessee;

(b) to which is transferred the whole or substantially the whole of the undertaking and assets of a Subsidiary of the Lessee which immediately prior to such transfer is a Material Subsidiary, **provided that** the transferor Subsidiary shall upon such transfer forthwith cease to be a Material Subsidiary and the transferee Subsidiary shall cease to be a Material Subsidiary pursuant to this paragraph (b) on the date on which the consolidated accounts of the Lessee and its Subsidiaries for the financial period current at the date of such transfer have been prepared and audited as aforesaid but so that such transferor Subsidiary or such transferee Subsidiary may be a Material Subsidiary on or at any time after the date on which such consolidated accounts have been prepared and audited as aforesaid by virtue of the provisions of paragraph (a) above or, prior to or after such date, by virtue of any other applicable provision of this definition; or

(c) to which is transferred an undertaking or assets which, taken together with the undertaking or assets of the transferee Subsidiary, generated (or, in the case of the transferee Subsidiary being acquired after the end of the financial period to which the then latest audited consolidated accounts of the Lessee and its Subsidiaries relate, generate Consolidated EBITDA equal to) not less than 10 per cent. of the Consolidated EBITDA of the Lessee, or represent (or, in the case aforesaid, are equal to) not less than 10 per cent. of the consolidated total assets of the Lessee and its Subsidiaries taken as a whole, all as calculated as referred to in paragraph (a) above, **provided that** the transferor Subsidiary (if a Material Subsidiary) shall upon such transfer forthwith cease to be a Material Subsidiary unless immediately following such transfer its undertaking and assets generate (or, in the case aforesaid, generate Consolidated EBITDA equal to) not less than 10 per cent. of the Consolidated EBITDA of the Lessee, or its assets represent (or, in the case aforesaid, are equal to) not less than 10 per cent. of the consolidated total assets of the Lessee and its Subsidiaries taken as a whole, all as calculated as referred to in paragraph (a) above, and the transferee Subsidiary shall cease to be a Material Subsidiary pursuant to this paragraph (c) on the date on which the consolidated accounts of the Lessee and its Subsidiaries for the financial period current at the date of such transfer have been prepared and audited but so that such transferor Subsidiary or such transferee Subsidiary may be a Material Subsidiary on or at any time after the date on which such consolidated accounts have been prepared and audited as aforesaid by virtue of the provisions of paragraph (a) above or, prior to or after such date, by virtue of any other applicable provision of this definition,

all as more particularly defined in the Master Trust Deed.

Any report signed by two Authorised Signatories of the Lessee whether or not addressed to the Trustee or the Delegate that in their opinion a Subsidiary of the Lessee is or is not or was or was not at any particular time or throughout any specified period a Material Subsidiary may be relied upon by the Trustee and the Delegate without further enquiry or evidence and with no liability to any person therefor and, if relied upon by the Trustee or the Delegate, shall, in the absence of manifest error, be conclusive and binding on all parties;

"**Measurement Period**" means a period of 12 months ending on (i) the last day of the most recently completed financial year of the Lessee and (ii) if consolidated reviewed interim financial statements of the Lessee are published, the last day of the relevant period in respect of which such financial statements were prepared;

"**Moody's**" means Moody's Investors Service, Inc.;

"**Payment Business Day**" means:

(a) a day on which banks in the relevant place of surrender of the definitive Trust Certificate are open for presentation and payment of registered securities and for dealings in foreign currencies; and

(b)

(i) if the currency of payment is euro, a TARGET2 Settlement Day and a day on which dealings in foreign currencies may be carried on in each (if any) Additional Financial Centre; or

(ii) if the currency of payment is not euro, any day which is a day on which dealings in foreign currencies may be carried on in the principal financial centre of the currency of payment and in each (if any) Additional Financial Centre;

"**Periodic Distribution Amount**" means, in relation to a Trust Certificate and a Return Accumulation Period, the amount of profit payable in respect of that Trust Certificate for that Return Accumulation Period which amount may be a Fixed Amount, a Broken Amount or an amount otherwise calculated in accordance with Condition 7 or Condition 8;

"**Permitted Financial Indebtedness**" means any one or more of the following:

(a) any Financial Indebtedness of Emaar or any Subsidiary of Emaar outstanding on the date on which agreement is reached to issue the first tranche of the Trust Certificates;

(b) any Financial Indebtedness owed by Emaar or any Subsidiary of Emaar to Emaar or any other Subsidiary of Emaar; **provided, however, that** any subsequent disposition, pledge or transfer of such Financial Indebtedness (other than to Emaar or a Subsidiary of Emaar) shall be deemed, in each case, to constitute the Incurrence of such Financial Indebtedness by the obligor thereof;

(c) any Financial Indebtedness of Emaar or any Subsidiary of Emaar Incurred and outstanding on or prior to the date on which such Subsidiary became a Subsidiary of Emaar (other than Financial Indebtedness Incurred in connection with, or to provide all or any portion of the funds or credit support utilised to consummate, the transaction or series of related transactions pursuant to which the Subsidiary became a Subsidiary of Emaar);

(d) any amounts owed by Emaar or any Subsidiary of Emaar to suppliers, contractors, sub-contractors and/or project consultants in respect of goods supplied and/or services provided, in each case in the ordinary course of business;

(e) any Project Finance Indebtedness of Emaar or a Subsidiary of Emaar or any Securitisation Indebtedness;

(f) any Financial Indebtedness arising in the form of deferred payment obligations of Emaar or a Subsidiary of Emaar in respect of the acquisition of any business, assets or Capital Stock, in each case in the ordinary course of business; and

(g) any Refinancing Financial Indebtedness Incurred by Emaar or a Subsidiary of Emaar in respect of Financial Indebtedness Incurred by Emaar or a Subsidiary of Emaar: (i) at any time when Emaar had Investment Grade Status; or (ii) pursuant to paragraph (a), (b), (c), (d), (e) or (f) above;

"**Permitted Reorganisation**" means:

(a) (i) any disposal by any Subsidiary of Emaar of all or substantially all of its business, undertaking or assets to Emaar or any other wholly-owned Subsidiary of Emaar or (ii) any disposal by Emaar of all or substantially all of its business, undertaking or assets to any of its wholly-owned Subsidiaries **provided that**, in the case of (ii) only, at the same time or prior to any such disposal, all amounts payable by Emaar under each Transaction Document to which it is a party have been assumed by such Subsidiary on terms previously approved by an Extraordinary Resolution;

(b) any amalgamation, consolidation or merger of a Subsidiary of Emaar with any other Subsidiary of Emaar; or

(c) any amalgamation, consolidation, restructuring, merger or reorganisation on terms previously approved by the Delegate or by an Extraordinary Resolution;

"**Permitted Security**" means:

(a) any Security existing on the date on which agreement is reached to issue the first tranche of Trust Certificates;

(b) any Security created or outstanding with the approval of the Certificateholders by an Extraordinary Resolution;

(c) any Security on assets or property existing at the time the Lessee or any Subsidiary acquired such assets or property **provided that** such Security was not created in contemplation of such acquisition;

(d) any Security securing Indebtedness of any person and/or its Subsidiaries existing at the time that such person is merged into or consolidated with the Lessee or a Subsidiary **provided that** such Security was not created in contemplation of such merger or consolidation and does not extend to any other assets or property of the Lessee or any Subsidiary; and

(e) any renewal of or substitution for any Security permitted by any of the preceding paragraphs (a) through (c), **provided that** with respect to any such Security incurred pursuant to this paragraph (d), the principal amount secured has not increased and the Security has not been extended to any additional property (other than the proceeds of such property);

"**Person**" means any individual, company, corporation, firm, partnership, joint venture, association, organisation, state or agency of a state or other entity, whether or not having separate legal personality;

"**Potential Dissolution Event**" means an event which, with the giving of notice, lapse of time, determination of materiality or fulfilment of any other applicable condition (or any combination of the foregoing), would constitute a Dissolution Event;

"**Project Finance Indebtedness**" means any Financial Indebtedness issued, borrowed or raised by the Lessee or any of its Subsidiaries to finance the ownership, acquisition, development and/or operation of an asset or project where there is no recourse whatsoever for repayment thereof other than:

(a) recourse solely to the property, income, assets or revenues from such asset or project (including insurance proceeds); and/or

(b) recourse, for the purpose only of enabling amounts to be claimed in respect of such Financial Indebtedness, over such asset or project or the income, cash flow or other proceeds deriving therefrom, **provided that** the extent of such recourse is limited solely to the amount of any recoveries made on any such enforcement;

"**Rate**" means the rate or rates specified in the applicable Final Terms or calculated or determined in accordance with the provisions of these Conditions and/or the applicable Final Terms;

"**Rating Agencies**" means (i) Standard & Poor's, (ii) Moody's, (iii) Fitch and (iv) if any one or more of Standard & Poor's, Moody's or Fitch do not make a rating of Emaar publicly available, one or more internationally recognised securities rating agencies selected by Emaar;

"**Record Date**" means, (a) in the case of the payment of a Periodic Distribution Amount, (i) in respect of a Global Trust Certificate, at the close of the business day (being for this purpose a day on which Euroclear and Clearstream, Luxembourg are open for business) before the relevant Periodic Distribution Date, and (ii) in respect of Trust Certificates in definitive form, the date falling on the fifteenth day before the relevant Periodic Distribution Date, and (b) in the case of the payment of a Dissolution Amount, the date falling two Payment Business Days before the Maturity Date or Dissolution Date, as the case may be, or other due date for payment of the relevant Periodic Distribution Amount;

"**Reference Banks**" means the principal London office of each of four major banks engaged in the London, Eurozone or Emirates inter-bank market selected by or on behalf of the Trustee, **provided that** once a Reference Bank has first been selected by or on behalf of the Trustee, such Reference Bank shall not be changed unless it ceases to be capable of acting as such;

"**Refinancing**" means, in respect of any Financial Indebtedness, to refinance, extend, renew, refund, repay, prepay, purchase, redeem, defease or retire, or to issue other Financial Indebtedness in exchange or replacement for, such Financial Indebtedness, and "**Refinanced**" and similar terms are to be construed accordingly;

"**Refinancing Financial Indebtedness**" means Financial Indebtedness that Refinances any Financial Indebtedness of Emaar or any Subsidiary of Emaar, including Financial Indebtedness that Refinances Refinancing Financial Indebtedness; **provided, however, that**:

(a) such Refinancing Financial Indebtedness has a Stated Maturity no earlier than the Stated Maturity of the Financial Indebtedness being Refinanced;

(b) such Refinancing Financial Indebtedness has an Average Life at the time such Refinancing Financial Indebtedness is Incurred that is equal to or greater than the Average Life of the Financial Indebtedness being Refinanced;

(c) such Refinancing Financial Indebtedness has an aggregate principal amount (or if Incurred with original issue discount, an aggregate issue price) that is equal to or less than the aggregate principal amount (or if Incurred with original issue discount, the aggregate accreted value) then outstanding (plus fees and expenses, including any premium) under the Financial Indebtedness being Refinanced; and

(d) if the Financial Indebtedness being Refinanced is subordinated in right of payment to Emaar's payment obligations under the Transaction Documents, such Refinancing Financial Indebtedness is subordinated in right of payment to Emaar's payment obligations under the Transaction Documents at least to the same extent as the Financial Indebtedness being Refinanced;

"**Relevant Accounts**" means, at any time, the most recently publicly available audited consolidated or interim condensed consolidated financial statements of the Lessee prepared in accordance with IFRS;

"**Relevant Date**" means, in relation to any payment, whichever is the later of (a) the date on which the payment in question first becomes due and (b) if the full amount payable has not been received in the principal financial centre of the currency of payment by the Principal Paying Agent on or prior to such due date, the date on which the full amount has been so received;

"**Relevant Indebtedness**" means any present or future indebtedness, other than any Project Finance Indebtedness or Securitisation Indebtedness, which is in the form of, or which is represented or evidenced by, bonds, notes, debentures, loan stock or other securities which for the time being are, or are intended to be or are capable of being, quoted, listed or dealt in or traded on any stock exchange or over-the-counter or other securities market;

"**Relevant Jurisdiction**" means the Cayman Islands and the United Arab Emirates or, in either case, any political subdivision or authority thereof or therein having the power to tax;

"**Relevant Screen Page**" means the page, section or other part of a particular information service specified as the Relevant Screen Page in the applicable Final Terms, or such other page, section or other part as may replace it on that information service or such other information service, in each case, as may be nominated by the Person providing or sponsoring the information appearing there for the purpose of displaying rates or prices comparable to the Reference Rate;

"**Relevant Sukuk Obligation**" means any Sukuk Obligation, other than any Project Finance Indebtedness or Securitisation Indebtedness, in respect of which the relevant trust certificates or other securities are, or are intended to be or are capable of being, quoted, listed or dealt in or traded on any stock exchange or over-the-counter or other securities market;

"**Return Accumulation Period**" means the period from (and including) a Periodic Distribution Date (or the Return Accumulation Commencement Date) to (but excluding) the next (or first) Periodic Distribution Date;

"**Return Accumulation Commencement Date**" means the Issue Date or such other date as specified in the applicable Final Terms;

"**Securitisation Indebtedness**" means any Financial Indebtedness issued, borrowed or raised by the Lessee or any of its Subsidiaries in connection with any securitisation (Islamic or otherwise) of existing or future assets or revenues, **provided that**:

(a) any Security given by the Lessee or any Subsidiary in connection therewith is limited solely to the assets and/or revenues which are the subject of the securitisation;

(b) each person participating in such securitisation expressly agrees to limit its recourse to the assets and/or revenues so securitised as the principal source of repayment for the money advanced or payment of any other liability); and

(c) there is no other recourse to the Lessee or any Subsidiary in respect of any default by any person under the securitisation;

"**Security**" means any mortgage, pledge, security interest, encumbrance, lien or charge of any kind (including, without limitation, any conditional sale or other title retention agreement or lease in the nature thereof, any sale with recourse against the seller or any affiliate of the seller, or any agreement to give any security interest) securing any obligation of any person;

"**Standard & Poor's**" means Standard & Poor's Rating Services, a division of the McGraw-Hill Companies Inc;

"**Stated Maturity**" means, with respect to any Financial Indebtedness or Refinancing Financial Indebtedness, the date specified in the relevant documentation as the fixed date on which the final payment of principal in respect thereof is due and payable, including pursuant to any mandatory redemption provision (but excluding any provision providing for the repurchase of such Financial Indebtedness at the option of the holder thereof upon the happening of any contingency unless such contingency has occurred);

"**Stock Exchange**" means, in relation to the Trust Certificates, the stock exchange or exchanges (if any) on which the Trust Certificates are for the time being quoted or listed;

"**Subsidiary**" means in relation to any company or corporation, a company or corporation:

(a) which is controlled, directly or indirectly, by the first mentioned company or corporation;

(b) more than half of the Capital Stock of which is beneficially owned, directly or indirectly by the first mentioned company or corporation; or

(c) which is a Subsidiary of another Subsidiary of the first mentioned company or corporation,

and for this purpose a company or corporation shall be treated as being controlled by another if that other company or corporation is able to direct its affairs and/or to control the composition of its board of directors or equivalent body;

"**Sukuk Obligation**" means any undertaking or other obligation to pay any money given in connection with any issue of trust certificates or other securities intended to be issued in compliance with the principles of *Sharia*, whether or not in return for consideration of any kind;

"**TARGET2 Settlement Day**" means any day on which the Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET2) System (the "**TARGET2 System**") is open;

"**Taxes**" means any taxes, levies, imposts, duties, fees, assessments or other charges of whatever nature imposed or levied by or on behalf of any Relevant Jurisdiction, and all interest, penalties or similar liabilities with respect thereto;

"**Total Equity**" means the share capital of the Group for the time being issued and paid up or credited as paid up; and the aggregate of the amounts standing to the credit of the consolidated capital and revenue reserves (including share premium account, statutory reserves and profit and loss account but excluding hedging reserves) of the Group;

"**Total Loss Dissolution Date**" has the meaning given to it in Condition 11.4;

"**Transaction Account**" means the account in the Trustee's name, details of which are specified in the applicable Final Terms;

"**Transaction Documents**" means the Purchase Agreement, the Lease Agreement, the Purchase Undertaking, the Sale Undertaking, Servicing Agency Agreement, the Substitution and Sale of Additional Assets Undertaking, the Master Murabaha Agreement (together with the Purchase Order, the Letter of Offer and Acceptance and all other offers, acceptances and confirmations delivered pursuant thereto in connection with the relevant Series), the Trust Deed, the Agency Agreement and any Sale Agreement;

"**Treaty**" means the Treaty on the Functioning of the European Union, as amended; and

"**Trust Assets**" means the assets, rights and/or cash described in Condition 5.1.

1.2 **Interpretation**

In these Conditions:

(a) any reference to face amount shall be deemed to include the Dissolution Amount, any additional amounts (other than relating to Periodic Distribution Amounts) which may be payable under Condition 13, and any other amount in the nature of face amounts payable pursuant to these Conditions;

(b) any reference to Periodic Distribution Amounts shall be deemed to include any additional amounts in respect of profit distributions which may be payable under Condition 11 and any other amount in the nature of a profit distribution payable pursuant to these Conditions;

(c) references to Trust Certificates being "outstanding" shall be construed in accordance with the Master Trust Deed; and

(d) any reference to a Transaction Document shall be construed as a reference to that Transaction Document as amended and/or supplemented up to and including the Issue Date.

## 2. FORM, DENOMINATION AND TITLE

### 2.1 Form and Denomination

The Trust Certificates are issued in registered form in the Specified Denominations and, in the case of Trust Certificates in definitive form, are serially numbered.

For so long as any of the Trust Certificates is represented by a Global Trust Certificate held on behalf of Euroclear Bank SA/NV ("**Euroclear**") and/or Clearstream Banking S.A. ("**Clearstream, Luxembourg**"), each person (other than Euroclear or Clearstream, Luxembourg) who is for the time being shown in the records of Euroclear or of Clearstream, Luxembourg as the holder of a particular face amount of such Trust Certificates (in which regard any certificate or other document issued by Euroclear or Clearstream, Luxembourg as to the face amount of such Trust Certificates standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error) shall be treated by the Trustee, the Delegate, Emaar and the Agents as the holder of such face amount of such Trust Certificates for all purposes other than with respect to payment in respect of such Trust Certificates, for which purpose the registered holder of the Global Trust Certificate shall be treated by the Trustee, the Delegate, Emaar and any Agent as the holder of such face amount of such Trust Certificates in accordance with and subject to the terms of the relevant Global Trust Certificate and the expressions "**Certificateholder**" and "**holder**" in relation to any Trust Certificates and related expressions shall be construed accordingly.

Trust Certificates which are represented by a Global Trust Certificate will be transferable only in accordance with the rules and procedures for the time being of Euroclear and Clearstream, Luxembourg, as the case may be.

References to Euroclear and/or Clearstream, Luxembourg shall, whenever the context so permits, be deemed to include a reference to any additional or alternative clearing system specified in the applicable Final Terms.

2.2 **Register**

The Registrar will maintain a register (the "**Register**") of Certificateholders in respect of the Trust Certificates in accordance with the provisions of the Agency Agreement. In the case of Trust Certificates in definitive form, a definitive Trust Certificate will be issued to each Certificateholder in respect of its registered holding of Trust Certificates.

2.3 **Title**

The Trustee, the Delegate, Emaar and the Agents may (to the fullest extent permitted by applicable laws) deem and treat the person in whose name any outstanding Trust Certificate is for the time being registered (as set out in the Register) as the holder of such Trust Certificate or of a particular face amount of the Trust Certificates for all purposes (whether or not such Trust Certificate or face amount shall be overdue and notwithstanding any notice of ownership thereof or of trust or other interest with regard thereto, and any notice of loss or theft or any writing thereon), and the Trustee, the Delegate, Emaar and the Agents shall not be affected by any notice to the contrary.

All payments made to such registered holder shall be valid and, to the extent of the sums so paid, effective to satisfy and discharge the liability for monies payable in respect of such Trust Certificate or face amount.

3. **TRANSFERS OF DEFINITIVE TRUST CERTIFICATES**

3.1 **Transfers**

Subject to Conditions 3.4 and 3.5, a definitive Trust Certificate may be transferred in whole or in an amount equal to the Specified Denomination or any integral multiple thereof by depositing the definitive Trust Certificate, with the form of transfer on the back duly completed and signed, at the specified office of the Registrar.

3.2 **Delivery of new definitive Trust Certificates**

Each new definitive Trust Certificate to be issued upon any transfer of definitive Trust Certificates will, within five business days of receipt by the Registrar of the duly completed form of transfer endorsed on the relevant definitive Trust Certificate, be mailed by uninsured mail at the risk of the holder entitled to the definitive Trust Certificate to the address specified in the form of transfer. For the purposes of this Condition, "**business day**" shall mean a day on which banks are open for business in the city in which the specified office of the Registrar is located.

Where some but not all of the Trust Certificates in respect of which a definitive Trust Certificate is issued are to be transferred, a new definitive Trust Certificate in respect of the Trust Certificates not so transferred will, within five business days of receipt by the Registrar of the original definitive Trust Certificate, be mailed by uninsured mail at the risk of the holder of the Trust Certificates not so transferred to the address of such holder appearing on the Register or as specified in the form of transfer.

3.3 **Formalities free of charge**

Registration of any transfer of definitive Trust Certificates will be effected without charge by or on behalf of the Trustee and the Registrar but upon payment (or the giving of such indemnity as the Trustee and the Registrar may reasonably require) in respect of any stamp duty, tax or other governmental charges which may be imposed in relation to such transfer.

### 3.4 Closed periods

No Certificateholder may require the transfer of a definitive Trust Certificate to be registered during the period of 15 days ending on a Periodic Distribution Date, the Maturity Date, a Dissolution Date or any other date on which any payment of the face amount or payment of any profit in respect of a Trust Certificate falls due.

### 3.5 Regulations

All transfers of definitive Trust Certificates and entries on the Register will be made subject to the detailed regulations concerning the transfer of Trust Certificates scheduled to the Master Trust Deed. A copy of the current regulations will be mailed (free of charge) by the Registrar to any Certificateholder who requests one. Notwithstanding the above, the Trustee may from time to time agree with the Registrar reasonable regulations to govern the transfer and registration of definitive Trust Certificates.

## 4. STATUS AND LIMITED RECOURSE

### 4.1 Status

Each Trust Certificate evidences an undivided ownership interest in the Trust Assets subject to the terms of the Trust Deed and these Conditions and is a limited recourse obligation of the Trustee. Each Trust Certificate ranks *pari passu*, without any preference or priority, with all other Trust Certificates.

### 4.2 Limited Recourse

Proceeds of the Trust Assets are the sole source of payments on the Trust Certificates. The Trust Certificates do not represent an interest in any of the Trustee, the Delegate, Emaar, any of the Agents or any of their respective affiliates.

Emaar is obliged to make payments under the relevant Transaction Documents to which it is a party directly to the Trustee and the Delegate, for and on behalf of the Certificateholders, and the Trustee and the Delegate will have recourse against Emaar to recover payments due to the Trustee from Emaar pursuant to such Transaction Documents. Such right of the Trustee and the Delegate shall (subject to the negative pledge provisions described in Condition 6) constitute an unsecured claim against the Obligor. None of the Certificateholders, the Trustee or the Delegate shall be entitled to claim any priority right in respect of any specific assets of the Obligor in connection with the enforcement of any such claim.

The net proceeds of the realisation of, or enforcement with respect to, the Trust Assets may not be sufficient to make all payments due in respect of the Trust Certificates.

### 4.3 Agreement of Certificateholders

By subscribing for or acquiring the Trust Certificates, each Certificateholder acknowledges and agrees that notwithstanding anything to the contrary contained herein or in any Transaction Document:

(a) no payment of any amount whatsoever shall be made by the Trustee (acting in any capacity) or any of its directors, officers, employees or agents on its behalf except to the extent funds are available therefor from the Trust Assets and further acknowledges and agrees that no recourse shall be had for the payment of any amount due and owing hereunder or under any other Transaction Document, whether for the payment of any fee, indemnity or other amount hereunder or any other obligation or claim arising out of or based upon any Transaction Document, against the Trustee (acting in any capacity) to the extent the Trust Assets have been exhausted following which all obligations of the Trustee shall be extinguished;

(b) if the proceeds of the relevant Trust Assets are insufficient to make all payments due in respect of the Trust Certificates, Certificateholders will have no recourse to any assets of the Trustee (and/or its directors, officers, shareholders or corporate services providers in their capacity as such) (other than the relevant Trust Assets in the manner and to the extent contemplated in the Conditions and the Transaction Documents), or the Delegate, the Agents or any of their respective directors, officers, employees, agents, shareholders or affiliates, in respect of any shortfall or otherwise;

(c) it will not petition for, institute, or join with any other person in instituting proceedings for, reorganisation, arrangement, liquidation, bankruptcy, winding-up or receivership of or other proceedings under any bankruptcy or similar law against the Trustee or any of its directors, officers, employees, agents or affiliates; and

(d) no recourse (whether by institution or enforcement of any legal proceedings or assessment or otherwise) in respect of any breaches of any duty, obligation or undertaking of the Trustee (acting in any capacity) arising under or in connection with these Conditions by virtue of any customary law, statute or otherwise shall be had against any officer, employee, agent, director or corporate services provider of the Trustee, in their capacity as such. The obligations of the Trustee (acting in any capacity) herein and under the Transaction Documents are corporate or limited liability obligations of the Trustee, and no personal liability shall attach to or be incurred by the officers, employees, agents, directors or corporate service providers of the Trustee, save in the case of their wilful default or actual fraud. Reference herein to wilful default or actual fraud means a finding to such effect by a court of competent jurisdiction in relation to the conduct of the relevant party.

## 5. THE TRUST

### 5.1 Trust Assets

Unless otherwise specified in the applicable Final Terms, the Trust Assets will comprise:

(a) the cash proceeds of the issue of the Trust Certificates, pending application thereof in accordance with the terms of the Transaction Documents;

(b) the rights, title, interest and benefit, present and future, of the Trustee in, to and under the Lease Assets;

(c) the rights, title, interest and benefit, present and future, of the Trustee in, to and under the Transaction Documents (other than in relation to any representations given to the Trustee by Emaar pursuant to any of the Transaction Documents);

(d) all monies standing to the credit of the Transaction Account from time to time; and

(e) any other assets, rights, cash or investments as may be specified in the applicable Final Terms,

and all proceeds of the foregoing.

### 5.2 Application of Proceeds from the Trust Assets

Pursuant to the Trust Deed, the Trustee holds the Trust Assets for and on behalf of the Certificateholders. On each Periodic Distribution Date, or on any Dissolution Date, the Principal Paying Agent, notwithstanding any instructions to the contrary from the Trustee, will apply the monies standing to the credit of the Transaction Account in the following order of priority:

(a) *first*, (to the extent not previously paid) to the Delegate in respect of all amounts owing to it (including any amounts owing to the Delegate in respect of its Appointees (as defined in the Master Trust Deed)) under the Transaction Documents;

(b) *second*, to the Principal Paying Agent for application in or towards payment *pari passu* and rateably of all Periodic Distribution Amounts due and unpaid;

(c) *third*, only if such payment is made on the Maturity Date or any Dissolution Date, to the Principal Paying Agent in or towards payment *pari passu* and rateably of the Dissolution Amount;

(d) *fourth*, only if such payment is made on the Maturity Date or any Dissolution Date, to the Servicing Agent in or towards payment of all outstanding Service Charge Amounts; and

(e) *fifth*, only if such payment is made on the Maturity Date or any Dissolution Date, to Emaar.

## 6. NEGATIVE PLEDGE AND OTHER COVENANTS

6.1 So long as any Trust Certificate remains outstanding, Emaar covenants and undertakes with the Trustee that it shall not, and it shall procure that no Material Subsidiary (other than a Material Subsidiary that is a Joint Venture Company) will, create or permit to subsist any Security upon the whole or any part of its present or future assets or revenues (including uncalled capital) to secure any of its Relevant Indebtedness or Relevant Sukuk Obligation or any guarantee or indemnity of its Relevant Indebtedness or Relevant Sukuk Obligation, other than Permitted Security, without at the same time or prior thereto securing equally and rateably therewith its obligations under the Purchase Undertaking, the Lease Agreement, the Servicing Agency Agreement, the Master Murabaha Agreement and the Master Trust Deed or providing such other Security for those obligations as may be approved by the holders of the Trust Certificates by an Extraordinary Resolution.

6.2 In addition, Emaar covenants and undertakes that, unless otherwise specified in the relevant Supplemental Lease Agreement, for so long as any Trust Certificate remains outstanding, it shall not, and shall not permit any of its Subsidiaries to create, issue, incur, assume, guarantee or in any manner become directly or indirectly liable with respect to or otherwise become responsible for, contingently or otherwise, the payment of (individually and collectively, to "**Incur**" or, as appropriate, an "**Incurrence**") any Financial Indebtedness (other than Permitted Financial Indebtedness); **provided that** Emaar and its Subsidiaries will be permitted to Incur additional Financial Indebtedness if:

(a) the ratio of Consolidated Total Net Indebtedness at the end of the immediately preceding Measurement Period to Total Equity at the end of such Measurement Period does not exceed a ratio of 1.5:1; and

(b) the ratio of Consolidated EBITDA for the immediately preceding Measurement Period to Consolidated Net Finance Charges Payable for such Measurement Period is not less than a ratio of 1.5:1.

The provisions of this Condition 6.2 shall not apply for so long as Emaar has Investment Grade Status. However, the provisions of this Condition 6.2 shall immediately apply if and for so long as Emaar ceases to have Investment Grade Status.

6.3 For the purposes of this Condition 6, unless otherwise specified in the relevant Supplemental Lease Agreement:

(a) an accounting term used in this provision is to be construed in accordance with the principles applied in connection with the most recently produced audited consolidated financial statements or interim condensed consolidated financial statements, as the case may be, of Emaar;

(b) compliance with this provision shall be assessed by reference to the most recently produced audited consolidated financial statements or interim condensed consolidated financial statements, as the case may be, of Emaar;

(c) the reference to audited consolidated financial statements or interim condensed consolidated financial statements of Emaar being produced shall be a reference to (i) in the case of audited consolidated financial statements, such financial statements having been audited by Emaar's external auditors and authorised for issue by or on behalf of the board of directors of Emaar and (ii) in the case of interim condensed consolidated financial statements, such financial statements having been reviewed by Emaar's external auditors and authorised for issue by or on behalf of the board of directors of Emaar;

(d) any amount in a currency other than U.S.$ is to be taken into account at its U.S.$ equivalent calculated on the basis of:

(i) the Principal Paying Agent's spot rate of exchange for the purchase of the relevant currency in the London foreign exchange market with U.S.$ at or about 11:00 a.m. (London time) on the day the relevant amount falls to be calculated; or

(ii) if the amount is to be calculated on the last day of a financial period of Emaar, the relevant rates of exchange used by Emaar in, or in connection with, its financial statements for that period; and

(e) no item must be credited or deducted more than once in any calculation under this provision.

6.4 The Trustee covenants that for so long as any Trust Certificate is outstanding, it will not (without the prior written consent of the Delegate):

(a) incur any indebtedness in respect of borrowed money whatsoever (whether structured in accordance with the principles of the *Sharia* or otherwise), or give any guarantee or indemnity in respect of any obligation of any person or issue any shares (or rights, warrants or options in respect of shares or securities convertible into or exchangeable for shares) or any other certificates except, in all cases, as contemplated in the Transaction Documents;

(b) grant or permit to be outstanding any lien, pledge, charge or other security interest upon any of its present or future assets, properties or revenues (other than those arising by operation of law);

(c) sell, lease, transfer, assign, participate, exchange or otherwise dispose of, or pledge, mortgage, hypothecate or otherwise encumber (by security interest, lien (statutory or otherwise), preference, priority or other security agreement or preferential arrangement of any kind or nature whatsoever or otherwise or permit such to occur or suffer such to exist), any part of its interest in any of the Trust Assets except pursuant to any Transaction Document;

(d) use the proceeds of the issue of the Trust Certificates for any purpose other than as stated in the Transaction Documents;

(e) amend or agree to any amendment of any Transaction Document to which it is a party in a manner which is prejudicial to the rights of holders of outstanding Trust Certificates (it being accepted that an increase in the aggregate face amount of the Programme will not be prejudicial to such rights) without (i) the prior approval of the Certificateholders by way of Extraordinary Resolution and (ii) first notifying the Rating Agencies of the proposed amendments and subsequently providing the Rating Agencies with copies of the relevant executed amended Transaction Documents;

(f) act as trustee in respect of any trust other than the Trust corresponding to a Series of Trust Certificates issued from time to time pursuant to the Programme;

(g) have any subsidiaries or employees;

(h) redeem or purchase any of its shares or pay any dividend or make any other distribution to its shareholders;

(i) prior to the date which is one year and one day after the date on which all amounts owing by the Trustee under the Transaction Documents to which it is a party have been paid in full, put to its directors or shareholders any resolution for, or appoint any liquidator for, its winding up or any resolution for the commencement of any other bankruptcy or insolvency proceeding with respect to it; and

(j) enter into any contract, transaction, amendment, obligation or liability other than the Transaction Documents to which it is a party or any permitted amendment or supplement thereto or as expressly permitted or required thereunder or engage in any business or activity other than:

(i) as provided for or permitted in the Transaction Documents;

(ii) the ownership, management and disposal of Trust Assets as provided in the Transaction Documents; and

(iii) such other matters which are incidental thereto.

## 7. FIXED PERIODIC DISTRIBUTION PROVISIONS

### 7.1 Application

This Condition 7 is applicable to the Trust Certificates only if the Fixed Periodic Distribution Provisions are specified in the applicable Final Terms as being applicable.

### 7.2 Periodic Distribution Amount

A Periodic Distribution Amount for the Trust Certificates will be payable in respect of the Trust Certificates and will be distributable by the Trustee to the Certificateholders in accordance with these Conditions.

### 7.3 Determination of Periodic Distribution Amount

Except as provided in the applicable Final Terms, the Periodic Distribution Amount payable in respect of each Trust Certificate in definitive form for any Return Accumulation Period shall be the Fixed Amount. Payments of Periodic Distribution Amount in respect of Trust Certificates in definitive form on any Periodic Distribution Date may, if so specified in the applicable Final Terms, amount to the Broken Amount so specified.

Except in the case of Trust Certificates in definitive form where a Fixed Amount or Broken Amount is specified in the applicable Final Terms, the Periodic Distribution Amount shall be calculated in respect of any period by applying the Rate to:

(a) in the case of Trust Certificates which are represented by a Global Certificate, the aggregate outstanding face amount of the Trust Certificates represented by such Global Certificate; or

(b) in the case of Trust Certificates in definitive form, the Calculation Amount,

and, in each case, multiplying such sum by the applicable Day Count Fraction, and rounding the resultant figure to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention. Where the Specified Denomination of a Trust Certificate in definitive form is a multiple of the Calculation Amount, the Periodic Distribution Amount payable in respect of such Trust Certificate shall be the product of the amount (determined in the manner provided above) for the Calculation Amount and the amount by which the Calculation Amount is multiplied to reach the Specified Denomination, without any further rounding.

"**Day Count Fraction**" means, in respect of the calculation of Periodic Distribution Amount in accordance with this Condition 7.3:

(a) if "Actual/Actual (ICMA)" is specified in the applicable Final Terms:

(i) in the case of Trust Certificates where the number of days in the relevant period from (and including) the most recent Periodic Distribution Date (or, if none, the Return Accumulation Commencement Date) to (but excluding) the relevant payment date (the "**Accrual Period**") is equal to or shorter than the Determination Period during which the Accrual Period ends, the number of days in such Accrual

Period divided by the product of (A) the number of days in such Determination Period and (B) the number of Determination Dates (as specified in the applicable Final Terms) that would occur in one calendar year; or

(ii) in the case of Trust Certificates where the Accrual Period is longer than the Determination Period during which the Accrual Period ends, the sum of:

(A) the number of days in such Accrual Period falling in the Determination Period in which the Accrual Period begins divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Dates that would occur in one calendar year; and

(B) the number of days in such Accrual Period falling in the next Determination Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Dates that would occur in one calendar year; and

(b) if "30/360" is specified in the applicable Final Terms, the number of days in the period from (and including) the most recent Periodic Distribution Date (or, if none, the Return Accumulation Commencement Date) to (but excluding) the relevant payment date (such number of days being calculated on the basis of a year of 360 days with 12 30 day months) divided by 360.

In the Conditions:

"**Determination Period**" means each period from (and including) a Determination Date to (but excluding) the next Determination Date (including, where either the Return Accrual Commencement Date or the final Periodic Distribution Date is not a Determination Date, the period commencing on the first Determination Date prior to, and ending on the first Determination Date falling after, such date); and

"**sub-unit**" means, with respect to any currency other than euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, with respect to euro, one cent.

7.4 **Payment in Arrear**

Subject to Condition 7.5, Condition 11.2, Condition 11.3 and Condition 15 below, and unless otherwise specified in the applicable Final Terms, each Periodic Distribution Amount will be paid in respect of the relevant Trust Certificates in arrear on each Periodic Distribution Date.

7.5 **Cessation of Profit Entitlement**

No further amounts will be payable on any Trust Certificate from and including (a) the Maturity Date or, as the case may be, the Dissolution Date (excluding a Total Loss Dissolution Date), unless default is made in the payment of the Dissolution Amount and no sale agreement has been executed pursuant to the Sale Undertaking or the Purchase Undertaking, as the case may be, relating to the redemption of the Trust Certificates in full, in which case Periodic Distribution Amounts will continue to accrue in respect of the Trust Certificates in the manner provided in this Condition to the earlier of (i) the Relevant Date or (ii) the date on which a sale agreement is executed pursuant to the Sale Undertaking or the Purchase Undertaking, as the case may be; and (b) the date on which a Total Loss Event occurs.

## 8. FLOATING PERIODIC DISTRIBUTION PROVISIONS

8.1 **Application**

This Condition 8 is applicable to the Trust Certificates only if the Floating Periodic Distribution Provisions are specified in the applicable Final Terms as being applicable.

8.2 **Periodic Distribution Amounts**

Periodic Distribution Amounts for the Trust Certificates will be payable in respect of the Trust Certificates and will be distributable by the Trustee to the Certificateholders in accordance with these Conditions. Such Periodic Distribution Amounts will be payable in arrear on either:

(a) the Specified Periodic Distribution Date(s) in each year specified in the applicable Final Terms; or

(b) if no Specified Periodic Distribution Date(s) is/are specified in the applicable Final Terms, each date (each such date, together with each Specified Periodic Distribution Date, a "**Periodic Distribution Date**") which falls the number of months or other period specified as the Specified Period in the applicable Final Terms after the preceding Periodic Distribution Date or, in the case of the first Periodic Distribution Date, after the Return Accumulation Commencement Date.

Such Periodic Distribution Amounts will be payable in respect of each Return Accumulation Period.

If a Business Day Convention is specified in the applicable Final Terms and (x) if there is no numerically corresponding day in the calendar month in which a Periodic Distribution Date should occur or (y) if any Periodic Distribution Date would otherwise fall on a day which is not a Business Day, then, if the Business Day Convention specified is:

(A) in any case where Specified Periods are specified in accordance with Condition 8.2(b) above, the Floating Rate Convention, such Periodic Distribution Date (a) in the case of (x) above, shall be the last day that is a Business Day in the relevant month and the provisions of (ii) below shall apply *mutatis mutandis* or (b) in the case of (y) above, shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event (i) such Periodic Distribution Date shall be brought forward to the immediately preceding Business Day and (ii) each subsequent Periodic Distribution Date shall be the last Business Day in the month which falls the Specified Period after the preceding applicable Periodic Distribution Date occurred; or

(B) the Following Business Day Convention, such Periodic Distribution Date shall be postponed to the next day which is a Business Day; or

(C) the Modified Following Business Day Convention, such Periodic Distribution Date shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event such Periodic Distribution Date shall be brought forward to the immediately preceding Business Day; or

(D) the Preceding Business Day Convention, such Periodic Distribution Date shall be brought forward to the immediately preceding Business Day.

In these Conditions, "**Business Day**" means a day which is:

(a) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in London and each Additional Business Centre (other than TARGET2 System) specified in the applicable Final Terms;

(b) if TARGET2 System is specified as an Additional Business Centre in the applicable Final Terms, a TARGET2 Settlement Day;

(c) either (i) in relation to any sum payable in a Specified Currency other than euro, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the principal financial centre of the country of the relevant Specified Currency (if other than London and any Additional Business Centre) or (ii) in relation to any sum payable in euro, a TARGET2 Settlement Day.

8.3 **ISDA Determination**

If ISDA Determination is specified in the applicable Final Terms as the manner in which the Rate(s) is/are to be determined, the Rate applicable to the Trust Certificates for each Return Accumulation Period will be the relevant ISDA Rate plus or minus (as indicated in the applicable Final Terms) the Margin (if any). For the purposes of this subparagraph (i), "**ISDA Rate**" for a Return Accumulation Period means a rate equal to the Floating Rate that would be determined by the Calculation Agent under a swap transaction under the terms of an agreement incorporating the 2006 ISDA Definitions, as published by the International Swaps and Derivatives Association, Inc. and as amended and updated as at the Issue Date of the first Tranche of the Trust Certificates (the "**ISDA Definitions**") and under which:

(A) the Floating Rate Option is as specified in the applicable Final Terms;

(B) the Designated Maturity is a period specified in the applicable Final Terms; and

(C) the relevant Reset Date is the day specified in the applicable Final Terms.

For the purposes of this subparagraph (i), "**Floating Rate**", "**Calculation Agent**", "**Floating Rate Option**", "**Designated Maturity**" and "**Reset Date**" have the meanings given to those terms in the ISDA Definitions.

8.4 **Screen Rate Determination**

(a) If Screen Rate Determination is specified in the applicable Final Terms as the manner in which the Rate(s) is/are to be determined, the Rate applicable to the Trust Certificates for each Return Accumulation Period will, subject as provided below, be either:

(i) the offered quotation; or

(ii) the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) of the offered quotations,

(expressed as a percentage rate per annum), for the Reference Rate (specified in the applicable Final Terms) which appears or appear, as the case may be, on the Relevant Screen Page as at the Relevant Time on the Periodic Distribution Determination Date in question plus or minus (as indicated in the applicable Final Terms) the Margin (if any), all as determined by the Calculation Agent. If five or more of such offered quotations are available on the Relevant Screen Page, the highest (or, if there is more than one highest quotation, one only of those quotations) and the lowest (or, if there is more than one lowest quotation, one only of those quotations) shall be disregarded by the Calculation Agent for the purpose of determining the arithmetic mean (rounded as provided above) of the offered quotations.

(b) If the Relevant Screen Page is not available or if, in the case of Condition 8.4(a)(i), no offered quotation appears or, in the case of Condition 8.4(a)(ii), fewer than three offered quotations appear, in each case as at the Relevant Time, the Calculation Agent shall request each of the Reference Banks to provide the Calculation Agent with its offered quotation (expressed as a percentage rate per annum) for the Reference Rate at approximately the Relevant Time on the Periodic Distribution Determination Date in question. If two or more of the Reference Banks provide the Calculation Agent with offered quotations, the Rate for such Return Accumulation Period shall be the arithmetic mean (rounded if necessary to the fifth decimal place with 0.000005 being rounded upwards) of the offered quotations plus or minus (as appropriate) the Margin (if any), all as determined by the Calculation Agent.

(c) If on any Periodic Distribution Determination Date one only or none of the Reference Banks provides the Calculation Agent with an offered quotation as provided in the preceding paragraph, the Rate for such Return Accumulation Period shall be the rate per annum which the Calculation Agent determines as being the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) of the rates, as communicated to (and at the request of) the Calculation Agent by the Reference Banks or any two or more of them, at which such banks were offered, at approximately the Relevant Time on the relevant Periodic Distribution Determination Date, deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate by leading banks in the London inter-bank market (if the Reference Rate is LIBOR), the Euro-zone inter-bank market (if the Reference Rate is EURIBOR) or the Emirates inter- bank market (if the Reference Rate is EIBOR) plus or minus (as appropriate) the Margin (if any) or, if fewer than two of the Reference Banks provide the Calculation Agent with such offered rates, the offered rate for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, or the arithmetic mean (rounded as provided above) of the offered rates for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, at which, at approximately the Relevant Time on the relevant Periodic Distribution Determination Date, any one or more banks (which bank or banks is or are in the opinion of Emaar suitable for the purpose) informs the Calculation Agent it is quoting to leading banks in the London inter-bank market (if the Reference Rate is LIBOR), the Euro-zone inter-bank market (if the Reference Rate is EURIBOR) or the Emirates inter-bank market (if the Reference Rate is EIBOR) plus or minus (as appropriate) the Margin (if any), **provided that**, if the Rate for such Return Accumulation Period cannot be determined in accordance with the foregoing provisions of this paragraph, the Rate for such Return Accumulation Period shall be determined as at the last preceding Periodic Distribution Determination Date (though substituting, where a different Margin is to be applied to the relevant Return Accumulation Period from that which applied to the last preceding Return Accumulation Period, the Margin relating to the relevant Return Accumulation Period in place of the Margin relating to that last preceding Return Accumulation Period).

Unless otherwise stated in the applicable Final Terms the minimum Rate applicable to the Trust Certificates shall be deemed to be zero.

8.5 **Cessation of Profit Entitlement**

No further amounts will be payable on any Trust Certificate from and including (a) the Maturity Date or, as the case may be, the Dissolution Date (excluding a Total Loss Dissolution Date), unless default is made in the payment of the Dissolution Amount and no sale agreement has been executed pursuant to the Sale Undertaking or the Purchase Undertaking, as the case may be, relating to the redemption of the Trust Certificates in full, in which case Periodic Distribution Amounts will continue to accrue in respect of the Trust Certificates in the manner provided in this Condition 8 to the earlier of (i) the Relevant Date; or (ii) the date on which a sale agreement is executed pursuant to the Sale Undertaking or the Purchase Undertaking, as the case may be; and (b) the date on which a Total Loss Event occurs.

8.6 **Calculation of Periodic Distribution Amount**

The Calculation Agent will, as soon as practicable after the time at which the Rate is to be determined in relation to each Return Accumulation Period, calculate the Periodic Distribution Amount payable in respect of each Trust Certificate for such Return Accumulation Period. The Periodic Distribution Amount will be calculated by applying the Rate applicable to the relevant Return Accumulation Period to:

(a) in the case of Trust Certificates which are represented by a Global Certificate, the aggregate outstanding face amount of the Trust Certificates represented by such Global Certificate; or

(b) in the case of Trust Certificates in definitive form, the Calculation Amount;

and, in each case, multiplying such sum by the applicable Day Count Fraction, and rounding the resultant figure to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention. Where the Specified Denomination of a Trust Certificate in definitive form is a multiple of the Calculation Amount, the Periodic Distribution Amount payable in respect of such Trust Certificate shall be the product of the amount (determined in the manner provided above) for the Calculation Amount and the amount by which the Calculation Amount is multiplied to reach the Specified Denomination, without any further rounding.

"**Day Count Fraction**" means, in respect of the calculation of a Periodic Distribution Amount in accordance with this Condition 8:

(a) if "**Actual/Actual (ISDA)**" or "**Actual/Actual**" is specified in the applicable Final Terms, the actual number of days in the Return Accumulation Period divided by 365 (or, if any portion of that Return Accumulation Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Return Accumulation Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Return Accumulation Period falling in a non-leap year divided by 365);

(b) if "**Actual/365 (Fixed)**" is specified in the applicable Final Terms, the actual number of days in the Return Accumulation Period divided by 365;

(c) if "**Actual/365 (Sterling)**" is specified in the applicable Final Terms, the actual number of days in the Return Accumulation Period divided by 365 or, in the case of a Periodic Distribution Date falling in a leap year, 366;

(d) if "**Actual/360**" is specified in the applicable Final Terms, the actual number of days in the Return Accumulation Period divided by 360;

(e) if "**30/360**" "**360/360**" or "**Bond Basis**" is specified in the applicable Final Terms, the number of days in the Return Accumulation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

"$\mathbf{Y_1}$" is the year, expressed as a number, in which the first day of the Return Accumulation Period falls;

"$\mathbf{Y_2}$" is the year, expressed as a number, in which the day immediately following the last day of the Return Accumulation Period falls;

"$\mathbf{M_1}$" is the calendar month, expressed as a number, in which the first day of the Return Accumulation Period falls;

"$\mathbf{M_2}$" is the calendar month, expressed as a number, in which the day immediately following the last day of the Return Accumulation Period falls;

"$\mathbf{D_1}$" is the first calendar day, expressed as a number, of the Return Accumulation Period, unless such number is 31, in which case $D_1$ will be 30; and

"$\mathbf{D_2}$" is the calendar day, expressed as a number, immediately following the last day included in the Return Accumulation Period, unless such number would be 31 and D1 is greater than 29, in which case $D_2$ will be 30;

(f) if "**30E/360**" or "**Eurobond Basis**" is specified in the applicable Final Terms, the number of days in the Return Accumulation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

"$\mathbf{Y_1}$" is the year, expressed as a number, in which the first day of the Return Accumulation Period falls;

"**$Y_2$**" is the year, expressed as a number, in which the day immediately following the last day of the Return Accumulation Period falls;

"**$M_1$**" is the calendar month, expressed as a number, in which the first day of the Return Accumulation Period falls;

"**$M_2$**" is the calendar month, expressed as a number, in which the day immediately following the last day of the Return Accumulation Period falls;

"**$D_1$**" is the first calendar day, expressed as a number, of the Return Accumulation Period, unless such number would be 31, in which case $D_1$ will be 30; and

"**$D_2$**" is the calendar day, expressed as a number, immediately following the last day included in the Return Accumulation Period, unless such number would be 31, in which case $D_2$ will be 30;

(g) if "**30E/360 (ISDA)**" is specified in the applicable Final Terms, the number of days in the Return Accumulation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

"**$Y_1$**" is the year, expressed as a number, in which the first day of the Return Accumulation Period falls;

"**$Y_2$**" is the year, expressed as a number, in which the day immediately following the last day of the Return Accumulation Period falls;

"**$M_1$**" is the calendar month, expressed as a number, in which the first day of the Return Accumulation Period falls;

"**$M_2$**" is the calendar month, expressed as a number, in which the day immediately following the last day of the Return Accumulation Period falls;

"**$D_1$**" is the first calendar day, expressed as a number, of the Return Accumulation Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case $D_1$ will be 30; and

"**$D_2$**" is the calendar day, expressed as a number, immediately following the last day included in the Return Accumulation Period, unless (i) that day is the last day of February but not the Maturity Date or (ii) such number would be 31, in which case $D_2$ will be 30.

### 8.7 Linear Interpolation

Where Linear Interpolation is specified as applicable in respect of a Periodic Distribution Period in the applicable Final Terms, the Rate for such Periodic Distribution Period shall be calculated by the Calculation Agent by straight line linear interpolation by reference to two rates based on the relevant Reference Rate (where Screen Rate Determination is specified as applicable in the applicable Final Terms) or the relevant Floating Rate Option (where ISDA Determination is specified as applicable in the applicable Final Terms), one of which shall be determined as if the Designated Maturity were the period of time for which rates are available next shorter than the length of the relevant Periodic Distribution Period and the other of which shall be determined as if the Designated Maturity were the period of time for which rates are available next longer than the length of the relevant Periodic Distribution Period **provided however that** if there is no rate available for a period of time next shorter or, as the case may be, next longer, then the Calculation Agent shall determine such rate at such time and by reference to such sources as it determines appropriate.

"**Designated Maturity**" means, in relation to Screen Rate Determination, the period of time designated in the Reference Rate.

8.8 **Calculation of Other Amounts**

If the applicable Final Terms specifies that any other amount is to be calculated by the Calculation Agent, the Calculation Agent will, as soon as practicable after the time or times at which any such amount is to be determined, calculate the relevant amount. The relevant amount will be calculated by the Calculation Agent in the manner specified in the applicable Final Terms.

8.9 **Publication**

The Calculation Agent will cause each Rate and Periodic Distribution Amount determined by it, together with the relevant Periodic Distribution Date, and any other amount(s) required to be determined by it together with any relevant payment date(s) to be notified to the Paying Agents and each listing authority, stock exchange and/or quotation system (if any) by which the Trust Certificates have then been admitted to listing, trading and/or quotation as soon as practicable after such determination but (in the case of each Rate, Periodic Distribution Amount and Periodic Distribution Date) in any event not later than the first day of the relevant Return Accumulation Period. Notice thereof shall also promptly be given to the Certificateholders. The Calculation Agent will be entitled to recalculate any Periodic Distribution Amount (on the basis of the foregoing provisions) without notice in the event of an extension or shortening of the relevant Return Accumulation Period.

8.10 **Notifications, etc. to be final**

All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this Condition 8 by the Calculation Agent will (in the absence of wilful default, fraud or manifest error) be binding on the Trustee, the Delegate, the Principal Paying Agent and all Certificateholders (in the absence as referred to above). No liability to the Trustee, the Delegate, Emaar, the Principal Paying Agent or the Certificateholders shall attach to the Calculation Agent in connection with the exercise or non-exercise by it of its powers, duties and discretions under this Condition 8.

9. **PAYMENT**

Payment of Dissolution Amounts and Periodic Distribution Amounts will be made by transfer to the registered account (as defined below) of a Certificateholder. Payments of Dissolution Amounts will only be made against surrender of the relevant definitive Trust Certificate at the specified office of the Registrar or the Principal Paying Agent. Dissolution Amounts and Periodic Distribution Amounts will be paid to the Certificateholder shown on the Register at the close of business on the relevant Record Date.

For the purposes of this Condition, a Certificateholder's "**registered account**" means the account in the Specified Currency maintained by or on behalf of such Certificateholder with a bank that processes payments in the Specified Currency, details of which appear on the Register at the close of business on the relevant Record Date.

All such payments will be made subject to (i) any fiscal or other laws and regulations applicable thereto in the place of payment, but without prejudice to the provisions described in Condition 13, and (ii) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986 (the "**Code**") or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, any official interpretations thereof, or any law implementing an intergovernmental approach thereto.

Payment instructions (for value the due date or, if that is not a Payment Business Day, for value the first following day which is a Payment Business Day) will be initiated on the Payment Business Day preceding the due date for payment or, in the case of a payment of face amounts if later, on the Payment Business Day on which the relevant definitive Trust Certificate is surrendered at the specified office of the Registrar or the Principal Paying Agent.

Unless otherwise specified in the applicable Final Terms, Certificateholders will not be entitled to any payment for any delay after the due date in receiving the amount due if the due date is not a Payment Business Day, if the Certificateholder is late in surrendering its definitive Trust Certificate (if required to do so).

If the amount of any Dissolution Amount or Periodic Distribution Amount is not paid in full when due, the Registrar will annotate the Register with a record of the amount of such Dissolution Amount or Periodic Distribution Amount in fact paid.

10. **AGENTS**

10.1 **Agents of Trustee**

In acting under the Agency Agreement and in connection with the Trust Certificates, the Agents act solely as agents of the Trustee and (to the extent provided therein) the Delegate and do not assume any obligations towards or relationship of agency or trust for or with any of the Certificateholders.

10.2 **Specified Offices**

The names of the initial Agents are set out above. If any additional Paying Agents are appointed in connection with any Series, the names of such Paying Agents will be specified in Part B of the Final Terms attached to or endorsed on this Trust Certificate. The Trustee reserves the right at any time to vary or terminate the appointment of any Agent and to appoint additional or other Agents **provided, however, that:**

(a) there will at all times be a Principal Paying Agent;

(b) there will at all times be a Registrar; and

(c) so long as any Trust Certificates are admitted to listing, trading and/or quotation on any listing authority, stock exchange and/or quotation system, there will at all times be a Paying Agent and a Transfer Agent having its specified office in such place (if any) as may be required by the rules of such listing authority, stock exchange and/or quotation system.

Notice of any variation, termination or appointment and of any changes in specified offices will be given to the Certificateholders promptly by the Trustee in accordance with Condition 18.

11. **CAPITAL DISTRIBUTIONS OF TRUST**

11.1 **Scheduled Dissolution**

Unless the Trust Certificates are redeemed or cancelled earlier, each Trust Certificate will be redeemed on the Maturity Date at its Final Dissolution Amount together with any Periodic Distribution Amount payable. Upon payment in full of such amounts and the dissolution of the Trust, the Trust Certificates shall cease to represent interests in the Trust Assets and no further amounts shall be payable in respect thereof and the Trustee shall have no further obligations in respect thereof.

11.2 **Early Dissolution for Tax Reasons**

Upon the occurrence of a Tax Event (as defined below), Emaar may in its sole discretion deliver to the Trustee a duly completed Exercise Notice and, upon receipt of such notice, the Trustee shall redeem the Trust Certificates in whole, but not in part:

(a) at any time (if the Floating Periodic Distribution Provisions are not specified in the applicable Final Terms as being applicable); or

(b) on any Periodic Distribution Date (if the Floating Periodic Distribution Provisions are specified in the applicable Final Terms as being applicable),

on giving not less than the minimum period nor more than the maximum period of notice specified in the applicable Final Terms to the Certificateholders in accordance with Condition 18 (which notice shall be irrevocable), at their Early Dissolution Amount (Tax), together with Periodic Distribution Amounts accrued (if any) to the Dissolution Date, if:

(i) (A) the Trustee has or will become obliged to pay additional amounts as provided or referred to in Condition 13 as a result of any change in, or amendment to, the laws or regulations of a Relevant Jurisdiction or any change in the application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after the Issue Date of the first Tranche of the relevant Series of Trust Certificates and (B) such obligation cannot be avoided by the Trustee taking reasonable measures available to it; or

(ii) (A) the Trustee has received notice from the Lessee that the Lessee has or will become obliged to pay additional amounts pursuant to the terms of the Lease Agreement as a result of any change in, or amendment to, the laws or regulations of a Relevant Jurisdiction or any change in the application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after the Issue Date of the first Tranche of the relevant Series of Trust Certificates and (B) such obligation cannot be avoided by the Lessee taking reasonable measures available to it,

(each a "**Tax Event**") and **provided, however, that** no such notice of dissolution shall be given earlier than:

(A) where the Trust Certificates may be redeemed at any time, 90 days prior to the earliest date on which the Trustee would be obliged to pay such additional amounts if a payment in respect of the Trust Certificates were then due or (in the case of (ii) above) the Lessee would be obliged to pay such additional amounts if a payment to the Trustee under the Lease Agreement was then due; or

(B) where the Trust Certificates may be redeemed only on a Periodic Distribution Date, 60 days prior to the Periodic Distribution Date occurring immediately before the earliest date on which the Trustee would be obliged to pay such additional amounts if a payment in respect of the Trust Certificates were then due or (in the case of (ii) above) the Lessee would be obliged to pay such additional amounts if a payment to the Trustee under the Lease Agreement was then due.

Prior to the publication or delivery (as applicable) of any notice of dissolution pursuant to this paragraph, the Trustee shall deliver to the Delegate to make available at its specified office to the Certificateholders (a) a certificate signed by two directors of the Trustee, which shall be binding on the Certificateholders, stating that the Trustee is entitled to effect such dissolution and setting forth a statement of facts showing that the conditions precedent in (i) and (ii) above to the right of the Trustee so to redeem have occurred, and (b) an opinion of independent legal advisers of recognised standing to the effect that the Trustee or, as the case may be, the Lessee has or will become obliged to pay such additional amounts as a result of such change or amendment. Upon the expiry of any such notice as is referred to in this Condition 11.2, the Trustee shall be bound to redeem the Trust Certificates.

11.3 **Dissolution at the Option of the Trustee**

If the Optional Dissolution (Call) option is specified in the applicable Final Terms as being applicable, Emaar may in its sole discretion deliver to the Trustee a duly completed Exercise Notice and, on receipt of such notice, the Trustee shall redeem the Trust Certificates in whole but not in part on any Optional Dissolution Date at the relevant Optional Dissolution Amount (Call) together with Periodic Distribution Amounts accrued (if any) to the Optional Dissolution Date on the Trustee giving not less than the minimum period nor more than the maximum period of notice specified in the applicable Final Terms to the Certificateholders in accordance with Condition 18 (which notice shall be irrevocable and shall oblige the Trustee to redeem the Trust Certificates on the relevant Optional Dissolution Date).

11.4 **Dissolution following a Total Loss Event**

This Condition 11.4 is applicable to the Trust Certificates only if it is specified in the applicable Final Terms as being applicable.

Upon the occurrence of a Total Loss Event the Trust Certificates will be redeemed and the Trust dissolved by no later than the close of business in London on the 31st day after the occurrence of the Total Loss Event (the "**Total Loss Dissolution Date**"). The Trust Certificates will be redeemed using the proceeds of insurance payable in respect of the Total Loss Event and the aggregate amounts of the Deferred Sale Price then outstanding, if any, payable under the Master Murabaha Agreement which are required to be paid into the Transaction Account by no later than the 30th day after the occurrence of the Total Loss Event and, if required, the Total Loss Shortfall Amount (as defined herein) which is required to be paid into the Transaction Account by no later than the close of business in London on the 31st day after the occurrence of the Total Loss Event.

A "**Total Loss Event**" is the total loss or destruction of, or damage to the whole of, the Lease Assets or any event or occurrence that renders the whole of the Lease Assets permanently unfit for any economic use and (but only after taking into consideration any insurances or other indemnity granted by any third party in respect of the Lease Assets) the repair or remedial work in respect thereof is wholly uneconomical.

*The Servicing Agency Agreement provides that if the Servicing Agent fails to comply with its obligations under clause 5.2 thereof and, as a result, any insurance amounts paid into the Transaction Account are less than the Full Reinstatement Value (the difference between such amount and the amount (if any) paid into the Transaction Account being the "**Total Loss Shortfall Amount**"), the Servicing Agent shall (subject to the terms of the Servicing Agency Agreement) be responsible for paying the Total Loss Shortfall Amount into the Transaction Account by no later than the close of business in London on the 31st day after the occurrence of the Total Loss Event.*

11.5 **Dissolution at the Option of the Certificateholders**

If Certificateholder Put Right is specified in the applicable Final Terms as being applicable, upon the holder of any Trust Certificate giving to the Trustee in accordance with Condition 18 not less than the minimum period nor more than the maximum period of notice specified in the applicable Final Terms, the Trustee will, upon the expiry of such notice, redeem such Trust Certificate on the Certificateholder Put Right Date and at the Optional Dissolution Amount (Put) specified in, or determined in the manner specified in, the applicable Final Terms together with all unpaid Periodic Distribution Amounts accrued to (but excluding) the relevant Certificateholder Put Right Date. Trust Certificates may be redeemed or, as the case may be, purchased under this Condition 11.5(a) in any multiple of their lowest Specified Denomination.

To exercise the right to require redemption of any Trust Certificate pursuant to this Condition 11.5, the holder thereof must, if the Trust Certificate is in definitive form and held outside Euroclear and Clearstream, Luxembourg, deliver, at the specified office of the Registrar at any time during normal business hours of such Registrar falling within the notice period, a duly completed and signed notice of exercise in the form (for the time being current) set out in the Agency Agreement and obtainable from any specified office of the Registrar (a "**Put Notice**") and in which the holder must specify a bank account (or, if payment is required to be made by cheque, an address) to which payment is to be made under this Condition 11.5 and the aggregate face amount thereof to be redeemed and, if less than the full aggregate face amount of the Trust Certificates so surrendered is to be redeemed, an address to which a new Trust Certificate in definitive form in respect of the balance of such Trust Certificates is to be sent subject to and in accordance with the provisions of Condition 3.

If the relevant Trust Certificate is represented by a Global Trust Certificate or is in definitive form and held through Euroclear or Clearstream, Luxembourg, to exercise the right to require redemption thereof the holder of such Trust Certificate must, within the notice period, give notice to the Principal Paying Agent of such exercise in accordance with the standard procedures of Euroclear and Clearstream, Luxembourg (which may include notice being given on such Certificateholder's instruction by Euroclear, Clearstream, Luxembourg or any depositary for them to the Principal Paying Agent by electronic means) in a form acceptable to Euroclear and

Clearstream, Luxembourg from time to time and if the relevant Trust Certificate is represented by a Global Trust Certificate, at the same time present or procure the presentation of the relevant Global Trust Certificate to the Principal Paying Agent for notation accordingly.

Any Put Notice or other notice given in accordance with the standard procedures of Euroclear and Clearstream, Luxembourg given by a holder of any Trust Certificate pursuant to this Condition 11.5 shall be irrevocable except where, prior to the due date of redemption, a Dissolution Event has occurred and the Delegate has declared the Trust Certificates are to be redeemed pursuant to Condition 15, in which event such holder, at its option, may elect by notice to the Trustee to withdraw the notice given pursuant to this Condition 11.5.

### 11.6 Dissolution at the Option of the Trustee (Clean Up Call Right)

If Clean Up Call Right is specified in the applicable Final Terms as being applicable and 75 per cent. or more of the aggregate face amount of the Trust Certificates then outstanding have been redeemed and/or purchased and cancelled pursuant to this Condition 11 or Condition 12, Emaar may in its sole discretion deliver to the Trustee a duly completed Exercise Notice and, on receipt of such notice, the Trustee shall redeem the Trust Certificates in whole but not in part, on the Trustee giving not less than the minimum period nor more than the maximum period of notice specified in the applicable Final Terms to the Certificateholders in accordance with Condition 18 (which notice shall be irrevocable and shall oblige the Trustee to redeem the Trust Certificates on the date specified in such notice (the "**Clean Up Call Right Dissolution Date**")), at the Clean Up Call Dissolution Amount **provided, however, that** no such notice of dissolution shall be given unless an Exercise Notice has been received by the Trustee from Emaar under the Sale Undertaking.

### 11.7 No Other Optional Early Dissolution

The Trustee shall not be entitled to redeem the Trust Certificates, and the Trustee shall not be entitled to dissolve the Trust, otherwise than as provided in this Condition 11 and Condition 15 (*Dissolution Events*). Upon payment in full of all amounts due in respect of the Trust Certificates of any Series and the subsequent dissolution of the Trust as provided in this Condition 11 and Condition 15 (*Dissolution Events*) (as the case may be), the Trust Certificates shall cease to represent interests in the Trust Assets and no further amounts shall be payable in respect thereof and neither Emaar nor the Trustee nor the Trustee shall have any further obligations in respect thereof.

### 11.8 Cancellation

All Trust Certificates which are redeemed will forthwith be cancelled and destroyed and accordingly may not be held, reissued or resold.

## 12. PURCHASE AND CANCELLATION OF TRUST CERTIFICATES BY EMAAR

### 12.1 Purchases

Emaar and/or any of its Subsidiaries may at any time purchase Trust Certificates at any price in the open market or otherwise. Following any purchase of Trust Certificates by Emaar pursuant to this Condition 12.1, Emaar or its Subsidiary, as the case may be, may at its option hold or resell such Trust Certificates (subject to such Trust Certificates being deemed not to remain outstanding for certain purposes as provided under the Master Trust Deed if so held).

### 12.2 Cancellation

Trust Certificates purchased by or on behalf of Emaar or any of its Subsidiaries may, in Emaar's sole discretion, be surrendered for cancellation in accordance with the terms of the Master Trust Deed, the Agency Agreement and the Sale Undertaking. Any Trust Certificates so surrendered for cancellation may not be reissued or resold.

13. **TAXATION**

All payments in respect of the Trust Certificates shall be made without withholding or deduction for, or on account of, any Taxes, unless the withholding or deduction of the Taxes is required by law. In such event, the Trustee will pay to the Certificateholders additional amounts as will result in the receipt by the Certificateholders of such net amounts as would otherwise have been receivable by the Certificateholders if no such withholding or deduction had been made, except that no such additional amount shall be payable to any Certificateholder:

(a) who is liable for such Taxes in respect of such Trust Certificate by reason of having some connection with any Relevant Jurisdiction other than the mere holding of such Trust Certificate; or

(b) where the relevant definitive Trust Certificate is required to be presented for payment and is presented for payment more than 30 days after the Relevant Date except to the extent that the relevant Certificateholder would have been entitled to such additional amount if it had presented the relevant definitive Trust Certificate on the last day of such period of 30 days.

Notwithstanding any other provision of these Conditions, in no event will the Trustee be required to pay any additional amounts in respect of the Trust Certificates for, or on account of, any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the Code or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, or any official interpretations thereof, or any law implementing an intergovernmental approach thereto.

14. **PRESCRIPTION**

The rights to receive distributions in respect of the Trust Certificates will be forfeited unless claimed within periods of 10 years (in the case of Dissolution Amounts) and five years (in the case of Periodic Distribution Amounts) from the Relevant Date in respect thereof.

15. **DISSOLUTION EVENTS**

If any of the following events occurs and is continuing (each, a "**Dissolution Event**"):

(a) default is made in the payment of the Dissolution Amount on the date fixed for payment thereof, or default is made in the payment of any Periodic Distribution Amount on the due date for payment thereof and, the default continues for a period of at least seven days in the case of the relevant Dissolution Amount or for a period of at least 14 days in the case of any Periodic Distribution Amount; or

(b) the Trustee fails duly to perform or comply with any of the obligations expressed to be assumed by it in the Transaction Documents to which it is a party, which failure is, in the opinion of the Delegate, incapable of remedy or, if in the opinion of the Delegate is capable of remedy, is not remedied within the period of 30 days after written notice of such failure shall have been given by the Delegate to the Trustee requiring the same to be remedied; or

(c) an Emaar Event occurs; or

(d) the Trustee is insolvent or bankrupt or unable to pay its debts as they fall due, makes a general assignment or an arrangement or composition with or for the benefit of the relevant creditors in respect of any of such debts or a moratorium is agreed or declared or comes into effect in respect of or affecting all or any part of (or of a particular type of) the debts of the Trustee; or

(e) a corporate administrator of all or substantially all of the undertaking assets and revenues of the Trustee is appointed, an order is made or an effective resolution passed for the winding-up or dissolution or administration of the Trustee, or the Trustee applies or petitions for a winding-up or administration order in respect of itself or ceases or through an official action of its board of directors threatens to cease to carry on all or substantially all of its business or operations, in each case except for the purpose of and followed by a reconstruction, amalgamation, reorganisation, merger or consolidation on terms approved by an Extraordinary Resolution or the Delegate; or

(f) any event occurs that under the laws of the Cayman Islands has an analogous effect to any of the events referred to in paragraph (d) or (e) above; or

(g) the Trustee repudiates any Trust Certificate or Transaction Document or does or causes to be done any act or thing evidencing an intention to repudiate any Trust Certificate or Transaction Document; or

(h) at any time it is or will become unlawful for the Trustee (by way of insolvency or otherwise) to perform or comply with any one or more of its duties, obligations and undertakings under the Trust Certificates or the Transaction Documents or any of the obligations of the Trustee under the Trust Certificates or the Transaction Documents are not or cease to be legal, valid, binding and enforceable,

then the Delegate shall give notice of the occurrence of such Dissolution Event to the Certificateholders in accordance with Condition 18 with a request to such holders to indicate if they wish the Trust Certificates to become immediately due and payable, **provided, however, that** in the case of the event described in (b) above, such notice may only be given if the Delegate is of the opinion that the event is materially prejudicial to the interests of the Certificateholders. If so requested in writing by Certificateholders representing not less than 20 per cent. in face amount of the Trust Certificates for the time being outstanding (subject to being indemnified and/or secured and/or prefunded to its satisfaction), or if the Delegate decides in its discretion, the Delegate may give notice (a "**Dissolution Notice**") to the Trustee, Emaar and the Certificateholders in accordance with Condition 18 that the Trust Certificates are to be redeemed at the Dissolution Amount on the date specified in such Dissolution Notice. Upon payment in full of such amounts, the Trust will be dissolved and the Trust Certificates shall cease to represent interests in the Trust Assets and no further amounts shall be payable in respect thereof and the Trustee shall have no further obligations in respect thereof.

For the purpose of (a) above, amounts shall be considered due in respect of the Trust Certificates (including for the avoidance of doubt any amounts calculated as being payable under Condition 7, Condition 8 and Condition 11) notwithstanding that the Trustee has at the relevant time insufficient funds to pay such amounts.

## 16. ENFORCEMENT AND EXERCISE OF RIGHTS

### 16.1 Enforcement

Upon the occurrence of a Dissolution Event, to the extent that the amounts payable in respect of the Trust Certificates have not been paid in full pursuant to Condition 15, the Delegate shall, upon being requested in writing by Certificateholders representing not less than 20 per cent. in face amount of the Trust Certificates for the time being outstanding (subject to being indemnified and/or secured and/or prefunded to its satisfaction), take one or more of the following steps:

(a) enforce the provisions of the Transactions Documents against Emaar (in whichever capacity it is acting thereunder); and/or

(b) take such other steps as the Delegate may consider necessary in its absolute discretion to protect the interests of the Certificateholders.

Notwithstanding the foregoing, the Delegate may at any time, at its discretion and without notice, take such proceedings and/or other steps as it may think fit against or in relation to each of the Trustee and/or the Obligor and/or the Lessee to enforce their respective obligations under the Transaction Documents, the Conditions and the Trust Certificates.

### 16.2 Limitation on liability of the Trustee

Following the enforcement, realisation and ultimate distribution of the proceeds of the Trust Assets in respect of the Trust Certificates to the Certificateholders in accordance with these Conditions and the Trust Deed, the Trustee shall not be liable for any further sums, and accordingly no Certificateholder may take any action against the Trustee or any other person (including Emaar) to recover any such sum in respect of the Trust Certificates or Trust Assets.

16.3 **Delegate not obliged to take action**

Neither the Trustee nor the Delegate shall be bound in any circumstances to take any action to enforce or to realise the Trust Assets or take any action against Emaar and/or the Trustee and/or (in the case of the Delegate) the Trustee under any Transaction Document unless directed or requested to do so (a) by an Extraordinary Resolution or (b) in writing by the holders of at least 20 per cent. in aggregate face amount of the Trust Certificates then outstanding and subject, in each case, to it being indemnified and/or secured and/or prefunded to its satisfaction against all liabilities to which it may thereby render itself liable or which it may incur by so doing.

16.4 **Enforcement by Certificateholders**

No Certificateholder shall be entitled to proceed against the Trustee and/or Emaar under any Transaction Document, unless (a) the Delegate, having become so bound to proceed, fails to do so within 30 days of becoming so bound and such failure is continuing and (b) the relevant Certificateholder (or such Certificateholder together with the other Certificateholders of the same Series who propose to proceed directly against the Trustee or Emaar, as the case may be) holds at least 20 per cent. of the aggregate face amount of the relevant Series of Trust Certificates then outstanding. Under no circumstances shall the Trustee, the Delegate or any Certificateholder have any right to cause the sale or other disposition of any of the Trust Assets, and the sole right of the Trustee, the Delegate and the Certificateholders against the Trustee and Emaar shall be to enforce their respective obligations under the Transaction Documents.

16.5 **Limited recourse**

Conditions 16.2, 16.3 and 16.4 are subject to this Condition 16.5. After enforcing or realising the Trust Assets and distributing the net proceeds of the Trust Assets in accordance with Condition 5.2, the obligations of the Trustee in respect of the Trust Certificates shall be satisfied and no Certificateholder may take any further steps against the Trustee or the Delegate to recover any further sums in respect of the Trust Certificates and the right to receive any such sums unpaid shall be extinguished. In particular, no Certificateholder shall be entitled in respect thereof to petition or to take any other steps for the winding-up of the Trustee.

## 17. REPLACEMENT OF DEFINITIVE TRUST CERTIFICATES

Should any definitive Trust Certificate be lost, stolen, mutilated, defaced or destroyed it may be replaced at the specified office of the Registrar upon payment by the claimant of the expenses incurred in connection with the replacement and on such terms as to evidence and indemnity as the Trustee may reasonably require. Mutilated or defaced definitive Trust Certificates must be surrendered before replacements will be issued.

## 18. NOTICES

All notices required to be given to the Certificateholders pursuant to these Conditions will be valid if:

(a) published in a daily newspaper (which will be in a leading English language newspaper having general circulation) in the Gulf region and a daily newspaper having general circulation in London (which is expected to be the Financial Times); or

(b) mailed to them by first class pre-paid registered mail (or its equivalent) or (if posted to an overseas address) by airmail at their respective addresses in the Register.

The Trustee shall also ensure that such notices are duly given or published in a manner which complies with the rules and regulations of any stock exchange or other relevant authority on which the Trust Certificates are for the time being listed or on which they have been admitted to trading. Any such notice shall be deemed to have been given on the day after being so mailed or on the date of publication or, if so published more than once or on different dates, on the date of the first publication.

Until such time as any definitive Trust Certificates are issued, there may, so long as the Global Trust Certificate representing the Trust Certificates is held in its entirety on behalf of Euroclear and/or Clearstream, Luxembourg, be substituted for such publication in such newspaper(s) the delivery of the relevant notice to Euroclear and/or Clearstream, Luxembourg for communication by them to the Certificateholders and, in addition, for so long as any Trust Certificates are listed on a stock exchange or are admitted to trading by another relevant authority and the rules of that stock exchange or relevant authority so require, such notice will be published in a daily newspaper of general circulation in the place or places required by those rules. Any such notice shall be deemed to have been given to the Certificateholders on the day on which the said notice was given to Euroclear and/or Clearstream, Luxembourg.

Notices to be given by any Certificateholder shall be in writing and given by lodging the same with the Principal Paying Agent. Whilst any of the Trust Certificates are represented by the Global Trust Certificate, such notice may be given by any holder of a Trust Certificate to the Principal Paying Agent through Euroclear and/or Clearstream, Luxembourg, as the case may be, in such manner as the Principal Paying Agent and Euroclear and/or Clearstream, Luxembourg, as the case may be, may approve for this purpose.

## 19. MEETINGS OF CERTIFICATEHOLDERS, MODIFICATION, WAIVER, AUTHORISATION AND DETERMINATION

19.1 The Master Trust Deed contains provisions for convening meetings of Certificateholders to consider any matter affecting their interests, including the modification or abrogation by Extraordinary Resolution of any of these Conditions, the provisions of the Trust Deed or any other Transaction Document. Such a meeting may be convened by the Trustee, Emaar and/or the Delegate and shall be convened by the Trustee if required in writing by Certificateholders holding not less than 10 per cent. in aggregate face amount of the Trust Certificates of any Series for the time being outstanding. The quorum at any meeting for passing an Extraordinary Resolution will be one or more persons present and holding or representing in the aggregate more than 50 per cent. in aggregate face amount of the Trust Certificates for the time being outstanding, or at any such adjourned meeting, one or more persons present or representing Certificateholders whatever the outstanding aggregate face amount of the Trust Certificates so held or represented, except that in respect of any meeting the business of which includes the modification of certain provisions of the Trust Certificates defined in the Master Trust Deed as a Reserved Matter (including changing any date fixed for payment of a Periodic Distribution Amount or Dissolution Amount in respect of the Trust Certificates, reducing or cancelling the Periodic Distribution Amount or Dissolution Amount payable on any date in respect of the Trust Certificates, except where such alteration is in the opinion of the Delegate bound to result in an increase in the amount of such payment, altering the method of calculating the amount of any payment in respect of the Trust Certificates on redemption or maturity, altering the currency of payment of the Trust Certificates, amending Condition 6, any of the Trustee's covenants in the Master Trust Deed or Emaar's obligations to make a payment under any Transaction Document to which it is a party), the quorum shall be one or more persons present and holding or representing in the aggregate not less than two-thirds in aggregate face amount of the Trust Certificates for the time being outstanding, or at any such adjourned meeting, one or more persons present holding or representing not less than 25 per cent. in aggregate face amount of the Trust Certificates for the time being outstanding. An Extraordinary Resolution duly passed as described above will be binding on all holders of the Trust Certificates, irrespective of if, or how, they voted on such Extraordinary Resolution and whether (if applicable) they attended the meeting.

19.2 The Delegate may agree, without the consent or sanction of the Certificateholders, to any modification of, or to the waiver or authorisation of any breach or proposed breach of, any of these Conditions or any of the provisions of the Trust Deed or any other Transaction Document by the Trustee or Emaar, or determine, without any such consent or sanction as aforesaid, that any Dissolution Event or Potential Dissolution Event shall not be treated as such if, in the opinion of the Delegate, (a) such modification is of a formal, minor or technical nature, (b) such modification is made to correct a manifest error or (c) save in relation to a Reserved Matter, such modification, waiver, authorisation or determination is not materially prejudicial to the interests of

Certificateholders, **provided that** in the case of (c) above, no such waiver, authorisation or determination may be made in contravention of any express direction by Extraordinary Resolution or request in writing by the holders of at least 20 per cent. of the outstanding aggregate face amount of Trust Certificates. Unless the Delegate otherwise decides, any such modification, waiver, authorisation or determination shall as soon as practicable thereafter be notified by the Trustee to the Certificateholders in accordance with Condition 18 and shall in any event be binding upon the Certificateholders.

19.3 In connection with the exercise by it of any of its trusts (in the case of the Trustee only), powers, authorities and discretions (including, without limitation, any modification), each of the Trustee and the Delegate shall have regard to the general interests of the Certificateholders as a class and shall not have regard to any interest arising from circumstances particular to individual Certificateholders (whatever their number) and, in particular but without limitation, shall not have regard to the consequences of any such exercise for individual Certificateholders (whatever their number) resulting from their being for any purpose domiciled or resident in, or otherwise connected with, or subject to the jurisdiction of, any particular territory or any political sub-division thereof and neither the Trustee nor the Delegate shall be entitled to require, nor shall any Certificateholder be entitled to claim from the Delegate, the Trustee, Emaar or any other person, any indemnification or payment in respect of any tax consequence of any such exercise upon individual Certificateholders except to the extent already provided for in Condition 13 and/or any undertaking given in addition thereto or in substitution therefore under the Trust Deed.

## 20. INDEMNIFICATION AND LIABILITY OF THE DELEGATE

20.1 The Trust Deed contains provisions for the indemnification of the Delegate in certain circumstances and for its relief from responsibility, including provisions relieving it from taking action unless indemnified and/or secured and/or prefunded to its satisfaction.

20.2 The Delegate makes no representation and assumes no responsibility for the validity, sufficiency or enforceability of the obligations of the Obligor or the Lessee under any Transaction Document and shall not under any circumstances have any liability or be obliged to account to the Certificateholders in respect of any payment which should have been made by the Obligor or the Lessee, but is not so made, and shall not in any circumstances have any liability arising from the Trust Assets other than as expressly provided in the Conditions or in the Trust Deed.

20.3 Each of the Delegate and the Trustee is exempted from (a) any liability in respect of any loss or theft of the Trust Assets or any cash, (b) any obligation to insure the Trust Assets or any cash and (c) any claim arising from the fact that the Trust Assets or any cash are held by or on behalf of the Trustee or on deposit or in an account with any depository or clearing system or are registered in the name of the Trustee or its nominee, unless such loss or theft arises as a result of gross negligence, wilful default or fraud of the Delegate or the Trustee, as the case may be.

## 21. FURTHER ISSUES

In respect of any Series, the Trustee shall be at liberty from time to time without the consent of the Certificateholders to create and issue additional Trust Certificates having the same terms and conditions as the outstanding Trust Certificates of such Series or terms and conditions which are the same in all respects save for the date and amount of the first payment of the Periodic Distribution Amount and the date from which Periodic Distribution Amounts start to accrue and so that the same shall be consolidated and form a single Series with the outstanding Trust Certificates of such Series. Any additional Trust Certificates which are to form a single Series with the outstanding Trust Certificates previously constituted by the Trust Deed shall be constituted by a deed supplemental to the Trust Deed. References in these Conditions to the Trust Certificates include (unless the context requires otherwise) any other trust certificates issued pursuant to this Condition and forming a single series with the Trust Certificates.

## 22. CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999

No rights are conferred on any person under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of the Conditions, but this does not affect any right or remedy of any person which exists or is available apart from that Act.

23. **GOVERNING LAW AND DISPUTE RESOLUTION**

23.1 The Trust Deed and the Trust Certificates (including the remaining provisions of this Condition 23 and any non-contractual obligations arising out of or in connection with the Trust Deed and the Trust Certificates) are governed by, and shall be construed in accordance with, English law.

23.2 Subject to Condition 23.3, any dispute, claim, difference or controversy arising out of, relating to, or having any connection with, the Trust Deed and/ or the Trust Certificates (including a dispute as to their existence, validity, interpretation, performance, breach or termination or the consequences of their nullity and a dispute relating to any non-contractual obligations arising out of or in connection with the Trust Deed and/or the Trust Certificates) (a "**Dispute**") shall be referred to and finally resolved by arbitration in accordance with the Arbitration Rules of the LCIA (the "**Rules**"), which Rules (as amended from time to time) are incorporated by reference into this Condition 23.2. For these purposes:

(a) the seat of arbitration shall be London, England;

(b) there shall be three arbitrators, each of whom shall be an attorney experienced in international securities transactions. The parties to the Dispute shall each nominate one arbitrator and both arbitrators in turn shall appoint a further arbitrator who shall be the presiding arbitrator. In cases where there are multiple claimants and/or multiple respondents, the class of claimants jointly, and the class of respondents jointly shall each nominate one arbitrator. If one party or both fails to nominate an arbitrator within the time limits specified by the Rules, such arbitrator(s) shall be appointed by the LCIA. If the party-nominated arbitrators fail to nominate the third arbitrator within 15 days of the appointment of the second arbitrator, such arbitrator shall be appointed by the LCIA; and

(c) the language of the arbitration shall be English.

23.3 Notwithstanding Condition 23.2 above, the Delegate or, but only where it is permitted to take action in accordance with the terms of the Trust Deed, any Certificateholder may, in the alternative, and at its sole discretion, by notice in writing to the Trustee:

(a) within 28 days of service of a Request for Arbitration (as defined in the Rules); or

(b) if no arbitration has commenced,

require that a Dispute be heard by a court of law. If such notice is given, the Dispute to which such notice refers shall be determined in accordance with Condition 23.4 and any arbitration commenced under Condition 23.2 in respect of that Dispute will be terminated. With the exception of the Delegate (whose costs will be borne by Emaar), each of the parties to the terminated arbitration will bear its own costs in relation thereto.

If any notice to terminate is given after service of any Request for Arbitration in respect of any Dispute, the Claimant or, but only where it is permitted to take action in accordance with the terms of the Trust Deed, any Certificateholder, as the case may be, must also promptly give notice to the LCIA Court and to any Tribunal (each as defined in the Rules) already appointed in relation to the Dispute that such Dispute will be settled by the courts. The termination is without prejudice to the date when any claim or defence was raised for the purpose of applying any limitation bar or any similar rule or provision.

23.4 If a notice is issued pursuant to Condition 23.3, the following provisions shall apply:

(a) subject to paragraph (c) below, the courts of England or the courts of the Dubai International Financial Centre (the "**DIFC**") shall have exclusive jurisdiction to settle any Dispute and the Trustee subjects to the exclusive jurisdiction of such courts;

(b) the Trustee waives any objection to the courts of either England or the DIFC on the grounds that they are an inconvenient or inappropriate forum to settle any Dispute; and

(c) this Condition 23.4 is for the benefit of the Delegate and the Certificateholders only. As a result, and notwithstanding paragraph (a) above, the Delegate or, but only where it is permitted to take action in accordance with the terms of the Trust Deed, Certificateholder may take proceedings relating to a Dispute ("**Proceedings**") in any other courts with jurisdiction. To the extent allowed by law, the Delegate or, but only where it is permitted to take action in accordance with the terms of the Trust Deed, any Certificateholder may take concurrent Proceedings in any number of jurisdictions.

23.5 The Trustee irrevocably appoints Maples and Calder at its registered office at 11th Floor, 200 Aldersgate Street, London EC1A 4HD as its agent for service of process to receive, for it and on its behalf, service of process in respect of any proceedings or Disputes in England. Such service shall be deemed completed on delivery to such process agent (whether or not it is forwarded to and received by the Trustee). If for any reason such process agent ceases to be able to act as such or no longer has an address in England, the Trustee irrevocably agrees to immediately appoint a substitute process agent and shall immediately notify the Certificateholders and the Delegate of such appointment. Nothing herein shall affect the right to serve process in any manner permitted by law. The Trustee agrees that failure by a process agent to notify it of any process will not invalidate service.

23.6 The Trustee and Emaar have in the Trust Deed agreed to arbitration and the option to litigate, submitted to the jurisdiction of the English courts and the DIFC courts and appointed an agent for service of process in terms substantially similar to those set out above. In addition, to the extent that Emaar may claim for itself or its assets or revenues immunity from jurisdiction, enforcement, prejudgment proceedings, injunctions and all other legal proceedings and to the extent that such immunity (whether or not claimed) may be attributed to it or its assets or revenues, Emaar has in the Trust Deed agreed not to claim and has irrevocably and unconditionally waived such immunity in relation to any Disputes or Proceedings. Further, Emaar has irrevocably and unconditionally consented to the giving of any relief or the issue of any process, including without limitation, the making, enforcement or execution against any property whatsoever (irrespective of its use or intended use) of any order or judgment made or given in connection with any Disputes or Proceedings.

23.7 Each of the Trustee, Emaar and the Delegate has in the Trust Deed irrevocably agreed that if any proceedings are brought by or on behalf of a party under the Trust Deed, that it will:

(a) not claim any judgment interest under, or in connection with, such proceedings; and

(b) to the fullest extent permitted by law, waive all and any entitlement it may have to judgment interest awarded in its favour by any court as a result of such proceedings.

For the avoidance of doubt, nothing in this Condition 23.7 shall be construed as a waiver of rights in respect of any Periodic Distribution Amounts, Rentals, Instalment Profit Amounts, Dissolution Amounts, Exercise Price, Deferred Sale Price or profit or principal of any kind howsoever described payable by Emaar (in any capacity) or Emaar Sukuk Limited (in any capacity) pursuant to the Transaction Documents and/or these Conditions or any other document or agreement, howsoever such amounts may be described or re-characterised by any court or arbitral tribunal.

## USE OF PROCEEDS

The proceeds of each Series of Trust Certificates issued under the Programme will be applied by the Trustee in the following proportion: (a) the percentage of the Issue Proceeds specified in the applicable Final Terms as the purchase price for the Assets to be purchased from Emaar pursuant to the Purchase Agreement; and (b) the remaining percentage (if any), being no more than 49 per cent. of the face amount of the relevant Tranche for the purchase of commodities to be sold to Emaar pursuant to the Master Murabaha Agreement and subsequently any amounts received by Emaar to be applied by Emaar for its general corporate purposes.

## DESCRIPTION OF THE TRUSTEE

### General

Emaar Sukuk Limited, a Cayman Islands exempted company with limited liability, was incorporated on 8 September 2008 under the Companies Law (2007 Revision) of the Cayman Islands with company registration number 216801. The Trustee has been established as a special purpose vehicle for the sole purpose of issuing Trust Certificates under the Programme and entering into the transactions contemplated by the Transaction Documents. The registered office of the Trustee is at c/o MaplesFS Limited, P.O. Box 1093, Queensgate House, Grand Cayman, KY1-1102, Cayman Islands, and its telephone number is +1 345 945 7099 / +971 4 511 4200.

The authorised share capital of the Trustee is U.S.$50,000 divided into 50,000 ordinary shares of U.S.$1.00 each, 250 of which have been issued. All of the issued shares (the "**Shares**") are fully-paid and are held by MaplesFS Limited as share trustee (the "**Share Trustee**") under the terms of a trust deed (the "**Share Trust Deed**") dated 12 January 2009 under which the Share Trustee holds the Shares in trust until the Termination Date (as defined in the Share Trust Deed). Prior to the Termination Date, the trust is an accumulation trust, but the Share Trustee has the power to benefit Qualified Charities (as defined in the Share Trust Deed). It is not anticipated that any distribution will be made whilst any Trust Certificate is outstanding. Following the Termination Date, the Share Trustee will wind up the trust and make a final distribution to charity. The Share Trustee has no beneficial interest in, and derives no benefit (other than its fee for acting as Share Trustee) from, its holding of the Shares.

### Business of the Trustee

The Trustee has a limited operating history and will not have any substantial liabilities other than in connection with any Trust Certificates issued under the Programme. The Trust Certificates are the obligations of the Trustee alone and not the Share Trustee.

The objects for which the Trustee is established are unrestricted and the Trustee has full power and authority to carry out any object not prohibited by all relevant Cayman Islands laws (all as set out in clause 3 of its Memorandum as registered or adopted on 8 September 2008).

### Financial Statements

Since the date of incorporation, no financial statements of the Trustee have been prepared. The Trustee is not required by Cayman Islands law, and does not intend, to publish audited financial statements.

### Directors of the Trustee

The Directors of the Trustee are as follows:

| **Name**: | **Principal Occupation:** |
|---|---|
| John Curran | Vice President, Fiduciary, Middle East of Maples Fund Services (Middle East) Limited |
| Stacy Bodden | Vice President at MaplesFS Limited |

The business address of John Curran is c/o Maples Fund Services (Middle East) Limited, Level 14, Burj Daman, P.O. Box 506734, Dubai, United Arab Emirates.

The business address of Stacy Bodden is c/o MaplesFS Limited, P.O. Box 1093, Queensgate House, Grand Cayman, KY1-1102, Cayman Islands.

There are no potential conflicts of interest between the private interests or other duties of the Directors listed above and their duties to the Trustee, save for the fact that each Director is an employee and/or officer of the Trustee Administrator or one of its affiliates. None of the Directors listed above have been convicted of any criminal offence or been the subject of any public incrimination sanctions, bankruptcy, receivership or liquidation proceedings.

**The Administrator**

MaplesFS Limited also acts as the Trustee Administrator. The office of the Trustee Administrator serves as the general business office of the Trustee. Through the office, and pursuant to the terms of the Corporate Services Agreement, the Trustee Administrator will perform in the Cayman Islands, the United Arab Emirates and/or such other jurisdiction as may be agreed between the Trustee and the Trustee Administrator various administrative functions on behalf of the Trustee, including communications with shareholders and the general public, and the provision of certain clerical, administrative and other services until termination of the Corporate Services Agreement. In consideration of the foregoing, the Trustee Administrator will receive various fees payable by the Trustee at rates agreed upon from time to time, plus expenses. The terms of the Corporate Services Agreement provide that the Trustee may terminate the appointment of the Trustee Administrator by giving 14 days' notice to the Trustee Administrator at any time within 12 months of the happening of certain stated events, including any breach by the Trustee Administrator of its obligations under the Corporate Services Agreement. In addition, the Corporate Services Agreement provides that the Trustee Administrator shall be entitled to retire from its appointment by giving at least three months' notice in writing.

The Trustee Administrator will be subject to the overview of the Trustee's Board of Directors. The Corporate Services Agreement may be terminated (other than as stated above) by either the Trustee or the Trustee Administrator giving the other party at least three months' written notice.

The Trustee Administrator's principal office is P.O. Box 1093, Boundary Hall, Cricket Square, Grand Cayman, KY1-1102, Cayman Islands.

The Directors of the Trustee are all employees or officers of the Trustee Administrator or an affiliate thereof. The Trustee has no employees and is not expected to have any employees in the future.

## SELECTED FINANCIAL INFORMATION

This section presents certain selected consolidated financial information of Emaar as at and for the years ended 31 December 2017 and 2018 and for the six-month periods ended 30 June 2018 and 2019 and as at 30 June 2019 as follows:

- the selected financial data as at and for the six-month period ended 30 June 2019 appearing below has been extracted from the Interim Financial Statements;
- the selected financial data for the six-month period ended 30 June 2018 appearing below has been extracted from the restated comparative financial information for the six-month period ended 30 June 2018 included in the Interim Financial Statements;
- the selected financial data as at and for the year ended 31 December 2018 appearing below has been extracted as follows:
  - Income statement data and cash flow data for the year ended 31 December 2018 is extracted from the financial information included in the 2018 Financial Statements; and
  - Statement of financial position data as at 31 December 2018 is extracted from the restated comparative financial information for the year ended 31 December 2018 included in the Interim Financial Statements; and
- the selected financial data as at and for the year ended 31 December 2017 appearing below has been extracted from the restated comparative financial information as at and for the year ended 31 December 2017 included in the 2018 Financial Statements.

See also "*Presentation of Financial Information*" for a further discussion of the presentation of financial information contained in this Base Prospectus, including reasons for the restatement of the financial position data as at 31 December 2018.

The Audited Consolidated Financial Statements have been prepared in conformity with IFRS and applicable requirements of UAE law.

The selected financial information set forth below should be read in conjunction with the Audited Consolidated Financial Statements and related notes thereto. The results of operations for any period are not necessarily indicative of the results to be expected for any future period.

**Consolidated Statement of Financial Position Data**

| | **As at 30 June (Unaudited)** | **As at 31 December** | |
|---|---|---|---|
| | **2019** | **2018** | **2017** |
| | *(AED million)* | | |
| Bank balances and cash | 7,790 | 9,494 | 21,103 |
| Trade and unbilled receivables | 9,951 | 7,449 | 2,873 |
| Other assets, receivables, deposits and prepayments | 15,019 | 13,992 | 11,076 |
| Development properties | 40,925 | 38,384 | 36,721 |
| Assets classified as held for sale | 1,032 | 3,144 | 5,967 |
| Investments in securities | 2,243 | 2,236 | 1,986 |
| Loans to associates and joint ventures | 1,356 | 987 | 727 |
| Investments in associates and joint ventures | 4,466 | 4,701 | 4,724 |
| Property, plant and equipment | 11,018 | 10,648 | 11,237 |
| Right of use asset | 972 | - | - |
| Investment properties | 20,731 | 19,768 | 16,596 |
| Intangible assets | 772 | 616 | 627 |
| **Total assets** | **116,276** | **111,419** | **113,637** |
| Trade and other payables | 19,369 | 17,970 | 14,193 |
| Advances from customers | 12,531 | 13,588 | 17,884 |
| Liabilities directly associated with assets classified as held for sale | 695 | 723 | 3,169 |
| Retentions payable | 1,446 | 1,277 | 1,033 |
| Interest-bearing loans and borrowings | 15,013 | 13,586 | 14,250 |
| Sukuk | 7,326 | 7,324 | 7,319 |

| | As at 30 June (Unaudited) | As at 31 December | |
|---|---|---|---|
| | 2019 | 2018 | 2017 |
| | (AED million) | | |
| Provision for employees' end of service benefits | 183 | 163 | 163 |
| **Total liabilities** | **56,563** | **54,631** | **58,010** |
| Share capital | 7,160 | 7,160 | 7,160 |
| Employees' performance share programme | (2) | (2) | (2) |
| Reserves | 17,205 | 16,583 | 16,662 |
| Retained earnings | 26,459 | 24,298 | 24,137 |
| **Equity attributable to owners of Emaar** | **50,822** | **48,040** | **47,957** |
| Non-controlling interest | 8,891 | 8,749 | 7,670 |
| **Total equity** | **59,713** | **56,789** | **55,627** |
| **Total liabilities and equity** | **116,276** | **111,419** | **113,637** |

## Consolidated Income Statement Data

| | Six months ended 30 June (Unaudited) | | Year ended 31 December | |
|---|---|---|---|---|
| | 2019 | 2018 | 2018 | 2017 |
| | (AED million) | | | |
| **Revenue** | **11,569** | **12,042** | **25,694** | **18,752** |
| Cost of revenue | (5,854) | (5,818) | (12,812) | (9,378) |
| **Gross profit** | **5,715** | **6,224** | **12,883** | **9,374** |
| Other operating income | 216 | 213 | 433 | 395 |
| Other operating expenses | (73) | (66) | (196) | (184) |
| Selling, general and administrative expenses | (2,166) | (1,931) | (4,386) | (3,377) |
| Finance income | 341 | 415 | 836 | 639 |
| Finance costs | (560) | (501) | (1,057) | (734) |
| Gain on distribution of non-cash assets | - | - | 353 | - |
| Other income | 705 | 310 | 489 | 369 |
| Share of results of associates and joint ventures | (58) | 63 | 50 | 135 |
| Impairment/write off | - | - | (396) | - |
| **Profit before tax** | **4,120** | **4,726** | **9,009** | **6,616** |
| Income tax (expense)/credit | (34) | (23) | 11 | (68) |
| **Profit for the year** | **4,086** | **4,703** | **9,020** | **6,548** |
| **Attributable to:** | | | | |
| Owners of Emaar | 3,110 | 3,231 | 6,108 | 5,572 |
| Non-controlling interests | 976 | 1,472 | 2,912 | 975 |
| | **4,086** | **4,703** | **9,020** | **6,548** |
| Earnings per share attributable to the owners of Emaar: | | | | |
| – basic and diluted earnings per share (AED) | **0.43** | **0.45** | **0.85** | **0.78** |

## FINANCIAL REVIEW

The following discussion and analysis should be read in conjunction with the information set out in "*Selected Financial Information*", the Audited Consolidated Financial Statements and the Interim Financial Statements. References in this section to "2017" and "2018" are to the financial years ended 31 December in each of those years.

### Basis of Presentation

This section presents certain selected financial information of Emaar as at and for the years ended 31 December 2017 and 2018 and for the six-month periods ended 30 June 2018 and 30 June 2019 and as at 30 June 2019 as follows:

- the selected financial data as at and for the six-month period ended 30 June 2019 appearing in this section has been extracted from the Interim Financial Statements;
- the selected financial data for the six-month period ended 30 June 2018 appearing in this section has been extracted from the restated comparative financial information for the six-month period ended 30 June 2018 included in the Interim Financial Statements;
- the selected financial data as at and for the year ended 31 December 2018 appearing in this section has been extracted as follows:
  - Income statement data and cash flow data for the year ended 31 December 2018 is extracted from the financial information included in the 2018 Financial Statements; and
  - Statement of financial position data as at 31 December 2018 is extracted from the restated comparative financial information for the year ended 31 December 2018 included in the Interim Financial Statements; and
- the selected financial data as at and for the year ended 31 December 2017 appearing in this section has been extracted from the restated comparative financial information as at and for the year ended 31 December 2017 included in the 2018 Financial Statements.

See also "*Presentation of Financial Information*" for a further discussion of the presentation of financial information in this Base Prospectus, including reasons for the restatement of the financial position data as at 31 December 2018.

### Key Factors Affecting Results of Operations

The following is a discussion of the most significant factors that have affected, or are expected to affect, Emaar's results of operations and financial condition. See "*Risk Factors*" for further details of the principal risks inherent in investing in the Trust Certificates.

### Evolving mix of income streams

Historically, most of Emaar's revenue was derived from the sale of properties (whether in the form of development land or completed residential properties) and only a limited amount of income generated was made up of rental income from properties leased by it and income from the operation of hotels and other hospitality businesses operated by it.

However, in recent years, the revenue contribution from Emaar's revenue-generating assets has increased significantly, particularly from its flagship assets including The Dubai Mall, The Marina Mall, The Address Hotels, Emaar Entertainment and At the Top (Burj Khalifa). The revenue from its recurring revenue-generating assets (being assets pertaining to its leasing, retail and related activities and hospitality segments) was AED3.545 billion, AED7.202 billion and AED6.311 billion, and revenue from leasing, retail and related activities was AED2.867 billion, AED5.643 billion and AED4.791 billion, for each of the six-month period ended 30 June 2019 and the years ended 31 December 2018 and 31 December 2017, respectively. In future periods, Emaar anticipates that its revenue-generating assets will continue to increase and accordingly the contribution to its revenues derived from hospitality, retail, rentals and other non-property sales sources will also continue to increase. While Emaar expects the level of these other revenues to continue to increase, revenues from the sales of development land and properties are expected to remain the most substantial part of its revenues.

**Significant Accounting Policies**

The Audited Consolidated Financial Statements have been prepared in accordance with IFRS and applicable requirements of UAE law. The Interim Financial Statements have been prepared in accordance with International Accounting Standard 34 "Interim Financial Reporting" ("**IAS 34**") and applicable requirements of UAE law. For a discussion of the accounting policies applied by Emaar generally, see note 2.4 to each of the 2018 Financial Statements and the Interim Financial Statements. For a discussion of changes in accounting policies adopted in the preparation of the Audited Consolidated Financial Statements and the Interim Financial Statements, see note 2.3 in each of the 2018 Audited Financial Statements and the Interim Financial Statements.

***Revenue Recognition***

*Revenue from Contracts with Customers*

Emaar applied the following accounting policy in the preparation of the Audited Consolidated Financial Statements and the Interim Financial Statements:

Emaar recognises revenue from contracts with customers based on a five-step model as set out in IFRS 15:

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.

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.

Step 3. Determine the transaction price: The transaction price is the amount of consideration to which Emaar expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Step 4. Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, Emaar will allocate the transaction price to each performance obligation in an amount that depicts the amount of consideration to which Emaar expects to be entitled in exchange for satisfying each performance obligation.

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

Emaar 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 Emaar's performance as Emaar performs; or

2. Emaar's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or

3. Emaar's performance does not create an asset with an alternative use to Emaar and the entity has an enforceable right to payment for performance completed to date.

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 Emaar 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.

Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes and duty. The Group assesses its revenue arrangements against specific criteria to determine if it is acting as principal or agent. Emaar has concluded that it is acting as a principal in all of its revenue arrangements.

Revenue is recognised in the consolidated statement of income to the extent that it is probable that the economic benefits will flow to Emaar and the revenue and costs, if applicable, can be measured reliably.

*Lease to buy scheme*

Revenue from sales under the "lease to buy scheme" are recognised as follows:

- rental income during the period of the lease is accounted for on a straight-line basis until such time the lessee exercises its option to purchase;

- when the lessee exercises its option to purchase, revenue from the sale to the lessee is recognised in accordance with the revenue recognition policy for revenue from contracts with customers as stated above; and

- when recognising such sale, revenue is the amount payable by the lessee at the time of exercising the option to acquire the property.

*Rental income from lease of investment property*

Rental income arising from operating leases on investment properties is recognised, net of discount, in accordance with the terms of the lease contracts over the lease term on a straight-line basis, except where an alternative basis is more representative of the pattern of benefits to be derived from the leased asset.

*Customer loyalty programme*

Emaar operates a loyalty points programme, 'U By Emaar', which allows customers to accumulate points when they spend in any of Emaar's hotel or leisure units. The loyalty points give rise to a separate performance obligation as they provide a material right to the customer. A portion of the transaction price is allocated to the loyalty points awarded to customers based on relative stand-alone selling price and recognised as a contract liability until the points are redeemed. Revenue is recognised upon redemption of products by the customer. When estimating the standalone selling price of the loyalty points, Emaar considers the likelihood that the customer will redeem the points. Emaar updates its estimates of the points that will be redeemed on a quarterly basis and any adjustments to the contract liability balance are charged against revenue.

*Interest income*

Interest income is recognised as the interest accrues using the effective interest method, under which the rate used exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

*Development services*

Revenue from rendering of development management services is recognised when the outcome of the transaction can be estimated reliably, by reference to the stage of completion of the development obligation at the reporting date. Where the outcome cannot be measured reliably, revenue is recognised only to the extent that the expenses incurred are eligible to be recovered.

***Borrowing costs***

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets (being 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 an entity incurs in connection with the borrowing of funds.

All other borrowing costs are recognised in the consolidated statement of income in the year in which they are incurred.

***Property, plant and equipment***

Property, plant and equipment are stated at cost less accumulated depreciation and any impairment in value. Depreciation is calculated on a straight-line basis over the estimated useful life as follows:

| | |
|---|---|
| Leasehold improvements | 2 - 15 years |
| Sales centers (included in land and buildings) | 1 - 5 years |
| Buildings | 10 - 45 years |
| Computers and office equipment | 2 - 5 years |
| Plant, machinery and heavy equipment | 3 - 20 years |
| Motor vehicles | 3 - 5 years |
| Furniture and fixtures | 2 - 10 years |
| Leisure, entertainment and other assets | 2 - 25 years |

No depreciation is charged on land and capital work-in-progress. The useful life and depreciation methods are reviewed periodically to ensure that the method and period of depreciation are consistent with the expected pattern of economic benefits from these assets.

Expenditure incurred to replace a component of an item of property, plant and equipment that is accounted for separately is capitalised and the carrying amount of the component that is replaced is written off. Other subsequent expenditure is capitalised only when it increases future economic benefits of the related item of property, plant and equipment. All other expenditure is recognised in the consolidated statement of income as the relevant expense is incurred.

Property, plant and equipment are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of property, plant and equipment may not be recoverable. Whenever the carrying amount of property, plant and equipment exceeds their recoverable amount, an impairment loss is recognised in the consolidated statement of income. The recoverable amount is the higher of fair value less costs to sell of property, plant and equipment and the value in use. The fair value less costs to sell is the amount obtainable from the sale of property, plant and equipment in an arm's length transaction while value in use is the present value of estimated future cash flows expected to arise from the continuing use of property, plant and equipment and from its disposal at the end of its useful life.

Reversal of impairment losses recognised in prior years is recorded when there is an indication that the impairment losses recognised for the property, plant and equipment no longer exist or have reduced.

***Investment properties***

Properties held for rental or capital appreciation purposes are classified as investment properties. Investment properties are measured at cost less any accumulated depreciation and any accumulated impairment losses. Depreciation is charged on a straight-line basis over the estimated useful life as follows:

| | |
|---|---|
| Buildings | 10–45 years |
| Furniture, fixtures and others | 4–10 years |
| Plant and equipment | 3-10 years |

No depreciation is charged on land and capital work-in-progress.

The useful life and depreciation method are reviewed periodically to ensure that the method and period of depreciation are consistent with the expected pattern of economic benefits from these assets.

Properties are transferred from investment properties to development properties when, and only when, there is a change in use, evidenced by commencement of development with a view to sale. Such transfers are made at the carrying value of the properties at the date of transfer.

Emaar determines at each reporting date whether there is any objective evidence that the investment properties are impaired. Whenever the carrying amount of an investment property exceeds its recoverable amount, an impairment loss is recognised in the consolidated statement of income. The recoverable amount is the higher of the investment property's net selling price and the value in use. The net selling price is the amount obtainable from the sale of the investment property in an arm's length transaction, less related costs. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of the investment property and from its disposal at the end of its useful life.

Reversal of impairment losses is recognised when there is an indication that the impairment losses which were recognised in previous years for an investment property no longer exist or have reduced.

***Development properties***

Properties acquired, 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 realisable value. Cost includes:

- Freehold and leasehold rights for land;
- Amounts paid to contractors for construction; and
- Borrowing costs, planning and design costs, costs of site preparation, professional fees for legal services, property transfer taxes, construction overheads and other related costs.

Net realisable value is the estimated selling price in the ordinary course of the 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 cost of development properties recognised in the consolidated statement of income on sale is determined by reference to the specific costs incurred in relation to the property sold and an allocation of any non-specific costs based on the relative size of the property sold.

Emaar's management reviews the carrying values of Emaar's development properties on an annual basis.

***Derivative financial instruments***

Emaar enters into derivative financial instruments to manage its exposure to interest rate and foreign exchange rate risk, including foreign exchange forward contracts. Derivatives are initially recognised at fair value at the date the derivative contract is entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised as profit or loss immediately, unless the derivative is designated and effective as a hedging instrument, in which event, the timing of the recognition as profit or loss depends on the nature of the hedging relationship. Emaar designates its interest rate and foreign currency hedges as hedges of firm commitments (cash flow hedges).

A derivative with a positive fair value is recognised as a financial asset; a derivative with a negative fair value is recognised as a financial liability.

For further information on Emaar's accounting policies with respect to derivative financial instruments, see note 2.4 to the 2018 Financial Statements.

***Investment in associates and joint ventures***

An associate is an entity over which Emaar has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

Emaar's investments in its associates and joint ventures are accounted for using the equity method. Under the equity method, the investment in the associates and joint ventures is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in Emaar's share of net assets of the associate or joint venture since the acquisition date. Goodwill relating to the associates or joint ventures is included in the carrying amount of the investment and is neither amortised nor individually tested for impairment.

The consolidated statement of income reflects Emaar's share of the results of operations of its associates and joint ventures after tax and non-controlling interests in the subsidiaries of the associates. Where there has been a change recognised directly in the other comprehensive income or equity of an associate, Emaar recognises its share of any changes, when applicable, in the consolidated statement of comprehensive income or the consolidated statement of changes in equity. Unrealised gains and losses resulting from transactions between Emaar and its associates or joint ventures are eliminated to the extent of the interest in the associate or joint venture.

The financial statements of the associates and joint ventures are prepared for the same reporting period as Emaar. When necessary, adjustments are made to bring the accounting policies in line with those of Emaar.

After application of the equity method, Emaar determines whether it is necessary to recognise an impairment loss on its investment in its associates or joint ventures. At each reporting date, Emaar determines whether there is any objective evidence that the investment in the associate or joint venture is impaired. If this is the case, Emaar calculates the amount of impairment as the difference between the recoverable amount of the associate or joint venture and its carrying value and recognises the impairment losses in the consolidated statement of income.

Upon loss of significant influence over the associate or joint control over the joint venture, Emaar measures and recognises any retained investment at its fair value. Any differences between the carrying amount of the associate or joint venture upon loss of significant influence and the fair value of the retained investment and proceeds from disposal is recognised in the consolidated statement of income. When the remaining investment in the joint venture constitutes significant influence, it is accounted for as an investment in an associate.

***Financial liabilities issued by Emaar – the 2012, 2014 and 2016 Trust Certificates***

The 2012 Trust Certificates, the 2014 Trust Certificates and the 2016 Trust Certificates (as defined below) – see "*Analysis of Certain Consolidated Statement of Financial Position Items—Trust Certificates*" are recorded at amortised cost using the effective profit rate method. Profit attributable to the 2012 Trust Certificates, the 2014 Trust Certificates and the 2016 Trust Certificates is calculated by applying the prevailing market profit rate, at the time of issue, for similar sukuk instruments and any difference between this amount and the profit distributed is added to the carrying amount of the 2012 Trust Certificates, the 2014 Trust Certificates and the 2016 Trust Certificates.

***Critical Accounting Judgments and Key Sources of Estimation Uncertainty***

Emaar prepares its Audited Consolidated Financial Statements in accordance with IFRS and its Interim Financial Statements in accordance with IAS 34 and, in each case, applicable requirements of UAE law. The preparation of the Audited Consolidated Financial Statements requires management to make certain judgments and is subject to certain estimation uncertainties, the most significant of which are described in note 2.2 to each of the Audited Consolidated Financial Statements and the Interim Financial Statements. These judgments and estimations as included in the Audited Consolidated Financial Statements and the Interim Financial Statements include: (i) revenue recognition of leases; (ii) revenue recognition for turnover rent; (iii) investment properties; (iv) the classification of investment properties; (v) the transfer of real estate assets from property, plant and equipment to development properties; (vi) operating lease commitments – Group as lessor; (vii) the classification of investments; (viii) the consolidation of subsidiaries; (ix) the valuation of investment properties; (x) impairment of trade and other receivables; (xi) useful lives of property, plant and equipment and investment properties; (xii) the cost to complete the projects; (xiii) taxes; (xiv) impairment of non-financial assets; (xv) satisfaction of performance obligations; (xvi) determination of transaction prices; (xvii) transfer of control in contracts with customers; (xviii) fair value measurement of financial instruments; and (xix) allocation of transaction price to performance obligation in contracts with customers.

***Segmental Analysis***

For reporting purposes, Emaar currently classifies its activities into three major segments: real estate (development and sale of condominiums, villas, commercial units and plots of land), leasing, retail and related activities (development, leasing and management of malls, retail, commercial and residential spaces) and hospitality (development, owning and/or management of hotels, serviced apartments and leisure activities). Other segments include businesses (including Emaar's property management and utility services and investments in providers of financial services) that individually do not meet the criteria for a reportable segment under IFRS 8 "*Operating Segments*". Geographically, Emaar classifies its activities in the UAE as domestic and its activities outside the UAE as international.

A breakdown of Emaar's revenue, results, assets and liabilities and certain other information by business and geographic segment (i.e. international and domestic) is included in note 3 to each of the 2018 Financial Statements, the 2017 Financial Statements and the Interim Financial Statements.

**Results of Operations**

***Six-month period ended 30 June 2019 compared with the six-month period ended 30 June 2018***

***Revenue, cost of revenue and gross profit***

Revenue for the six-month period ended 30 June 2019 was AED11,569 million, a decrease of 4 per cent. compared to AED12,042 million for the same period in 2018.

The table below shows the breakdown of Emaar's revenue, cost of revenue and gross profit for each of the six-month periods ended 30 June 2019 and 30 June 2018.

| | 30 June 2019 (unaudited) | | | 30 June 2018 (unaudited) | | |
|---|---|---|---|---|---|---|
| | Revenue | Cost of Revenue | Gross Profit | Revenue | Cost of Revenue | Gross Profit |
| | | | *(AED million)* | | | |
| Property sales | 8,024 | 4,824 | 3,200 | 8,529 | 4,724 | 3,804 |
| Hospitality | 678 | 369 | 309 | 797 | 469 | 328 |
| Leasing, retail and related activities | 2,867 | 661 | 2,206 | 2,716 | 625 | 2,091 |
| **Total** | **11,569** | **5,854** | **5,715** | **12,042** | **5,818** | **6,224** |

During the six-month period ended 30 June 2019, the decrease in revenue from the sale of properties was mainly due to lower revenue generated from Emaar's UAE operations. During 2018, revenue from sale of properties was higher due to first-time recognition of various projects in Dubai Hills Estate. In its international operations, revenue from sale of properties was higher primarily due to higher revenue being generated in Egypt as a result of first-time recognition of the Mivida and Uptown Townhouses and incremental revenue recognised on achieving a higher percentage completion of other various projects. Furthermore, the decrease in revenues from the hospitality business was mainly due to the sale of five hotels in the UAE during 2019. The increase in revenues from the Group's leasing, retail and related activities business was mainly due to higher rental income from March 2018 following the opening of the Fashion Avenue expansion and an increase in revenue from Namshi.

Gross profit of AED5,715 million over the six-month period ended 30 June 2019 represented a decrease of 8 per cent., compared to AED6,224 million for the same period in 2018. The decrease in gross profit is attributable to lower revenue from the sale of plots and lower gross profit margins achieved primarily on recognition of revenue from the sale of condominiums. During the six-month period ended 30 June 2019, the breakdown of Emaar's revenue generated from sale of properties was as follows:

| | 30 June 2019 (unaudited) | | | 30 June 2018 (unaudited) | | |
|---|---|---|---|---|---|---|
| | Revenue | Cost of Revenue | Gross Profit | Revenue | Cost of Revenue | Gross Profit |
| | | | *(AED million)* | | | |
| Condominiums | 4,503 | 2,850 | 1,653 | 4,291 | 2,589 | 1,702 |
| Villas | 3,171 | 1,709 | 1,462 | 3,436 | 1,733 | 1,703 |

| | 30 June 2019 (unaudited) | | | 30 June 2018 (unaudited) | | |
|---|---|---|---|---|---|---|
| | **Revenue** | **Cost of Revenue** | **Gross Profit** | **Revenue** | **Cost of Revenue** | **Gross Profit** |
| | | | *(AED million)* | | | |
| Commercial Units, Plots of land and others | 350 | 264 | 85 | 801 | 402 | 399 |
| **Total**............................................................ | **8,024** | **4,824** | **3,200** | **8,529** | **4,724** | **3,804** |

A breakdown of Emaar's revenues by geographic segment for the six-month periods ended 30 June 2019 and 30 June 2018 is included in note 3 to the Interim Financial Statements.

*Other operating income*

Other operating income primarily includes revenue from other business operations such as property services, utility services and district cooling plants. Other operating income for the six-month period ended 30 June 2019 was AED216 million compared to AED213 million for the corresponding period in 2018.

*Other operating expenses*

Other operating expenses (which include expenses relating to operations other than sale of properties, hospitality, leasing, retail and related activities) were AED73 million for the six-month period ended 30 June 2019 compared to AED66 million for the corresponding period in 2018.

*Selling, general and administrative expenses*

During the six-month period ended 30 June 2019, Emaar's selling, general and administrative expenses were AED2,166 million compared to AED1,931 million during the same period in 2018.

The table below shows the background to Emaar's selling, general and administrative expenses for each of the six-month periods ended 30 June 2019 and 30 June 2018.

| | Six months ended 30 June (unaudited) | |
|---|---|---|
| | **2019** | **2018** |
| | *(AED million)* | |
| Payroll and related expenses.................................................................................................. | 422 | 401 |
| Depreciation of property, plant and equipment..................................................................... | 306 | 331 |
| Sales and marketing expenses................................................................................................ | 504 | 368 |
| Depreciation of investment properties.................................................................................. | 242 | 247 |
| Property management expenses............................................................................................ | 130 | 174 |
| Depreciation of right-of-use assets ........................................................................................ | 50 | — |
| Pre-operating expenses .......................................................................................................... | 11 | 28 |
| Other expenses ....................................................................................................................... | 501 | 382 |
| **Total**...................................................................................................................... | **2,166** | **1,931** |

*Finance income and finance costs*

Finance income for the six-month period ended 30 June 2019 was AED341 million, a decrease of 18 per cent. as compared to AED415 million recorded in the corresponding period in 2018. This decrease was primarily due to lower bank balances and dividend income. Finance costs for the six-month period ended 30 June 2019 were AED560 million, an increase of 12 per cent. compared to AED501 million in the corresponding period in 2018. The main reasons for this increase were: (i) a U.S.$530 million (AED1,947 million) loan taken out by Emaar after June 2018; and (ii) various borrowings taken out by Emaar MGF after June 2018.

*Other income*

Other income (comprising income/revenues earned from operations not directly linked to the core operations of Emaar, such as processing charges, transfer charges, income from forfeiture of advances paid by customers, income derived from providing IT services to third parties and profit from the sale of leased investment property and hotels) for the six-month period ended 30 June 2019 increased by 127 per cent. to AED705 million compared to AED310 million in the corresponding period in 2018. Other income for the six months ended 30 June 2019 increased mainly due to higher penalty and processing fees from customers, gains realised upon sale of investment properties and hotels, together with a decrease in losses incurred on balances due in foreign exchange currencies.

*Share of results of associates and joint ventures*

The Group's share of the results of associates and joint ventures for the six-month period ended 30 June 2019 was a loss of AED58 million compared to a profit of AED63 million in the corresponding period in 2018. This decrease was primarily due to lower profit generated by Amlak and Emaar The Economic City.

*Net profit for the period*

Reflecting the above factors, Emaar's net profit for the six-month period ended 30 June 2019 was AED4,086 million, compared to AED4,703 million in the corresponding period in 2018.

**Year ended 31 December 2018 compared with the year ended 31 December 2017**

***Revenue, cost of revenue and gross profit***

Revenue for 2018 was AED25,694 million, an increase of 37 per cent. compared to AED18,752 million for 2017.

The table below shows the breakdown of Emaar's revenues for each of 2018 and 2017.

| | 2018 | | | 2017 | | |
|---|---|---|---|---|---|---|
| | **Revenue** | **Cost of Revenue** | **Gross Profit** | **Revenue** | **Cost of Revenue** | **Gross Profit** |
| | | | *(AED million)* | | | |
| Property sales | 18,493 | 10,514 | 7,979 | 12,441 | 7,591 | 4,850 |
| Hospitality | 1,559 | 944 | 615 | 1,520 | 900 | 621 |
| Leasing, retail and related activities | 5,643 | 1,353 | 4,289 | 4,791 | 888 | 3,903 |
| **Total** | **25,694** | **12,812** | **12,883** | **18,752** | **9,378** | **9,374** |

The gross profit margin for 2018 remained flat at 50 per cent. compared to 2017.

During 2018 and 2017, the breakdown of Emaar's revenue generated from sale of properties was as follows:

| | 2018 | | | 2017 | | |
|---|---|---|---|---|---|---|
| | **Revenue** | **Cost of Revenue** | **Gross Profit** | **Revenue** | **Cost of Revenue** | **Gross Profit** |
| | | | *(AED million)* | | | |
| Condominiums | 9,420 | 5,886 | 3,533 | 7,260 | 4,733 | 2,528 |
| Villas | 7,838 | 4,085 | 3,753 | 4,058 | 2,246 | 1,813 |
| Commercial Units, Plots of land and others | 1,235 | 543 | 692 | 1,123 | 613 | 510 |
| **Total** | **18,493** | **10,514** | **7,979** | **12,441** | **7,591** | **4,850** |

A breakdown of Emaar's revenues by geographic segment for 2018 and 2017 is included in note 3 to the 2018 Financial Statements.

*Other operating income*

Other operating income for 2018 was AED433 million, an increase of 10 per cent. compared to AED395 million recorded in 2017. The primary reason for this increase was an increase in revenue generated from property management and utility services.

*Other operating expenses*

Other operating expenses for 2018 amounted to AED196 million, an increase of 6 per cent. compared to AED184 million in 2017. The increase in cost is in line with the increase in other operating income, offset by savings achieved due to the operational efficiency of the district cooling plants.

*Selling, general and administrative expenses*

Selling, general and administrative expenses for 2018 were AED4,386 million, an increase of 30 per cent. compared to AED3,377 million in 2017. The increase was primarily due to increases in payroll and related expenses, sales and marketing expenses, claims and compensation paid and depreciation of investment properties.

The table below shows the background of Emaar's selling, general and administrative expenses for each of 2018 and 2017.

| | Year ended 31 December | |
|---|---|---|
| | 2018 | 2017 |
| | (AED million) | |
| Payroll and related expenses | 886 | 709 |
| Depreciation of property, plant and equipment | 689 | 642 |
| Sales and marketing expenses | 902 | 529 |
| Depreciation of investment properties | 512 | 411 |
| Property management expenses | 342 | 290 |
| Donations | 109 | 93 |
| Provision for doubtful debts/write off, net | 128 | 76 |
| Pre-operating expenses | 44 | 43 |
| Other expenses | 774 | 583 |
| **Total** | **4,386** | **3,377** |

*Finance income and finance costs*

Finance income for 2018 was AED836 million, an increase of 31 per cent. compared to AED639 million recorded in 2017. The increase was mainly due to interest earned on an investment in treasury notes and fixed deposits by Emaar Misr, higher average deposits together with higher interest rates during 2018 in the UAE, and higher dividend income on investments. Finance costs for 2018 were AED1,057 million, an increase of 44 per cent. compared to AED734 million in 2017, which was primarily due to (i) the interest cost which is being charged to the income statement of Emaar Turkey following the opening of the Emaar Square Mall; (ii) a U.S.$512 million (AED1,880 million) loan taken out by Emaar in 2018; and (iii) various borrowings taken out by Emaar MGF throughout both 2017 and 2018.

*Other income*

Other income (comprising income/revenues earned from operations not directly linked to the core operations of Emaar, such as processing charges, transfer charges, income from forfeiture of advances paid by customers, and profit from sale of leased investment properties) for 2018 increased by 33 per cent. to AED489 million compared to AED369 million in 2017. Other income for 2018 included of income derived from penalty and processing fees from customers, and gains realised on sale of leased investment property.

*Share of results of associates and joint ventures*

The Group's share of the net profit in associates and joint ventures was AED50 million in 2018 compared to AED135 million in 2017. This decrease was primarily due to lower profit generated by Amlak and Emaar The Economic City as compared to 2017.

*Net profit for the year*

Reflecting the above factors, Emaar's net profit for 2018 was AED9,020 million, compared to AED6,548 million for 2017.

**Analysis of Certain Consolidated Statement of Financial Position Items**

***Bank balances and cash***

As at 30 June 2019, the Group's bank balances and cash amounted to AED7,790 million, compared to AED9,494 million as at 31 December 2018. Of the amounts as at 30 June 2019, AED118 million (31 December 2018: AED93 million) of deposits were held under lien and AED5,574 million (31 December 2018: AED7,130 million and 31 December 2017: AED9,495 million) represented (i) balances with banks for unclaimed dividends and (ii) advances received from customers against sales of development properties which are deposited into escrow accounts. The decrease in bank balances and cash was mainly due to dividend payment and amount incurred on malls, retail and hotel construction. As at 30 June 2019, 75 per cent. of the Group's bank balances and cash was AED denominated.

***Investment properties***

Emaar's investment properties amounted to AED20,731 million as at 30 June 2019 compared to AED19,768 million as at 31 December 2018 and AED16,596 million as at 31 December 2017. Investment property is measured at cost less any accumulated depreciation and any accumulated impairment losses, and includes assets held for rental or capital appreciation purposes. Malls and commercial leasing assets are included under investment properties. The increases in investment properties as at 30 June 2019 compared to 31 December 2018 and as at 31 December 2018 compared to 31 December 2017 were mainly due to additional costs incurred on under-construction investment property assets.

***Property, plant and equipment ("PPE")***

Emaar's PPE amounted to AED11,018 million as at 30 June 2019 compared to AED10,648 million as at 31 December 2018 and AED11,237 million as at 31 December 2017. PPE includes the Group's hospitality assets, district cooling plants, other revenue-generating assets and self-occupied properties. In addition, PPE also includes the construction cost of certain projects under construction which, once fully constructed, will generate revenue for the Group.

The increase in PPE as at 30 June 2019 compared to 31 December 2018 was mainly due to additional costs incurred on under-construction investment property assets. The decrease in PPE as at 31 December 2018 compared to 31 December 2017 was primarily due to the agreement entered into for the sale of five hotels in the UAE, despite additional costs incurred on the construction of properties under development.

***Development Properties***

Properties acquired, constructed or in the course of construction for sale are classified as development properties. Unsold properties are stated at the lower of cost or net realisable value. Costs incurred on development of projects are recognised as cost of sales when the corresponding revenue of such project is recognised.

Development properties amounted to AED40,925 million as at 30 June 2019 compared to AED38,384 million as at 31 December 2018 and AED36,721 million as at 31 December 2017. The increase in development properties as at 30 June 2019 compared to 31 December 2018 and as at 31 December 2018 compared to 31 December 2017 was primarily attributable to additional costs incurred on under-construction development property assets and the purchase of land plots in Dubai by Emaar.

***Borrowings***

Emaar's financing requirements are primarily to fund its initial property development expenditure, construction of investment properties and fixed assets, investment in international subsidiaries and commitment towards its joint ventures. In relation to its residential developments, Emaar generally sells units in advance of their construction with the purchasers paying an initial deposit and the balance of the purchase price in instalments during the construction period. These advance payments are used by Emaar to finance a substantial portion of the development with the balance of the financing being provided through equity and borrowings. Emaar's commercial developments are generally funded through cash from equity and borrowings.

As at 30 June 2019, interest-bearing loans and borrowings were AED15,013 million compared to AED13,586 million as at 31 December 2018 and AED14,250 million as at 31 December 2017. The decrease in interest-bearing loans and borrowings as at 31 December 2018 as compared to 31 December 2017 was mainly due to the repayment of loans and borrowings by Emaar Malls Group. The increase in interest-bearing loans and borrowings as at 30 June 2019 as compared to 31 December 2018 was mainly due to additional borrowings of Emaar and Emaar Malls Group. As at 31 December 2018, 25.5 per cent. of the total interest-bearing loans and borrowings on a consolidated basis were secured.

The table below shows a breakdown of the interest-bearing loans and borrowings of the Group as at 30 June 2019:

| | Total Borrowings (unaudited) | Maturity | |
|---|---|---|---|
| | | Within 12 months | After 12 months |
| | | (AED million) | |
| **Particulars** | | | |
| Corporate facilities | 2,586 | 644 | 1,942 |
| Emaar Development PJSC | 3,977 | 41 | 3,936 |
| Emaar Malls PJSC | 1,808 | — | 1,808 |
| **Rove Hotels** | 544 | 31 | 513 |
| **International facilities:** | | | |
| Turkey | 3,232 | 3,232 | — |
| Egypt | 2 | — | 2 |
| Pakistan | 191 | 191 | — |
| Lebanon | 374 | 248 | 126 |
| India | 2,132 | 766 | 1,366 |
| Kingdom of Saudi Arabia | 167 | 167 | — |
| **Total international facilities** | **6,098** | **4,604** | **1,494** |
| **Total interest-bearing loans and borrowings** | **15,013** | **5,320** | **9,693** |

### *Trust Certificates*

Under the Programme, the Trustee issued: (i) the first series of trust certificates in an aggregate face amount of U.S.$500 million on 3 February 2011 (the "**2011 Trust Certificates**"); (ii) the second series of trust certificates in an aggregate face amount of U.S.$500 million on 18 July 2012 (the "**2012 Trust Certificates**"); and (iii) the third series of trust certificates in an aggregate face amount of U.S.$750 million on 15 September 2016 (the "**2016 Trust Certificates**"). The 2011 Trust Certificates were listed on the London Stock Exchange plc and Nasdaq Dubai and were redeemed in August 2016, the 2012 Trust Certificates were listed on Nasdaq Dubai and were redeemed in July 2019, and the 2016 Trust Certificates are listed on Nasdaq Dubai and are due to mature in 2026.

In addition, on 18 June 2014, EMG Sukuk Limited, a limited liability company registered in the Cayman Islands, issued trust certificates amounting to U.S.$750 million (the "**2014 Trust Certificates**"). The 2014 Trust Certificates are listed on Nasdaq Dubai and are due to mature in 2024.

For further information on the 2012 Trust Certificates, the 2014 Trust Certificates and the 2016 Trust Certificates, see note 24 to the 2018 Financial Statements.

### *Equity attributable to owners of Emaar*

The equity attributable to owners of Emaar as at 30 June 2019 was AED50,822 million, compared to AED48,040 million as at 31 December 2018 and AED47,957 million as at 31 December 2017.

### *Liquidity and Cash Flows*

The table below summarises Emaar's cash flows from operating activities, investing activities and financing activities for the six-month period ended 30 June in each of 2019 and 2018 and for the year ended 31 December in each of 2018 and 2017. The cash flows of Emaar are from continuing operations.

The significant decrease in net cash flow from operating activities from 2017 to 2018 is attributable to higher costs incurred on construction properties as compared to collections from customers. The decrease in net cash flow from investing activities for 2018 as compared to 2017 was mainly due to amounts incurred on malls, retail and hotel construction. The decrease in cash flow from financing activities for 2018 as compared to 2017 was mainly due to dividend payment and loan repayment.

The significant decrease in net cash flow from operating activities in the six-month period ended 30 June 2019 as compared to the same period in 2018 is attributable to higher costs incurred on construction properties as compared to collections from customers. The increase in net cash flow from investing activities for the six-month period ended 30 June 2019 as compared to the same period 2018 was mainly due to the amount realised on the sale of commercial properties and five hotels in the UAE in 2019. The decrease in cash flow from financing activities for the six months ended 30 June 2019 as compared to the same period in 2018 was mainly due to dividend payment and acquisition of a non-controlling interest.

| | Six months ended 30 June (unaudited) | | Year ended 31 December | |
|---|---|---|---|---|
| | 2019 | 2018 | 2018 | 2017 |
| | *(AED million)* | | | |
| Net cash flows (used in) / from operating activities | (1,489) | 171 | 438 | 2,567 |
| Net cash flows from/(used in) investing activities | 1,413 | (535) | (1,506) | 2,824 |
| Net cash flows used in financing activities | (2,184) | (4,033) | (6,181) | 1,889 |
| **(Decrease)/Increase in cash and cash equivalents** | **(2,260)** | **(4,397)** | **(7,249)** | **7,280** |

**Projects and Capital Commitment**

As at 30 June 2019, the Group had commitments of AED18,870 million (compared to AED17,269 million as at 31 December 2018 and AED23,936 million as at 31 December 2017), including project commitments of AED18,064 million (compared to AED16,607 million as at 31 December 2018 and AED23,078 million as at 31 December 2017). This represents the value of contracts issued as at 30 June 2019 net of invoices received and accruals made at that date. The increase in this figure as at 30 June 2019 relative to 31 December 2018 was primarily due to purchases of land in the UAE by Emaar Development.

**Off-Balance Sheet Arrangements**

Note 22 to the Interim Financial Statements and note 29 to each of the 2018 Financial Statements and the 2017 Financial Statements contain detailed information about Emaar's contingencies and guarantees.

**Related Party Transactions**

Note 21 to the Interim Financial Statements and note 32 to each of the 2018 Financial Statements and 2017 Financial Statements contain detailed disclosure about transactions with related parties and significant related party balances outstanding as at 30 June 2019, 31 December 2018 and 31 December 2017. As at 30 June 2019, Emaar's principal related party transactions were with its associates and joint ventures and other related parties. These transactions are more particularly described in note 21 to the Interim Financial Statements.

**Risk Management**

Notes 33 to the 2018 Financial Statements and 2017 Financial Statements contain detailed disclosure about Emaar's capital and financial risk management activities, including discussions and statistical disclosure in relation to market risk, foreign currency risk management, interest rate risk management, credit risk management and liquidity risk management.

## DESCRIPTION OF EMAAR PROPERTIES PJSC

### OVERVIEW

Emaar was incorporated as a public joint stock company on 23 June 1997 by Ministerial Decree No. 66, with Commercial Registration number 49563 and commenced operations on 29 July 1997. As at 30 June 2019, Emaar had a market capitalisation of approximately AED32 billion. Emaar's registered office is Emaar Square, Building 3, Level 2, P.O. Box 9440, Dubai, UAE and its contact telephone number is +971 (0) 4 3673333.

Emaar is a leading real estate company having developed, together with its subsidiaries, as at 30 June 2019, 150.54 million square metres of residential and commercial real estate worldwide. Emaar commenced operations as a property development company specialising in real estate development, specifically master planned lifestyle community developments, in Dubai. Since its incorporation, Emaar has expanded its business in the UAE and internationally and currently has operations in 12 countries across the Middle East and North African ("**MENA**") region, the Indian subcontinent, Asia, Europe and North America.

The principal objects of Emaar are set out in its memorandum of association and are also specified in the commercial license issued to Emaar by the Department of Economic Development of the Government. The principal objects include carrying on, in the capacity of principal, agent, contractor, trustee, or otherwise, all forms of the business of real estate and property developers, managers, consultants and agents for all kinds of residential, commercial, industrial and other properties and for this purpose, purchasing, selling, exchanging, leasing, holding and disposing of any lands or buildings, mines, mining rights, ores, plants, stores, of every description whatever. This includes, *inter alia*, wrecking and demolition works, building contracting, general maintenance, interior decoration, cold storage, general warehousing, buying and/or selling and/or development of real estate, real estate brokerage, leasing and management of Emaar's own property or that which belongs to others. The objects clause empowers Emaar to borrow (with or without security), invest monies of Emaar, promote other companies, acquire or sell any business, distribute assets to members of Emaar, establish subsidiaries, make any payments or expenses and purchase or apply for or otherwise acquire or later modify or develop any patents, concessions, licences, rights of use or the like, in relation to any business of Emaar. Further, Emaar is also empowered to carry out any other business capable of being conveniently carried on in connection with any of the above objects, or which adds value or profit to Emaar's business.

The Group operates through three primary business segments: (i) Real Estate; (ii) Leasing, Retail and Related Activities; and (iii) Hospitality.

Real Estate is the Group's core business segment. This segment focuses on the Group's residential and commercial real estate developments in the UAE and internationally. As at the date of this Base Prospectus, Emaar has developments in Egypt, India, Jordan, Lebanon, Morocco, Pakistan, Saudi Arabia, Syria, Turkey and the UAE (see "*Property Developments*" for further details). In the six-month period ended 30 June 2019, 69 per cent. of Emaar's revenue was generated from property sales amounting to AED8,024 million. In the year ended 31 December 2018, Emaar's Real Estate business generated AED18,493 million (in property sales), representing 72 per cent. of its total revenue in 2018.

The Leasing, Retail and Related Activities segment focuses on Emaar's national and international retail developments (see "Emaar Malls", "Emaar Entertainment" and "Burj Khalifa"). In the six-month period ended 30 June 2019, 25 per cent. of Emaar's revenue was generated from Leasing, Retail and Related Activities amounting to AED2,867 million. In the year ended 31 December 2018, Emaar's Leasing, Retail and Related Activities generated AED5,643 million, representing 22 per cent. of its total revenues in 2018.

The Hospitality segment focuses on the development of hotels, resorts and leisure facilities and their management in the UAE and internationally (see "*Hospitality*"). In the six-month period ended 30 June 2019, 6 per cent. of Emaar's revenue was generated from its Hospitality business amounting to AED678 million. In the year ended 31 December 2018, Emaar's Hospitality business generated AED1,559 million, representing 6 per cent. of its total revenues in 2018.

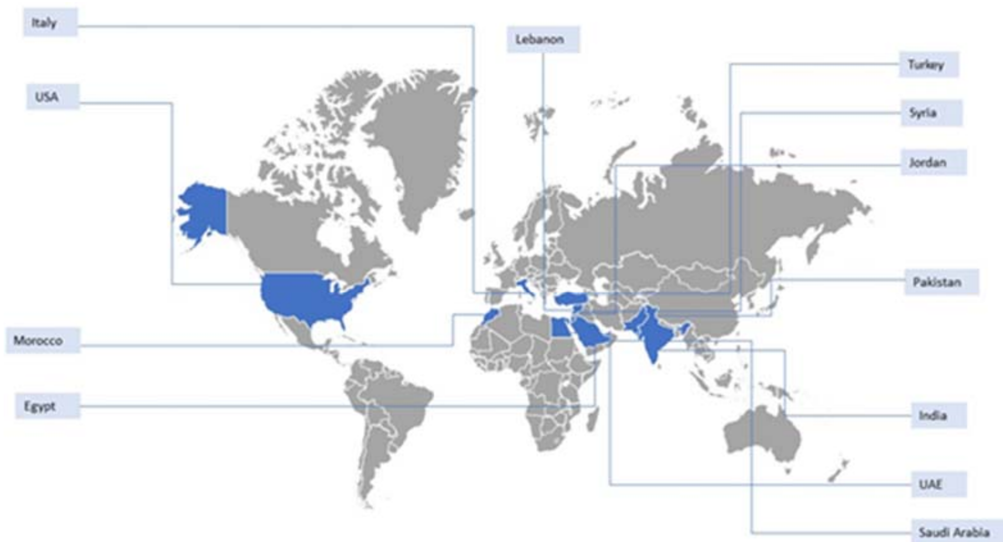
Investors should note that each of Emaar’s three business segments is subject to seasonal trends and accordingly revenues for each business segment vary from quarter to quarter. Investors are referred to the Audited Consolidated Financial Statements and the Interim Financial Statements for comparative analysis in respect of corresponding periods.

In addition to these primary business segments, Emaar also has business operations and subsidiaries in other sectors (which constitute other, secondary business segments, the results of which are consolidated for the purposes of the Audited Consolidated Financial Statements and the Interim Financial Statements), such as financial services (see "*Financial Services*") and property management and utility services.

Aside from Real Estate, Emaar's business segments are currently focused predominantly in the UAE. In the six-month period ended 30 June 2019, the UAE accounted for 83.61 per cent. of Emaar's revenues from external customers (including those from Real Estate). However, many of Emaar's international developments offer scope for expansion of its other business segments (primarily Leasing, Retail and Related Activities (including malls and entertainment) and Hospitality) internationally (see "*Strategy"*).

As at 30 June 2019, the Group had approximately 22.97 million square metres of land in the UAE and approximately 127.57 million square metres of land in key international markets.

The following map illustrates the location of the business undertaken, or proposed to be undertaken, by Emaar, its subsidiaries or associated companies globally.




**Shares and Shareholding**

Emaar is a publicly listed company, with its shares having been admitted to the official list of the DFM since 26 March 2000. As at 30 June 2019, 7,159,738,882 shares with a nominal value of AED1.00 each had been issued. In accordance with UAE law, Emaar does not have different classes of shares, and accordingly, all shares in Emaar carry the same rights, including in relation to voting and dividends. Emaar does not have any treasury shares. Other than as may be imposed by the operation of law from time to time, there are no restrictions on any of the directors or executive management of Emaar in respect of any disposals of their holdings of Emaar securities. Information relating to general assembly meetings and any resolutions passed at such meetings (including those relating to dividends and capital increases) can be found on the DFM website (www.dfm.ae).

Pursuant to the rules of the DFM, Emaar is required to disclose any interest in its shares of 5 per cent. or more. As at 30 June 2019, only the Investment Corporation of Dubai (an entity wholly-owned by the Government) held shares over the 5 per cent. disclosure threshold, with a shareholding of 29.2 per cent.

**Awards and Accolades**

Emaar's developments have been awarded a number of international awards and accolades in each of the business sectors in which it operates. Emaar has received several accolades for its property development operations including the 'Developer of the Year' award at Arabian Business Achievement Awards 2016 and the coveted 'UAE Company of the Year' award at the fourth Gulf Business Industry Awards in 2015.

For example, Burj Khalifa holds Guinness World Records for the 'Tallest Building in the World', the 'Tallest Man-Made Structure in the World', the 'Highest Observation Deck with an Outdoor Terrace' (in relation to At the Top, Burj Khalifa Sky), the 'Largest Light and Sound Show on a Single Building', the 'Largest LED-illuminated Façade' and 'Tallest LED-Illuminated Façade'. Burj Khalifa was also named the 'Middle East's Leading Tourist Attraction' at the World Travel Awards 2017, while in 2016, it won the honour of 'Best Exterior Lighting Project of the Year' at the Annual Light Middle East Awards. At the Top, Burj Khalifa was voted the 'Best Attraction in the World 2015' by AttractionTix, the UK-based online ticket specialist. It was also 'Highly Commended' in two categories as the 'Most Romantic Attraction or Tour 2015', along with the Eiffel Tower, and the 'Best Observation Deck 2015' along with the Empire State Building. Burj Khalifa was also ranked as one of the world's top three tourist attractions globally for taking 'selfies' by AttractionTix, based on an analysis of 219 million Instagram posts between 2010 and 2015. The Burj Khalifa website (www.burjkhalifa.ae) also won the 'Emerald' honour at the MENA Cristal Digital and Mobile Awards in the tourism and travel category.

Emaar Hospitality Group's flagship brand, Address Hotels and Resorts, has consistently received awards for both its brand and individual hotels. The Address Downtown was named the 'Middle East's Leading Luxury Hotel & Residences' at the World Travel Awards in 2019, the Address Montgomerie was named the 'United Arab Emirates' Leading Boutique Hotel 2019' by World Travel Awards, the Address Boulevard won 'UAE Best 5-star Hotel' in the category of 'Middle East Best Lifestyle Hotel' at the International Travel Awards in 2018 and the Address Dubai Mall was named the 'Best Luxury Hotel in the UAE' at the Haute Grandeur Global Excellence Awards in 2018. Palace Downtown also won the 'Best Culinary Experience in the Middle East' award at the Haute Grandeur Global Excellence Awards in 2018. Address Hotels and Resorts and its individual properties have now won over 500 awards since the launch of its first property in 2008, which relate to all aspects of its operations including food and beverage, spas and brand experience.

Address Hotels and Resorts has also received many food and beverage accolades, such as Neos at Address Downtown being named the 'Best Newcomer, Highly Recommended' at The Leaders in F&B Awards 2018, The Restaurant at Address Boulevard being recognised as one of the 'Best 50 Restaurants in the Gulf' by Esquire, Cabana at Address Dubai Mall being recognised as the 'Best Luxury Hotel Events Restaurant Worldwide' by InspectorLux 2018 Hotel Awards and Thiptara being recognised as the 'Best Thai and Best Romantic' restaurant at the Time Out Dubai Restaurant Awards 2018.

Other awards received in the hospitality sector include The Spa at Palace Downtown being named the 'Favourite Boutique Spa' in Dubai at the Fact Dining Awards Dubai 2019 and the regional winner of the 'Best Luxury Romantic Destination Spa' category at World Luxury Spa Awards 2018. In addition, The Spa at Address Boulevard was named the 'Favourite Hotel Spa' at the Fact Spa & Wellness Awards 2018, and Address Dubai Mall won the 'Best Conference Venue Hotel in the Middle East' award at Haute Grandeur Global Excellence Awards 2018.

In 2016, the Palace Downtown Dubai was awarded the global winner under the category of Luxury Wedding Destination and also took home the award for the country winner for 'Luxury Honeymoon Hotel, United Arab Emirates' at The World Luxury Hotel Awards 2016. The spa at the Palace Downtown Dubai won 'Best Signature Body Treatment' for the unique 'One Desert Journey Ritual' and 'Best Men's Spa' (for the second consecutive year) at the Middle East Pool and Spa Awards 2016. In the same year, the Armani Hotel Dubai highlighted its industry leadership in setting luxury service standards by winning the 'Luxury Contemporary Hotel in the Middle East' at the World Luxury Hotel Awards 2016. It was also announced as 'Dubai's Leading Hotel' and the 'World's Leading Design Hotel,' at the World Travel Awards Grand Final Gala Ceremony 2016 and the hotel's restaurant won OK! Magazine's 'Dine & Divine Award' in the category of Best Date Night Dining. Rove was awarded Interior Design of the Year: Hotels by Commercial Interior Design Award.

In 2017, Emaar Community Management LLC ("**ECM**") (a subsidiary of Emaar) received several awards for its initiatives, including 'Best Sustainability Initiative of the Year' at the Facilities Management Middle East (fmME) Awards 2017, 'Client Relationship Management Award' at the International Business Excellence (IBX) Awards 2017 and 'Best Overall Integrated Lifestyle Community' at the Urban Community Development Middle East Forum. Emaar Facilities Management also received various awards at the MENA Green Building Awards, including 'Green Facility Management Organization' for demonstrating excellence in delivering key facility management services and emphasising sustainability and environmental stewardship in its activities and 'Best Green Building Operation and Maintenance Project' for the successful implementation of a green operations and maintenance plan conducted at The Dubai Mall.

In 2016, ECM was also presented with awards in the 'Customer Service' and 'Overall Discipline Specific' categories at the International Business Excellence (IBX) Awards 2016. Emaar Entertainment LLC was awarded the ISO 28000:2007 certification for Security Supply Chain Management System in that year. In 2015, Emaar Technologies LLC (a different subsidiary of Emaar) won the ISO / IEC 27001:2013 certification for its Information Security Management System (ISMS), highlighting its adoption of IT industry best practices.

**Competitive Strengths**

Emaar believes that it benefits from the following competitive strengths:

- ***Strategic partnerships with governments***: Emaar was established in accordance with the Government's strategy to diversify and grow Dubai's economy. A substantial part of the Group's initial land bank in Dubai was gifted to it by the Government, which allowed Emaar, in the early years following its incorporation, to develop large parcels of land in a flexible and profitable manner. The Government, being the single largest shareholder, continues to own a significant interest in Emaar (see "*Shares and Shareholding*") and, internationally, Emaar (whether directly or through one of its subsidiaries) has entered into partnerships with influential local partners, including governments and government related entities ("**GREs**") for some of its projects (see "*Property Developments—International—Non Wholly Owned*"). The strength of the Group's relationship with GREs and governments creates opportunities for growth and favourable development arrangements;

- ***Strong brand names and proven track record***: As one of the largest real estate master developers operating in the GCC, Emaar believes that it has a well-respected and recognised brand name with a proven track record and reputation as a developer of master planned lifestyle communities in Dubai and in other countries in which it operates. The Group has substantial experience in designing and executing complex property development projects, from land acquisition through the design, approvals, marketing and sales stages of the real estate development lifecycle. In Dubai alone, the Group has developed premier integrated lifestyle master plan communities containing some of the city's most iconic assets, including Downtown Dubai with Burj Khalifa, the world's tallest building, and The Dubai Mall, the world's most visited shopping mall. Its extensive track record of development, including Emirates Living, the UAE's first freehold master plan community, has allowed the Group to develop unmatched expertise in the design and execution of these complex and large-scale projects. It has delivered over 40,000 residential units and over 4 million square feet of commercial space in the UAE and over 17,945 residential units and over 1 million square feet of commercial space in international markets, in each case, as at 30 June 2019. Emaar believes its experience and expertise make the Emaar brand one of the most sought after in the UAE market, and has resulted in the sale of higher volumes of residential units at higher prices than its principal competitors. In addition, the strength of the Emaar brand (together with its ability to use brand names such as Armani) has broadened the appeal of its projects to an international audience;

- ***Joint ventures with strategic local partners***: Emaar benefits from strong relationships with reputable joint venture partners both in the UAE and internationally. These partnerships provide Emaar with, amongst other things, regional know-how and development rights to tracts of desirable land at attractive prices, minimising the Group's capital investment requirements;

- ***First mover advantage in a number of international jurisdictions***: Emaar believes that, in most of the international markets in which it operates, it is the first real estate developer offering lifestyle community developments to have entered the market. This enables it to obtain access to desirable land and is a significant marketing advantage when marketing and selling its developments;

- ***Low financing costs***: Emaar's ability to finance its projects through pre-selling means that Emaar has not needed to borrow significantly to date, relative to many of its competitors in the GCC region, enabling it to maintain a low leverage ratio. Historically, payments received have been adequate to finance most of the costs associated with the design and construction of Emaar's real estate developments. Before construction of a development commences, an average of between 60 to 70 per cent. of the residential units in the development are pre-sold and approximately 30 per cent. of the total sales value of those residential units is collected, which ensures that the project is substantially self-funded through customer payments throughout the entire construction cycle.

Funding the development of its projects through pre-sale cash flow de-risks the Group's business model and provides strong revenue visibility based on its sales backlog (see "*Description of Emaar Properties PJSC—Business—Real Estate Development—International—Property Developments—Non-Wholly Owned—Marketing and Sales*"); and

- ***Strong management team***: Emaar believes the strength and experience of its senior management team represent a competitive advantage and are critical to the successful conduct of its business. Emaar's management team has considerable experience in the real estate market and other business segments in which Emaar operates.

**Strategy**

Emaar's primary objective is to produce sustained and secure long-term returns from the development and management of, and investment in, its real estate activities and to create continued value for its stakeholders. Its strategy to achieve this objective involves completing its existing development projects in Dubai and internationally, focusing on initiating additional developments in its international target markets and diversifying its revenue streams in order to increase the proportion of revenues from its non-property development business segments. In particular, Emaar intends to:

- ***Further consolidate the Group's position as the largest developer of iconic projects in Dubai***: The Group is the leading developer of residential real estate in Dubai, and enjoys a reputation for delivering the highest quality integrated lifestyle master plan communities in some of Dubai's most desirable locations. It has a number of ongoing and new developments in Dubai (see "*Property Developments—UAE—Wholly Owned*" and "*Property Developments—UAE—Non Wholly Owned*"), including a number of iconic projects and prime real estate assets including the Dubai Creek Harbour Development, which will include the world's tallest observation tower (scheduled for completion in 2050) and Dubai Hills Estate (scheduled for completion in 2032). The Group adheres to its rigorous standards and processes through all phases of development and believes that maintaining its strategic focus on delivering its current and future projects to the premium standard associated with the Emaar brand and providing an exceptional customer experience will allow it to maintain and further grow its market leading position.

- ***Improve funding models to reduce costs and produce high returns from the development of real estate***: The Group's project finance strategy is to finance development projects through a combination of shareholders' equity, pre-selling of projects (see "*Description of Emaar Properties PJSC—Business—Real Estate Development—International—Construction of Projects*"), debt financings, initial public offerings ("**IPOs**") and strategic sales, therefore limiting funding at the parent company level to land acquisitions and initial infrastructure-related construction. Its pre-sale funding model significantly de-risks the cash requirements for the development of its projects. The Group's agile sales and marketing strategy underpins its business model and seeks to ensure a healthy and continuous sales backlog which enhances revenue visibility. Emaar aims to retain sufficient reserves and liquidity to ensure operational obligations are met on a timely basis and to provide high quality delivery. As at 30 June 2019, Emaar's total equity was AED59.713 billion, including retained earnings and non-controlling interests. Emaar focuses on fostering strong partnerships to support growth including by entering into joint ventures to gain access to the significant land bank owned by its joint venture partners, thereby avoiding the need to commit immediate cash flows towards land purchases. For example, the waterfront Dubai Creek Harbour at The Lagoons is developed jointly with Dubai Holding, and Dubai Hills Estate is a joint venture with Meraas Estates LLC ("**Meraas**") and the land used for development in each case was provided by Dubai Holding and Meraas, respectively (see "*Property Developments—UAE—Wholly Owned*" and "*Property Developments—UAE—Non Wholly Owned*" for examples of such projects and partnerships). The Group intends to continue to leverage its favourable GRE partnerships to gain further access to significant prime land opportunities with minimal capital outlay through joint venture arrangements and otherwise.

- ***Monetising core assets***: In order to maintain sufficient financial flexibility and growth capital to meet the Group's medium and long-term objectives as well as to unlock incremental value across its portfolio, Emaar intends (provided conducive market conditions exist) to monetise certain core assets when they are of sufficient size whilst retaining a controlling stake therein and an ability to influence the strategy thereof. This includes assets in its Malls, Retail and Hospitality segments including in international markets (such as Turkey and India), through IPOs or real estate investment trusts. This will provide Emaar with long-term growth capital and help it take advantage of future development opportunities as well as create significant value for shareholders.

- ***Build a diversified portfolio and develop and expand its Malls and Hospitality segments*:** As part of Emaar's overall strategy to increase recurring revenues and to continue to diversify revenue streams, Emaar seeks to solidify its position as a holding company with a diversified portfolio comprising significant leasing and operating businesses both in local and international markets as well as exposure to local and international real estate development. To that end, Emaar intends to develop its mall assets and expand the Emaar Hotels and Resorts brand both locally and globally. Emaar intends for its Malls, Retail, and Hospitality business segments to further mature into self-sustaining international companies from which Emaar will be able to realise value for shareholders. It is Emaar's current intention to retain strategic and management control of each segment after monetising parts of these assets.

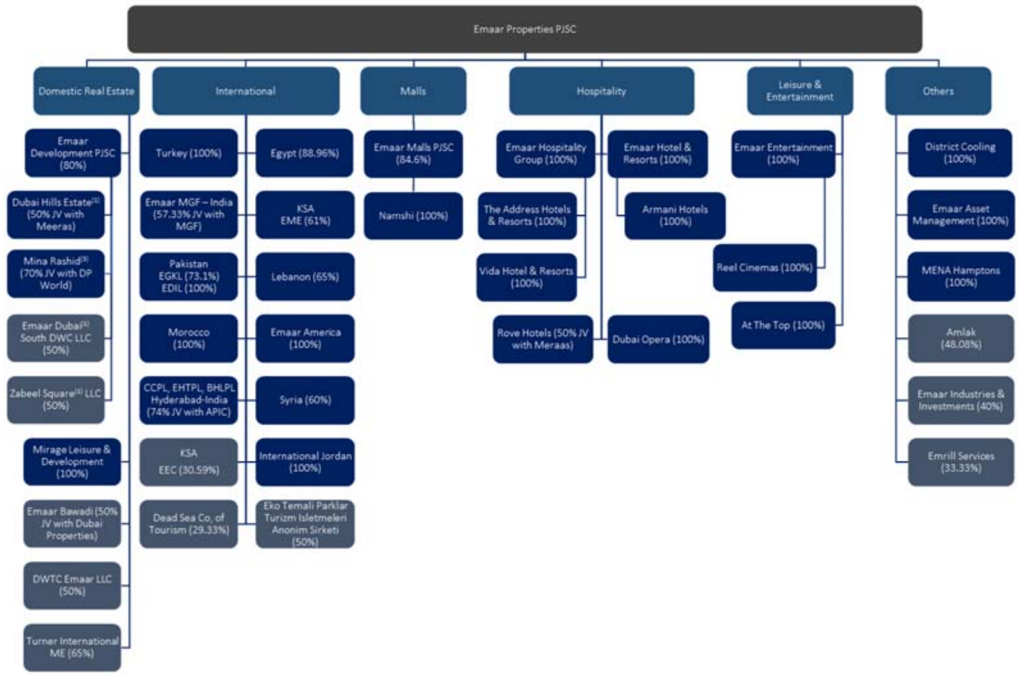
- **Replicate the Dubai business model in international markets:** Emaar undertakes international projects itself and together with third parties (see "Property Developments—International—Wholly Owned—" and "Property Development —International—Non Wholly Owned"). For the majority of its international projects, Emaar is aiming to replicate its Dubai model of developing integrated lifestyle community developments, which enable it to earn revenues from the sale of properties, rental income and capital appreciation through the holding and management (including through its international joint ventures) of investment properties. Emaar's revenues from international operations decreased by 12 per cent. in 2018 to AED3.35 billion, compared to AED3.81 billion in 2017. This revenue amounted to 16 per cent. of the Group's revenue from external customers for the six-month period ended 30 June 2019 (13 per cent. for the year ended 31 December 2018), and Emaar intends to maintain approximately the same level of revenue generated from its international operations in 2019. Key areas of focus for Emaar include Saudi Arabia, Turkey, Egypt and India.

- ***Focus on project delivery and delivering value to customers***: Emaar has been and continues to be focussed on project delivery and drawing on the potential of digital technologies to help optimise use of resources and enhance efficiency and customer service. Across all of its operations – from project design to development and after-sales service – it is seeking to strengthen project management and service excellence through digital technology. At every stage of development, Emaar seeks to place more emphasis on being more efficient, agile and responsive to the aspirations of its customers, and as such to create long-term value for its stakeholders. This 'future now' strategy sets the foundation for Emaar's growth in the coming years, which complements the UAE's transition into a smart economy and reflects its growth aspirations as a smart and sustainable city led by the vision of His Highness Sheikh Mohammed bin Rashid Al Maktoum, UAE Vice President and Prime Minister and Ruler of Dubai. Dubai Creek Harbour, Dubai Hills Estate and the ongoing expansion of Downtown Dubai are examples of the Group's commitment to create city hubs with digital lifestyle features that meet the aspirations of the future generation. As a customer-oriented digital organisation, Emaar intends to continue to invest in next-generation technology to deliver modern lifestyles that meet the lifestyle aspirations of both the youth and future generations.

- ***Divest certain assets to unlock value for shareholders:*** Emaar has begun to implement a strategy of selling, and entering into long-term management agreements with the relevant buyers for, certain of its hotels. As part of this strategy, five hotels (namely, the Address Dubai Mall, the Address Boulevard, the Address Dubai Marina, Vida Downtown and Manzil Downtown) were sold to Abu Dhabi National Hotels in February 2019. This strategy is designed to complement Emaar's objective of unlocking value for shareholders and its strategy of migrating the Emaar Hospitality Group business to an asset-light model, which will enable Emaar to focus on core hotel operations and brand expansion.

**Group Structure**

As at 30 June 2019, Emaar had over 150 subsidiaries which have been established for the purpose of managing and maintaining individual project developments and to facilitate Emaar's expansion into international markets. In addition, Emaar has formed strategic partnerships with associated companies and entered into a number of joint ventures. Emaar's principal subsidiaries, joint ventures and associates are shown by business segment in the Group structure table below.




**BUSINESS**

The Group operates through three primary business segments: (i) Real Estate; (ii) Leasing, Retail and Related Activities; and (iii) Hospitality, all as more particularly described below. Its other business segments are made up of its property management and utility services businesses and its investments in providers of financial services, all as more particularly described below under '*Other Businesses*'.

**Real Estate**

The Group's real estate development business is made up of the domestic segment (comprising business activities and operations in the UAE), as more particularly described below under "*Real Estate Development – UAE*", and the international segment (comprising business activities and operations outside the UAE), as more particularly described below under "*Real Estate Development – International*".

**Overview of land bank and development properties**

As at 30 June 2019, the Group had approximately 22.97 million square metres of land in the UAE and approximately 127.57 million square metres of land in key international markets.

A breakdown of the development properties (including the cost of land) and the respective land areas is shown in the table below.

| | Value of Development Properties | | | | |
|---|---|---|---|---|---|
| | Fair value as at 31 December 2018 | | Cost as at 31 December 2018 | | Land area as at 31 December 2018 |
| | *(AED millions)*[1] | *(%)*[4] | *(AED millions)* | *(%)*[5] | *(millions square metres)*[2] |
| **Subsidiaries** | | | | | |
| UAE | 39,748 | 58 | 20,033 | 52 | 4.69 |
| India[3] | 15,101 | 22 | 11,640 | 30 | 13.66 |
| Kingdom of Saudi Arabia (KSA) | 850 | 1 | 820 | 2 | 3.25 |
| Morocco | 582 | 1 | 319 | 1 | 1.26 |
| Egypt | 6,428 | 9 | 2,029 | 5 | 4.90 |
| Pakistan | 2,472 | 4 | 861 | 2 | 1.51 |
| Syria[3] | 56 | 0 | 56 | 0 | 0.20 |

| | Value of Development Properties | | | | |
|---|---|---|---|---|---|
| | Fair value as at 31 December 2018 | | Cost as at 31 December 2018 | | Land area as at 31 December 2018 |
| | *(AED millions)*[1] | *(%)*[4] | *(AED millions)* | *(%)*[5] | *(millions square metres)*[2] |
| Turkey | 1,662 | 2 | 1,260 | 3 | 0.57 |
| Lebanon | 1,084 | 2 | 622 | 2 | 0.32 |
| United States of America | 744 | 1 | 744 | 2 | — |
| **Subsidiaries sub total** | **68,727** | **100** | **38,384** | **100** | **30.34** |
| **Associates, Joint Ventures and Joint Development Agreements**[6] | | | | | |
| **UAE** | | | | | |
| Dubai Creek | — | — | — | — | 5.2 |
| Dubai World Trade Centre (DWTC) | — | — | — | — | 0.95 |
| Dubai World Central (DWC) | — | — | — | — | 5.00 |
| Dubai Hills Estate | — | — | — | — | 5.05 |
| International | | | | | |
| KSA (Emaar Economic City) | — | — | — | — | 103.95 |
| Jordanian JV (Samarah Resort) | — | — | — | — | 0.54 |
| **Associates, Joint Ventures and Joint Development Agreements sub total** | **—** | **—** | **—** | **—** | **120.69** |
| **Total** | **68,727** | **100** | **38,384** | **100** | **151.03** |

Notes:

(1) Fair value includes the entire land bank held by Emaar's subsidiaries. Emaar conducts valuations of the land bank of its subsidiaries on an annual basis.

(2) Land area includes the entire area held by Emaar and its subsidiaries and associates and not Emaar's proportionate ownership of the same including leasehold interest.

(3) Considered at initial cost plus costs incurred to date, because valuation has not been carried out in respect of these projects due to uncertainty in the jurisdictions.

(4) % is calculated by reference to a fair value total of 68,727 (AED millions).

(5) % is calculated by reference to a cost value total of 38,384 (AED millions).

(6) The Group's investments in associates and joint ventures are accounted for using the equity method, and hence the cost of such businesses' development properties are not consolidated with Emaar on a line by line basis. Accordingly, fair value figures for such development properties are not included in this table. Fair value figures are also not included in this table for joint development agreements, where a Group entity takes the role of development manager for an agreed fee and the relevant development properties form part of another party's books of account.

Note — Emaar, its subsidiaries, associates and joint ventures hold freehold title to all of their land (both developed and undeveloped), except in respect of the following, wherein they hold a leasehold interest: (i) Boulder Hills Golf Course (gross leased area ("**GLA**") of 951,011 square metres) in India, (ii) the Hyderabad International Convention Centre and Hotel (GLA of 61,265 square metres) in India, (iii) the land for the Crescent Bay project in Karachi, Pakistan (GLA of 437,059 square metres), (iv) the Emaar Residences at Fairmont Makkah, Saudi Arabia (GLA of 24,001 square metres), (v) The Delhi Jasola (GLA of 19,141.63 square metres) and (vi) the Jaipur Hotel (GLA of 7,446 square metres). Emaar holds a 49-year usufruct right, awarded by the Government of Turkey, in respect of the Belek development.

Valuations of the land comprised in the land bank have been undertaken by various independent surveyors. Details of these surveyors are listed below.

| Country | Valuer | Contact Details |
|---|---|---|
| UAE | CBRE Dubai LLC | PO Box 506961<br>Dubai, UAE |
| | JLL Valuation LLC | PO Box 214029<br>Dubai, UAE |
| Kingdom of Saudi Arabia (in respect of Emaar Middle East) | Jones Lang LaSalle UAE Limited – Abu Dhabi Branch | PO Box 36788<br>Abu Dhabi, UAE |
| Morocco | Cap Realty | 164, Bd d'Anfa, 5th floor, 20 100<br>Casablanca, Morocco |

| Country | Valuer | Contact Details |
|---|---|---|
| Egypt | Arab Group for Appraisals & Consultancy | 58 Syria St., El-Mohandessein – 11th floor, PO Box 178 El-Mohandessein, Cairo, Egypt |
| Pakistan | Arsem (Private) Limited | FF-03, MC-54, Family Cash & Carry Plaza, Main Road Entrance, Ghauri Town, Phase-5, Islamabad, Pakistan |
| Turkey | Eva Gayrimenkul Değerleme Danışmanlık A.Ş. | Bostancı E-5, Kavşağı, Tariki Has Sokak, Tavukçuoğlu İş Merkezi, No:2 Kat:5, 34742, Kadıköy, İstanbul, Turkey |
| | CBRE DIFC Ltd | PO Box 506961 Dubai, UAE |
| Lebanon | Masri Studies & Valuation Sarl | R.C. Baabda 63704, 1st floor, Block A, Basha Gardens, Building 7, Street 83, Sector 5, Pres. Charles Debbas Avenue, Jisr El Bacha, Postal code 1100-2110, Sin El Fil, Lebanon |
| India (in respect of Emaar MGF and is subsidiaries) | Jones Lang LaSalle Property Consultants (INDIA) Pvt. Ltd | Level 16, Tower C, Epitome Tower, Building No 5, DLF Cyber City, Phase III, Gurgaon – 120002, Haryana, India |

All projects by Emaar and its subsidiaries are undertaken on land owned or leased by Emaar or the relevant subsidiary or which Emaar or the relevant subsidiary has contracted to acquire or lease (excluding projects where Emaar or the relevant subsidiary is a part owner of the relevant development entity, in which case such entity typically owns the land or contracts to acquire the land). Where Emaar has leased or contracted to lease land for a project, such lease is on a long-term and/or renewable basis. Emaar generally conducts its project development operations through its subsidiaries.

The table below sets out each of Emaar's current developments by jurisdiction, the type of development, the year in which construction started or, where applicable, the pre-construction stage of the project, the construction completion date or, where construction is ongoing, the anticipated completion date and, in the case of developments involving the sale of freehold units, the percentage of such units sold to total units launched, in all cases as at 30 June 2019.

Further details of each of the projects listed in this table are set out below.

| | **Development Type** | **Stage of Development**(1) | | **Freehold units sold to total units launched (%)** |
|---|---|---|---|---|
| | | *Commence/ Construction commenced* | *Date/ Construction completed* | |
| **UAE – Wholly-Owned** | | | | |
| *Downtown Dubai Development* | | | | 97 |
| Various Residential developments | Residential | Construction commenced in 2004 | Anticipated completion date is 2021 | |

| | Development Type | Stage of Development[1] | | Freehold units sold to total units launched (%) |
|---|---|---|---|---|
| Various Malls and Retail developments | Mall, Retail and Leisure | Construction commenced in 2004 | Anticipated completion date is 2021 | |
| Various Hospitality developments | Hotels | Construction commenced in 2004 | Anticipated completion date is 2021 | |
| *Emirates Living* | | | | |
| Residential development | Residential, Retail and Leisure | Construction commenced in 1999 | Anticipated completion date is 2019 | 100 |
| Hospitality Development | Hotels | Construction commenced in 2015 | Anticipated completion date is 2019 | |
| *Arabian Ranches I, II and III* | | | | |
| Residential development | Residential, Retail, Leisure and Hotels | Construction commenced in 2002 | Anticipated completion date is 2019 | 97 |
| *Dubai Marina* | | | | |
| Mixed-use development | Residential, Retail, Leisure and Hotels | Construction commenced in 1999 | Anticipated completion date is 2021 | 99 |
| *Emaar Beachfront* | | | | |
| Mixed-use development | Residential, Retail, Leisure and Hotels | Construction commenced in 2018 | Anticipated completion date is 2030 | 69 |
| **UAE – Non-Wholly Owned** | | | | |
| *Dubai Hills Estates* | | | | |
| Mixed-use development | Residential, Retail, Leisure and Hotels | Construction commenced in 2013 | Anticipated completion date is 2035 | 83 |
| *Dubai Creek* | | | | |
| Mixed-use development | Residential, Retail, Leisure and Hotels | Construction commenced in 2014 | Anticipated completion date is 2050 | 77 |
| *Emaar South* | | | | |
| Mixed-use development | Residential, Retail, Leisure and Hotels | Construction commenced in 2016 | Anticipated completion date is 2035 | 83 |

| | Development Type | Stage of Development[1] | | Freehold units sold to total units launched (%) |
|---|---|---|---|---|
| *Mina Rashid* | | | | |
| Mixed-use development | Residential, Retail, Leisure and Hotels | Construction commenced in 2019 | Anticipated completion date is 2030 | 37 |
| **International – Wholly-Owned Turkey** | | | | |
| *Emaar Square* | Mixed-use | Construction commenced in 2011 | Anticipated completion date is 2020 | 60 |
| *Tuscan Valley* | Residential | Construction commenced in 2007 | Completed in 2012 | 96 |
| **Morocco** | | | | |
| *Tinja* | Mixed–use | Construction commenced in 2007 and was paused in 2010 | Anticipated launch date is 2020 | — |
| *Amelkis Resorts* | Residential, Villa Plots, Hotels and Leisure | Construction commenced in 2005 | Anticipated completion date is 2022 | 56 |
| **Pakistan** | | | | |
| *Canyon Views, Islamabad* | Mixed-use | Construction commenced in 2007 | Anticipated completion date is 2022 | 92 |
| **International – Non-Wholly Owned** | | | | |
| **Egypt** | | | | |
| *Uptown Cairo* | Mixed–use | Construction commenced in 2007 | Anticipated completion date is 2029 | 92 |
| *Marassi* | Resort and residential | Construction commenced in 2007 | Anticipated completion date is 2025 | 92 |
| *New Cairo City (Mivida)* | Residential | Construction commenced in 2009 | Anticipated completion date is 2021 | 94 |
| *New Cairo City (Mivida)* | Offices | Construction commenced in 2009 | Anticipated completion date is 2021 | 75 |

| | Development Type | Stage of Development[(1)] | | Freehold units sold to total units launched (%) |
|---|---|---|---|---|
| *Cairo Gate* | Mixed–use | Currently in master planning phase | Anticipated launch date is 2020 | — |
| **Saudi Arabia** | | | | |
| *King Abdullah Economic City* | Mixed-use | Construction commenced in 2006 | Anticipated completion date is 2046 | 61 |
| *Jeddah Gate* | Mixed-use | Construction commenced in 2007 | Anticipated completion date is 2022 | 82 |
| **Pakistan** | | | | |
| *Crescent Bay, Karachi* | Mixed–use | Construction commenced in 2005[(2)] | Anticipated completion date is 2030 | 99 |
| **India** | | | | |
| *Boulder Hills* | Mixed–use | Construction commenced in 2004 | Completion date is uncertain pending legal dispute | 73 |
| *Mohali Hills* | Mixed–use | Construction commenced in 2007 | Anticipated completion date is 2020 | 79 |
| *Emerald Estate & Premiere* | Residential | Construction commenced in 2008 | Anticipated completion date is 2020 | 98 |
| *Gurgaon Greens* | Residential | Construction commenced in 2013 | Anticipated completion date is 2019 | 94 |
| *Imperial Garden* | Residential | Construction commenced in 2013 | Anticipated completion date is 2019 | 92 |
| *Gomti Greens* | Residential | Construction commenced in 2012 | Anticipated completion date in 2020 | 72 |
| *Jaipur Greens* | Residential | Construction commenced in 2009 | Completed in 2012 (Phase 1) and 2018 (Phase 2) | 96 |
| *Indore Greens* | Residential | Construction commenced in 2008 | Completed in 2012 (Phase 1) and 2019 (Phase 2) | 91 |

| | Development Type | Stage of Development[1] | | Freehold units sold to total units launched (%) |
|---|---|---|---|---|
| *Esplanade Chennai* | Residential | Construction commenced in 2007 | Completed in 2016 | 99 |
| *Commonwealth Games Village* | Residential | Construction commenced in 2007 | Completed in 2010 | 98 |
| *Commercial and Retail Developments* | Commercial and Retail | Construction commenced in 2009 | Anticipated completion date is 2023 | 88 |
| *Marbella* | Residential | Construction commenced in 2013 | Anticipated completion date is 2019 | 81 |
| *Palm Garden* | Residential | Construction commenced in 2012 | Completed in 2018 (Phase 1) and 2019 (Phases 2 and 3) | 93 |
| *Palm Hills* | Residential | Construction commenced in 2011 | Completed in 2017 (Phase 1), 2018 (Phase 2) and 2019 (Phase 3) | 97 |
| *Palm Terrace Select* | Residential | Construction commenced in 2012 | Completed in 2019 | 86 |
| *The Palm Drive* | Residential | Construction commenced in 2008 | Completed in 2018 (Phases 1, 2, and 3) and 2019 (Phase 4) | 96 |
| *The Palm Spring* | Residential | Construction commenced in 2006 | Completed in 2011 | 100 |
| *Digi Home* | Residential | Construction to commence in 2019 | Anticipated completion date is 2021 | 1 |
| **Jordan** | | | | |
| *Samarah, Dead Sea Resort* | Mixed–use | Construction commenced in 2008 | Completed in 2014 | 62 |
| **Lebanon** | | | | |
| *Beit Misk* | Residential | Construction commenced in 2010 | Anticipated completion date is 2023 | 77 |

| | Development Type | Stage of Development[1] | | Freehold units sold to total units launched (%) |
|---|---|---|---|---|
| **Syria** | | | | |
| *The Eighth Gate* | Commercial | Construction commenced in 2006 | Currently on hold. | 64 |

Notes:

(1) Any of Emaar's projects that are at the master planning stage or under construction are subject to change and alteration.
(2) Crescent Bay Karachi – the land reclamation work commenced in 2005, infrastructure and project construction commenced in 2008. The land is held on a long lease from the DHA (until 2104).

**Real Estate Development – UAE**

The Group's property development projects in Dubai are undertaken by its subsidiary, Emaar Development PJSC ("**Emaar Development**"), and have provided Emaar with the foundation for its rapid growth since 1997. With several ongoing and completed master planned developments, Dubai operations continue to play a pivotal role in the Group's growth. As at 30 June 2019, the Group had delivered approximately 40,000 residential properties in the UAE.

***Emaar Development and the Group's real estate development business***

Emaar Development is the UAE real estate development subsidiary of Emaar and the leading developer of integrated lifestyle master plan communities in Dubai. Redefining the traditional approaches to property development, Emaar Development's integrated lifestyle master plan communities are distinguished by their design, high quality build and finishes and wide range of amenities, combining residential and commercial property, shopping malls and other retail assets and high-end hospitality and leisure attractions within secure, well-maintained communities. In addition, Emaar Development ensures through its collaboration with local regulators, utility companies and government agencies that the infrastructure necessary to support these residential communities, such as roads, power, water and sewage, landscaping and open recreational spaces, is in place.

The Group's real estate development business has formed a key part of the Group's operations since Emaar's inception in 1997 and has played an integral role in the development of Dubai from a regional hub to a global destination. The Group has developed some of Dubai's most prestigious integrated lifestyle master plan communities, including Emirates Living, the first major freehold community built in Dubai, Dubai Marina, the region's largest man-made marina development and Downtown Dubai, one of the world's most visited destinations. Since 2002, the Group has delivered over 34,500 residential units. The Group's developments have received a number of the industry's most prestigious awards, including YouGov's Best Real Estate Brand in the UAE 2017, International Business Excellence 2017 and Sustainability Initiative of the Year 2017.

In November 2017, Emaar listed 20 per cent. of its holdings in Emaar Development on the Dubai Financial Market (the "**Emaar Development IPO**"), with total issue proceeds of U.S.$1.31 billion. Substantial proceeds from the IPO were distributed to Emaar's shareholders as special dividends in February 2018.

Prior to the Emaar Development IPO, the UAE build-to-sell real estate development business of Emaar was transferred by Emaar to Emaar Development, including, without limitation, certain plots of land, contracts, joint venture arrangements, intellectual property rights, and employees, in each case pursuant to a master transfer agreement dated 29 September 2017. Emaar Development now oversees all aspects of an integrated lifestyle master plan community's development, from its initial concept development and design, through construction, to sales and marketing. Partnering with the region's leading construction firms, it maintains strict oversight and seeks to ensure that its projects are completed within budget and to the highest standards. Its projects typically contain residential units, such as apartments, townhouses, villas or offices that are built for sale ("**BTS assets**"); commercial units, including offices, retail space, educational and medical facilities which are built for leasing to occupiers by Emaar or its subsidiaries ("**BTL assets**"); and recreational amenities such as parks, water features and other outdoor space. Certain of Emaar Development's projects also contain hotels, polo and golf clubs, which are built for operation by Emaar or its subsidiaries ("**BTO assets**"). Emaar Development develops and sells BTS assets and is paid a management fee by Emaar to manage the development of BTL assets and BTO assets.

Emaar Development's project portfolio is comprised of wholly-owned projects under development (Downtown Dubai, Arabian Ranches, Dubai Marina, Emirates Living and Emaar Beachfront), joint venture projects (Dubai Hills Estate and Mina Rashid), joint development projects (Dubai Creek Harbour, Emaar South and Zabeel Square) and its land bank Al Marjan (Ras al Khaimah), details of which are set out below.

**Property Developments – Wholly-Owned**

Details of the Group's current wholly-owned developments within the UAE (including its flagship project, the Downtown Dubai Development) are described below.

***Downtown Dubai Development***

The Downtown Dubai Development (the "**Downtown Dubai Development**") is the Group's flagship project and is situated in central Dubai off the main highway (Sheikh Zayed Road) between Business Bay and the DIFC. It is a mixed-use 500-acre community that combines commercial, residential, hotel, entertainment, shopping and leisure developments. The complex includes the world's tallest structure, Burj Khalifa, The Dubai Mall (one of the world's largest shopping malls and the world's most visited mall), the Dubai Opera House (which is Dubai's first dedicated multi-format opera house), Souq Al Bahar (a residential and retail destination), eight luxury hotels with over 2,000 rooms (including serviced apartments), 4.5 million square feet of gross office space, 4.4 million square feet of leasable retail space, numerous residential towers, Sheikh Mohammed bin Rashid Boulevard and a 3.5 km leisure and entertainment strip. Two additional luxury five-star hotels, Address Sky Views and Address Fountain Views, are under construction. Construction on the Downtown Dubai Development began in 2004 and, subject to market conditions, is expected to be fully completed in 2022. To date, significant milestones including the opening of Burj Khalifa, The Dubai Mall (see "*Emaar Malls*") and various hotels and residential areas have been achieved.

Brief details of the key residential and commercial projects are set out below.

*Opera District*

Emaar is the master developer of the 'Opera House District' (the "**Opera District**"), which is designed to be the new cultural hub of the region and is located in the Downtown Dubai Development.

In addition to Dubai's first dedicated opera house, a 2,000-seat multi-format venue for opera, theatre, concerts, art exhibitions, orchestra, film, sports events and seasonal programmes which opened on 31 August 2016, the Opera District will also feature several new galleries, numerous residential towers, a retail plaza, waterfront promenades as well as recreational spaces and parks.

*Burj Khalifa*

The centrepiece of the Downtown Dubai Development is Burj Khalifa. Burj Khalifa is the world's tallest structure (at 2,720 feet), has the largest number of storeys of any building in the world (with more than 160) and has approximately 3.9 million square feet of residential and commercial space, including the first Armani Hotel (see "*Hospitality*"). Construction of Burj Khalifa commenced in September 2004 and the building was officially opened on 4 January 2010 at a total construction cost of approximately U.S.$2 billion (approximately AED7.3 billion) (including the Office Annex building). As at 30 June 2019, almost all of the building's units have been sold.

*The Residences and South Ridge*

The Residences and South Ridge are complexes of nine and six high-rise residential towers, respectively, in the Downtown Dubai Development. The Residences include 1,235 freehold units made up of one- to four-bedroom luxury residential apartments, penthouses and podium villas whilst South Ridge includes 961 freehold units made up of one-, two- and three-bedroom apartments and podium villas. Construction on the Residences was completed in phases between August 2006 and March 2007. Construction on South Ridge was completed in May 2008. As at 30 June 2019, almost all of the developments' units have been sold.

*Old Town and Old Town Island*

Old Town and Old Town Island contain low-rise homes and mid-rise residential towers. The complex comprises 1,991 freehold units made up of one- to four-bedroom apartments and villas. These homes are set in approximately 3.7 million square feet of pedestrianised area comprising market squares, alleyways and courtyards. The complex includes hotels, leisure facilities, shops, restaurants and commercial units. Construction of Old Town and Old Town Island was completed in phases between January 2007 and September 2008. As at 30 June 2019, almost all of the developments' units have been sold.

*Emaar Square*

Emaar Square is a complex of six commercial and retail mid-rise towers close to DIFC. The business hub has approximately 1.5 million square feet of office and retail space. Construction on Emaar Square was completed in 2007. The first tenants took possession in 2007. As at 30 June 2019, almost all of the development's units have been sold.

*Burj Views*

Burj Views is a residential complex consisting of three high-rise towers overlooking Burj Khalifa and the Dubai Fountain. Burj Views includes 736 freehold units made up of one- to three-bedroom residential apartments. Construction of Burj Views commenced in 2007 and was completed in July 2009. As at 30 June 2019, almost all of the development's units have been sold.

*Boulevard Plaza*

The Boulevard Plaza Towers comprise two high-rise commercial and retail towers in close proximity to Emaar Square. Tower 1 and Tower 2 were completed in 2011 and 2012, respectively. As at 30 June 2019, almost all of the development's units have been sold.

*Mohammed Bin Rashid Boulevard*

The Mohammed Bin Rashid Boulevard development comprises a 3.5 kilometre long shopping and leisure strip and 12 residential towers, '8 Boulevard Walk' (a high-rise residential tower), 'The Lofts' (three high-rise residential towers), 'Claren' (two high-rise residential towers), 'Boulevard Central' (two high-rise residential towers), 'Standpoint' (two high-rise residential towers) and '29 Boulevard' (two high-rise residential towers) in the Downtown Dubai Development.

'8 Boulevard Walk' comprises 347 freehold studios and one- and two-bedroom residential apartments that were completed in July 2008. 'The Lofts' comprises 670 freehold units that were completed in November 2009. 'Claren' comprises 320 freehold units that were completed in 2012. 'Boulevard Central' comprises 422 freehold units that were completed in 2012. 'Standpoint' comprises 536 freehold units that were completed in 2012. As at 30 June 2019, almost all of these developments' units have been sold.

*Address The Boulevard*

Address The Boulevard, comprising a hotel and serviced apartments, was launched on 22 September 2012 and was completed in March 2017. It comprises 532 one- to seven-bedroom apartments and 196 hotel rooms. As at 30 June 2019, approximately all of the residential units had been sold.

*Fountain Views I, II and III*

Fountain Views, comprising a hotel and serviced apartments, is located in downtown Dubai on the eastern side of Mohammed Bin Rashid Boulevard, adjacent to The Dubai Mall. It consists of two 59-storey serviced apartment towers (Fountain Views I and II) and one 76-storey hotel and serviced apartments tower (Fountain Views III) with a total of 786 luxury serviced apartment units and 194 hotel rooms across the three towers. As at 30 June 2019, approximately 100 per cent. and 98 per cent. of the residential units in Fountain Views II and III, respectively, had been sold.

*Burj Vista*

Burj Vista was launched in 2013 and was completed in 2018. Located directly on Mohammed Bin Rashid Boulevard, it comprises two towers, totalling 666 luxury residential apartments with views of Burj Khalifa and the Dubai Fountain. As at 30 June 2019, almost all of the units had been sold.

*Boulevard Crescent*

Boulevard Crescent ("**BLVD Crescent**") comprises two towers of 39 and 21 storeys, respectively, connected by a podium with an infinity pool, which provides panoramic views of the city. With 357 residential units, BLVD Crescent also features parks, open green spaces and a retail podium. Construction of 'BLVD Crescent' began in 2016 and was completed in 2019. As at 30 June 2019, approximately 94 per cent. of the units had been sold.

*Opera Grand*

Opera Grand is a 66-storey residential tower in the Opera District and will feature 295 two-, three-, and four-bedroom luxury apartments. As at 30 June 2019, approximately 90 per cent. of the total units in Opera Grand had been sold.

*Forte*

Forte is a two-tower residential development of 919 freehold units, with apartments overlooking the Dubai Opera, the Opera Plaza and the Dubai Fountain. As at 30 June 2019, approximately 95 per cent. of the total units in Forte had been sold.

*Address Residences Dubai Opera*

Address Residences Dubai Opera, a two-tower residential complex of 809 freehold units, will be located at the entrance to Dubai Opera by Burj Khalifa Lake. The apartments will cater for permanent residents, as well as short-term and long-term visitors with a choice of serviced offerings and are expected to be completed by 2021. As at 30 June 2019, approximately 97 per cent. of these units had been sold.

*Il Primo*

Il Primo is a residential complex comprising a luxury apartment tower with 119 four- to six-bedroom apartments, located in the Opera District adjacent to the Opera House. Construction commenced in 2017 and is expected to be completed in 2021. As at 30 June 2019, approximately 61 per cent. of the units in the development had been sold.

*Address Sky Views*

Address Sky Views, hotel and serviced apartments, comprises twin towers with a sky deck that connects the two towers at the 50$^{th}$ floor. The sky deck will consist of an observation deck, food and beverage facilities and infinity pools overlooking the sea, Downtown Dubai and Sheikh Zayed Road. Address Sky Views was launched in 2013 and is expected to be completed in 2019. It comprises 551 one- to six-bedroom serviced apartments and 169 hotel rooms. As at 30 June 2019, almost all the units had been sold.

*Downtown Views I and II*

The Downtown Views I tower consists of 478 one-, two- and three-bedroom apartments. It was launched in 2015 and is expected to be completed in 2019. The development will include landscaped community pools, a gym and a function room. As at 30 June 2019 all the units had been sold.

The Downtown Views II tower consists of 1,355 one-, two- and three-bedroom apartments. It was launched in the first quarter of 2017 and is expected to be completed by 2021. The development will include similar amenities to Downtown Views I, including a temperature-controlled outdoor pool, a poolside community areas, a children's playground, a multi-sport court, a children's pool, a gym, games rooms, media rooms and multipurpose rooms. As at 30 June 2019, almost all the units had been sold.

*Boulevard Point*

Emaar began construction on 'Boulevard Point' in 2014 and it is expected to be completed in 2019. It will comprise 449 one- to three-bedroom residences across 63 storeys. Located above The Dubai Mall extension, Boulevard Point offers direct access to The Dubai Mall through a dedicated bridge link. As at 30 June 2019, almost all of the freehold units had been sold.

*Boulevard Heights*

Boulevard Heights ("**BLVD Heights**") comprises two residential towers connected by a podium, containing 550 one- to three-bedroom apartments. Construction of BLVD Heights commenced in 2016 and is expected to be completed in 2019. As at 30 June 2019, approximately 86 per cent. of the freehold units had been sold.

*Burj Royale*

The Burj Royale provides unobstructed views of the iconic Burj Khalifa and The Dubai Fountain, and is within walking distance of The Dubai Mall and Dubai Opera. It has been designed as an extension of the Old Town neighbourhood, with several hotels nearby, including Address Downtown, Vida Downtown and Manzil Downtown. It is located close to Sheikh Mohammed bin Rashid Boulevard, a destination featuring several popular food and beverage outlets and cafes. Burj Royale consists of 602 units, of which, as at 30 June 2019, 99 per cent. had been sold.

*VIDA Residence Downtown Dubai*

The second serviced residence project under the upscale Vida Hotels and Resorts brand, the 57-storey VIDA Residence Downtown Dubai, comprises 344 units, including one-, two-, three- and four-bedroom serviced apartments. Construction of VIDA Residence Downtown Dubai began in 2016 and is expected to be completed in 2019. As at 30 June 2019, approximately 92 per cent. of the units had been sold.

*VIDA Residences Dubai Mall*

The VIDA Residences Dubai Mall is the third serviced residence project under the Vida Hotels and Resorts brand. It comprises 620 units, including one-, two-, three- and four-bedroom serviced apartments. The development includes a function terrace, yoga pad, children's play area and an events deck. Construction of VIDA Residences Dubai Mall began in mid-2017 and is expected to be completed in 2022. As at 30 June 2019, almost all of the units had been sold.

*Act One and Act Two*

Act One and Act Two comprise two residential towers of 52 and 46 storeys, respectively. Located in the Opera District, the development will include a range of roof terraces and balconies, a gym, a health club, restaurants and cafes. The towers will contain a combined 630 units, including one-, two- and three-bedroom apartments. Construction of Act One and Act Two began in August 2016 and is expected to be completed by 2021. As at 30 June 2019, almost all of the units had been sold.

*Grande*

The 78-storey Grande residential tower is located in the heart of The Opera District. Grande features 882 units split between one-, two-, three- and four-bedroom apartments. Grande's architecture is underpinned by a vast footprint by the Burj Lake with direct access to a promenade with retail outlets and restaurants. The waterfront avenue winds up to The Dubai Mall. Residents are also within walking distance of Sheikh Mohammed bin Rashid Boulevard, with its selection of restaurants, cafes and artistic attractions. Grande has a podium level that includes a deck that opens onto views of The Dubai Fountain, along with an infinity pool, children's playground and barbecue areas, a state-of-the-art fitness centre and a health club. As at 30 June 2019, 72 per cent. of units had been sold.

***Dubai Marina***

Dubai Marina is one of the largest waterfront developments of its kind in the GCC region, with 8.5 km of marine frontage. It is divided into 10 districts, each developed as a distinct community. The mixed-use project (including those plots developed by the Group and those sold by the Group to third parties for development) has a total development area of 66 million square feet, approximately 25 million square feet of which comprises a master planned waterfront development. The Group has itself developed 30 towers, with the remaining towers having been developed by other developers on serviced plots sold to those developers by the Group.

The Group's development at Dubai Marina includes 4,981 residential apartments, one five-star hotel with 244 rooms, 450 serviced apartments, 1 million square feet of office space and 650,000 square feet of leasable retail space in the 1.9 million square foot Dubai Marina Mall complex.

Dubai Marina was one of Emaar's first development projects and construction of phase one was completed in 2003. As at 30 June 2019, almost all of the freehold units developed by Emaar had been sold. Completion of Dubai Marina is scheduled for 2021.

*52|42 at Dubai Marina*

52|42 at Dubai Marina is a prime, waterfront, residential development overlooking Dubai Marina and the Arabian Gulf. The project was launched in 2016 and comprises two towers with 483 residential units and retail units at the base. As at 30 June 2019, 97 per cent. of the released units had been sold. Completion of 52|42 is scheduled for 2020.

*VIDA Residences Dubai Marina*

VIDA has recently launched a new development involving serviced apartments in the Dubai Marina area. The project will comprise of 360 one-, two-, three- and four-bedroom serviced apartments. The project was launched in March 2017 and is expected to be completed by the end of 2021. As at 30 June 2019, 98 per cent. of the units had been sold.

Details in relation to the Marina Mall are included in the "*Emaar Malls*" section and details in relation to Address Dubai Marina (hotel and serviced apartments) and the Dubai Marina Yacht Club are included in the "*Hospitality*" section.

***Arabian Ranches I, II and III***

*Arabian Ranches I*

Arabian Ranches I is an approximately 71 million square feet master planned lifestyle community. Arabian Ranches I has 4,376 residential units made up of one and two storey single family homes ranging from 1,229 to 13,495 square feet in size. The community includes a golf course (see "*Hospitality*"), a village community centre with 20 retail outlets providing a total of 110,039 square feet of retail space and a school. In addition, Arabian Ranches I includes the Dubai Polo and Equestrian Club which itself has 71 villas known as "Polo Homes". Arabian Ranches I also includes 18 golf course villas which were launched for sale in March 2012. As at 30 June 2019, almost all the residential units in the development had been sold.

*Arabian Ranches II*

Following the successful launch of Arabian Ranches I, the development of Arabian Ranches II, adjacent to Arabian Ranches I, began in September 2012. It comprises 1,902 residential units made up of three- to six-bedroom independent villas ranging from 1,679 to 4,948 square feet in size, divided into 11 distinct communities. As at 30 June 2019, almost all of the residential units launched had been sold.

*Arabian Ranches III*

Arabian Ranches III is a masterplan of approximately 2.1 million square metres connected by Emirates Road and Sheikh Zayed Bin Hamdan Al Nahyan Street. Arabian Ranches III is situated opposite the planned sites for Cityland Mall and the Global Village. Three projects have been launched as part of this masterplan, which contains facilities such as a cricket pitch, a basketball court, a lazy river, a splash deck, a trampoline park, a squash court, a cycling track and a school boulevard. 'Sun' consists of 431 units divided into three- and four-bedroom villas of which 92 per cent. have been sold. 'Joy' consists of 486 units split into three- and four-bedroom townhouses of which 76 per cent. have been sold so far. 'Spring' consists of 154 units divided into three- and four-bedroom villas, of which 71 per cent. have been sold as at 30 June 2019.

***Emirates Living***

The Emirates Living development is based on the Emirates Hills master planned lifestyle community, which the Group began constructing in 1999 and is expected to be fully completed by 2021. This project has expanded from its original design and now includes seven related communities: Emirates Hills, the Greens, the Views, the Lakes, the Meadows, the Springs and the Hills, each of which is described in further detail below. The Emirates Living development includes four international schools, a four-star hotel, VIDA the Hills, the Montgomerie golf course (see "*Hospitality*") and a complex of four commercial buildings known as 'Emaar Business Park'.

*Emirates Hills*

Unlike most of its other master planned communities, Emaar sold plots in the Emirates Hills development which allowed residents to design their own homes within particular design guidelines for the development. In 2001, in order to encourage additional construction activity, Emaar began constructing homes and selling them to purchasers. As a result, in addition to individual plots sold by Emaar, Emirates Hills now includes 94 freehold units constructed by Emaar made up of three- to six-bedroom villas. Construction on Emirates Hills commenced in 1999 and was completed in 2004. As at 30 June 2019, all of the development's units have been sold.

*The Greens and The Views*

The Greens is a complex of mid-rise residential apartments located close to the Emirates Golf Club off the main highway, Sheikh Zayed Road, in Dubai. Adjacent to the Greens is the Views development consisting of mid and high-rise apartments. The developments have 6,271 freehold units made up of studios and one- to four-bedroom apartments and include recreational facilities, a school, a mosque and a community centre.

Construction on the Greens and the Views commenced in 2000 and was completed in 2014. As at 30 June 2019, all of the developments' units have been sold.

This development also includes Emaar Business Park, a complex of four commercial buildings and one car park building. Emaar has sold three of the buildings and retains the remaining building, known as EBP 3, for its own use and for leasing to third parties.

*The Lakes*

The Lakes is a residential community adjacent to Emirates Hills. It is made up of 1,158 freehold units consisting of two- to five-bedroom villas and includes a community centre, parks and various recreational facilities. Construction of the development commenced in 2001 and was completed in 2009. As at 30 June 2019, all of the development's units have been sold.

*The Meadows*

The Meadows is a residential community adjacent to Emirates Hills. It is made up of 1,991 freehold units consisting of three- to seven-bedroom villas and various retail and recreational facilities. Construction commenced in 2002 and was completed in 2005. As at 30 June 2019, all of the development's units have been sold.

*The Springs*

The Springs is a residential community made up of 4,856 freehold units consisting of two- to four-bedroom townhouses and various retail and recreational facilities. Construction commenced in 2002 and was completed in 2005. As at 30 June 2019, all of the development's units have been sold.

*The Hills*

The Hills district in the Emirates Living development was launched in 2013 and is a mixed-use development. It comprises 426 one- to five-bedroom residential apartments, 137 VIDA Residence serviced apartments and a four-star VIDA brand hotel with 157 hotel rooms. Construction commenced in December 2013 and was completed in 2018. As at 30 June 2019, 99 per cent. of the residential units in the development had been sold.

***Al Marjan (Ras al Khaimah)***

Al Marjan (Ras al Khaimah) is an approximately 121 thousand square metre project located at the tip of Al Marjan Island. The total value of the project is estimated to be AED2 billion. The Address hotel that forms part of the project has been launched, containing 249 rooms.

***Emaar Beachfront***

Emaar Beachfront is Emaar's new beachfront residential development by the Arabian Sea. Emaar Beachfront offers views of the seafront and 1.5 kilometres of private beach for residents. At 10 million square feet (or 229 acres), Emaar Beachfront comprises 27 towers and offers a broad range of one-, two-, three-, and four-bedroom luxury apartments, which all have spectacular views.

*Beach Vista*

The launch by Emaar of Beach Vista received a strong response from investors – out of 445 residences, 430 were sold and total sales worth over AED1 billion were recorded, underlining the strong investor confidence in Emaar's development competencies and the appeal of Emaar Beachfront as a sought-after residential destination. The unique value propositions of Emaar Beachfront are the uninterrupted views of the Arabian Sea, The Palm Jumeirah, Dubai Marina and the Dubai skyline. Residents will have access to a private beach and a wide range of leisure and lifestyle attractions including food and beverage outlets, beachside play areas and retail pop-ups set along a promenade. The collection of Beach Vista homes is set in a twin-tower development of 33 storeys and 26 storeys, respectively. The homes have glass facades and feature large balconies overlooking the sea.

*Marina Vista*

Marina Vista residences are located at the entrance to Emaar Beachfront, and enjoy easy access to Dubai Marina and Sheikh Zayed Road. At 28 and 37 storeys high, respectively, the Marina Vista towers are connected by a podium level that features a community swimming pool. Other lifestyle amenities include a multi-purpose room, a fitness area, a children's play area, barbecue areas and retail outlets at the ground level. There are further dining, shopping and entertainment options at the Emaar Beachfront Boulevard. There are 620 apartments in total; as at 30 June 2019, approximately 346 units had been released, of which 64 per cent. had been sold.

*Sunrise Bay*

Sunrise Bay comprises twin 26-storey towers located close to the marina, which have been designed to blend into their beachfront setting. Residents have access to 1.5 kilometres of sandy beach with an array of beach- and resort-style amenities and children's play areas, as well as a promenade that stretches across the island, which will feature restaurants, retail pop-ups and cafés. Sunrise Bay also offers a state-of-the-art infinity pool with views of the Dubai Marina skyline. Sunrise Bay has 457 units in total, of which 71 per cent. have been sold.

*Grand Bleu Towers*

Grand Bleu Towers is the first Ellie Saab designer building in the world. The building offers private beach access, waterfront homes, views of the palm island, fitness facilities, a barbecue area, a landscaped pool deck, children's playgrounds and the other amenities available to residents of Emaar Beachfront. Launched in April 2019, the tower consists of 324 units split into one-, two- and three-bedroom apartments and four-bedroom penthouses, of which 35 per cent. have been sold so far.

**Property Developments – UAE – Non-Wholly Owned**

Details of the Group's current non-wholly owned developments within the UAE are described below.

***Joint Venture with Aldar***

On 20 March 2018, Emaar and Aldar announced their joint intention to collaborate on development projects in the future. Initially, Emaar and Aldar intend to work together on the Emaar Beachfront development in Dubai (which is currently wholly-owned by the Group – see *Property Developments – Wholly-Owned – Emaar Beachfront* above) and the Saadiyat Grove development on Saadiyat Island in Abu Dhabi (a major

Aldar project). It is intended that future joint developments will include residential, commercial, retail, leisure and entertainment projects with a value of approximately AED30 billion.

***Umm Al Quwain Marina***

Umm Al Quwain Marina is a waterfront community along the shores of Khor Al Beidah, a natural lagoon in the Emirate of Umm Al Quwain. The community is spread over an area of 2.3 million square metres and was completed in 2011.

In 2007 Emaar launched the Mistral community, which comprises 277 two- to three-bedroom villa units. Construction commenced in 2007 and was completed in 2011.

***Dubai Hills Estate***

Dubai Hills Estate is a 'city within a city' and the first phase of the Mohammed Bin Rashid City ("**MBR City**"), a planned mixed-use residential and commercial development within Dubai which was announced by His Highness Sheikh Mohammed Bin Rashid Al Maktoum, UAE Vice President and Prime Minister and Ruler of Dubai in November 2012. Dubai Hills Estate is a master-planned community spread over 116 million square feet, and is located centrally by the junction of Umm Suqeim Road and Al Khail Road. The project will be a mixed-use development with a series of unique neighbourhoods set around an 18-hole championship golf course and extensive open areas of landscaped parks and gardens. Development of the BTS assets of the project is being undertaken by Dubai Hills Estate LLC, a joint venture between Emaar Development (50 per cent.) and Meraas (50 per cent.). As part of the joint venture agreement, Meraas contributed the land required for the development of Dubai Hills Estate (2,700 acres of land) while Emaar Development undertook the development of the project. The total project value is AED70 billion, including BTO assets and BTL assets which are to be owned by new joint ventures between Emaar and Meraas. The master plan comprises over 30,000 residential units, 4.2 million square feet of retail space, 1.5 million square feet of office space and three hotels comprising 515,000 feet and over 680 keys. Brief details of the key residential projects are set out below.

*The Hills View and Hills Grove*

The Hills View and Hills Grove are the first communities launched in the Dubai Hills Estate development and comprise 56 six- to eight-bedroom villas in various architectural styles. The project was launched in December 2013 and is expected to be completed in 2020.

*Mulberry at Park Heights*

Mulberry at Park Heights is the first residential apartment complex in the Dubai Hills Estate development. There will be eight residential blocks featuring approximately 676 apartments. There will be an array of outdoor recreational amenities including a tennis academy, an outdoor pool for adults and children, as well as jogging and bicycle tracks. The project launched in March 2014 and was completed in early 2019. As at 30 June 2019, approximately 88 per cent. of the freehold units had been sold.

*The Fairways and Parkways Plots*

The Fairways and Parkways Plots are smaller plots of land in the eastern sector of the Dubai Hills Estates development, where the units will be custom-built to suit the buyers' demand, in accordance with development design guidelines provided by Emaar and the conditions stipulated in the relevant sale and purchase agreement. They comprise 239 plots and were launched in 2015. As at 30 June 2019, approximately 93 per cent. of the freehold plots had been sold.

*Acacia*

Acacia is located in Park Heights facing Mulberry in the Dubai Hills Estate development and consists of three residential blocks with a total of approximately 537 one- to four-bedroom apartments. The project was launched in February 2015 and is expected to be completed in 2019. As at 30 June 2019, approximately 89 per cent. of the freehold units had been sold.

*Maples I and II*

The Maples I and II developments are the first and second townhouse communities launched in Dubai Hills Estate and are located at the southwestern corner of the development. Maples I and II consist of over 1,300 three-, four- and five-bedroom townhouses. The project was launched in 2015 and is expected to be completed in 2020. As at 30 June 2019, approximately 99 per cent. of the freehold units in Maples I and Maples II had been sold.

*Maples III*

The Maples III development is the third townhouse community launched in Dubai Hills Estate and is located at the southwestern corner of the development. Maples III consists of approximately 562 three-, four- and five-bedroom townhouses. The project was launched in May 2017 and is expected to be completed in 2020. As at 30 June 2019, approximately 99 per cent. of the freehold units in Maples III had been sold.

*Sidra I, II and III*

Sidra is the first community in Dubai Hills Estate comprising of entry-level villas. Sidra is located next to the Maples community and consists of three-, four- and five-bedrooms villas.

Sidra I comprises 479 villa units. The project launched in 2016 and is expected to be completed in 2019. As at 30 June 2019, almost all of the units released for sale had been sold.

Sidra II comprises 422 villa units. The project was launched in October 2016 and is expected to be completed in 2019. As at 30 June 2019, 99 per cent. of the units released for sale had been sold.

Sidra III comprises 339 villa units. The project was launched in July 2017 and is expected to be completed in 2020. As at 30 June 2019, all of the units had been sold.

*Fairway Vistas*

Fairway Vistas is the second community overlooking the golf course in Dubai Hills and consists of 65 six- to seven-bedroom villa units. Dubai Hills is located adjacent to Al Khail Road. The project launched in May 2016 and is expected to be completed in 2019. As at 30 June 2019, 98 per cent. of the freehold units had been sold.

*Parkway Vistas*

Parkway Vistas is a community overlooking the golf course in Dubai Hills. It consists of 61 six- to seven-bedroom villa units. The project was launched in August 2016 and is expected to be completed in 2019. As at 30 June 2019, all of the freehold units had been sold.

*Park Point*

Park Point is a community overlooking landscaped gardens and situated close to the mosque in Dubai Hills. It consists of 333 one-, two- and three-bedroom units (some of which are duplex). The project was launched in October 2016 and is expected to be completed in 2020. As at 30 June 2019, 74 per cent. of the freehold units had been sold.

*Park Heights I and II*

Park Heights I and II are located in the Park Heights community overlooking landscaped gardens in Dubai Hills.

Park Heights I consists of 270 one-, two- and three-bedroom units. Park Heights II consists of 555 one-, two- and three-bedroom units.

Park Heights I and II were launched in April 2017 and May 2017, respectively. Both projects are expected to be completed in 2020. As at 30 June 2019, 93 per cent. and 92 per cent. of the freehold units in Park Heights I and II, respectively, had been sold.

*Park Ridge*

Park Ridge is a community overlooking landscaped gardens in Dubai Hills and consists of 492 units comprising one-, two- and three-bedroom apartments and three-bedroom podium townhouses. The project launched in September 2017 and is expected to be completed in 2020. As at 30 June 2019, 77 per cent. of the freehold units had been sold.

*Club Villa*

Club Villas is a community located near the golf course at Dubai Hills and consists of 144 luxury villas. The project launched in November 2017 and is expected to be completed in 2020. As at 30 June 2019, all of the freehold units had been sold.

*Golf Place*

Golf Place was launched in January 2018 and consists of luxury 4- to 6-bedroom villas adjacent to the 18-hole championship Dubai Hills Estate ("**DHE**") Golf Course. There are 134 units in this development of which 93 per cent. have been sold to date.

*Collective 1 & 2*

Collective consists of one- and two-bedroom apartments overlooking the Dubai Hills Boulevard. Collective 1 consists of 473 units (which are almost sold out), while Collective 2 consists of 494 units of which 49 per cent. have been sold to date.

*Executive Residences*

Executive Residences is a new development in Dubai which gives entrepreneurs the ability to run their business from home. Executive Residences was built in coordination with Dubai Multi Commodities Centre ("**DMCC**") and businesses registered there enjoy the benefits of being a DMCC Free Zone company. Executive Residences offers courtyards populated with Zen and yoga gardens, infinity pools, children's play areas and running tracks. Dubai Hills Mall is located nearby and accommodates residents' shopping and entertainment needs. Executive Residences consists of 562 units divided into one- and two-bedroom apartments, of which 27 per cent. have been sold to date.

*Golf Grove*

Golf Grove is a collection of three- and four-bedroom semi-detached villas in DHE located near the 18-hole championship DHE Golf Course. It consists of 164 units, of which 38 per cent. have been sold to date.

*Golf Ville*

Golf Ville is a collaborative living concept whereby the members of its community are connected to one another by its communal spaces. It offers 306 units split into one- and two-bedroom apartments, of which 36 per cent. have been sold to date.

*Socio*

Socio consists of two towers with a total of 332 residential units, and is located within the Park Heights precinct. Adjacent to Park Heights I and II, the site overlooks Dubai Hills Boulevard and is located close to Dubai Hills Mall. Socio consists mostly of smaller units designed for investors, entrepreneurs, professionals and creative artists. Resident will have the opportunity to share the development's communal areas with one another, and most of their amenities will be located within their building (including pop-up shops, a restaurant, a convenience store, a living room, a library, a work space, a games room, a gym, a laundry, and a swimming pool). Socio has 332 units, all of which have been sold.

*Golf Suites*

Golf Suites offers superb views of the Dubai Hills Club golf course. At only 18 storeys high, Golf Suites offers 211 units divided into one-, two- and three-bedroom residences, of which 49 per cent. have been sold so far. It offers views of the golf course on one side and views of the downtown Dubai skyline on the other. Golf Suites also has an infinity pool on its roof and located nearby are a community retail centre, a nursery, a park, as well as several amenities at the podium level including a landscaped deck and pool. Other facilities (at ground level) include a gym, a swimming pool, a shallow pool for children, a community lawn, a barbecue facility, viewing areas and retail outlets.

***Dubai Creek Harbour at the Lagoons***

Dubai Creek Harbour is an integrated lifestyle master plan community which sits next to Ras Al Khor Wildlife Sanctuary over an area of 60 million square feet (almost three times the size of Downtown Dubai). Dubai Creek Harbour aims to support Dubai's commercial and cultural development and will feature state-of-the-art technology, integrated transportation systems, environmentally sustainable ecosystems and green, open parks. The area comprises nine distinct lifestyle districts, including commercial districts linked by leisure and tourism developments that expand into residential neighbourhoods and parks. In addition to creating a new city centre, the project will feature 'The Tower', a development that defines a new skyline for Dubai and is scheduled for completion ahead of the 2020 Dubai World Expo. The project is being undertaken by The Lagoons Development LLC, a joint venture between Emaar Development and Dubai Holding. As part of the joint development agreement, Dubai Holding provided the 1,482 acres of land, while Emaar Development undertook the development of the project. The master plan comprises over 65,000 residential units, 10.5 million square feet of retail space, 3 million square feet of office space and 25 hotels comprising 9 million square feet and over 5,600 keys. Brief details of the key residential and other projects are set out below.

*The Island District*

The Island District of Dubai Creek Harbour (the "**Island**") will primarily comprise an upmarket, residential, waterfront community, accompanied by private and public recreational facilities. A number of hotels are also located on the west coast of the Island. Situated on the most North West section of the Dubai Creek Harbour plan, the Island offers views of Dubai Creek and the Island's marina, yacht club and waterfront promenade and facilities. The key residential developments are described below.

*Dubai Creek Residences*

Dubai Creek Residences is the first luxury residential development within the Island, comprising six residential towers with approximately 872 apartments. The project offers one- to six-bedroom apartments on the waterfront and was completed in 2019. As at 30 June 2019, approximately 92 per cent. of the total units had been sold.

Creekside 18 is a modern, master-planned community comprising 442 two- to three-bedroom apartments, located in two, 37-storey towers and an additional podium level. As at 30 June 2019, approximately 87 per cent. of the total units had been sold.

*Harbour Views*

Harbour Views, the tallest residential project in the Island, comprises two towers with a three-level podium. The development has more than 748 one- to three-bedroom luxury residences, located in 51 storeys. Additionally, there are approximately 14 two-storey villas. As at 30 June 2019, approximately 92 per cent. of the total units had been sold.

*Creek Horizon*

Creek Horizon is a tower in the Island comprised of 509 units over 40 storeys. The development was launched in August 2016 and is scheduled for completion by 2020. The development includes one-, two- and three-bedroom apartments and penthouses. As at 30 June 2019, approximately 72 per cent. of the units had been sold.

*The Cove*

The Cove is a waterfront tower in the Island and is comprised of 276 one-, two- and three-bedroom units. The development was launched in November 2016 and is scheduled for completion by 2020. As at 30 June 2019, 71 per cent. of the units had been sold.

*Harbour Gate*

Harbour Gate is a tower overlooking the Island's central park. It is comprised of 513 one-, two- and three-bedroom apartments and includes private pools, a gym and a landscaped leisure deck. The development was launched in February 2017 and is scheduled for completion by 2022. As at 30 June 2019, approximately 69 per cent. of the units had been sold.

*Creek Gate*

Creek Gate is a waterfront tower in the Island and is comprised of over 490 one-, two- and three-bedroom apartments. The development was launched in January 2017 and is scheduled for completion by 2020. As at 30 June 2019, approximately 75 per cent. of the units had been sold.

*Creek Rise*

Creek Rise is a high-rise tower comprised of 496 units. The development includes one-, two- and three-bedroom apartments and features private pools and other amenities. The development was launched in May 2017 and is scheduled for completion by 2020. As at 30 June 2019, approximately 73 per cent. of the units had been sold.

*17 Icon Bay*

17 Icon Bay is a waterfront tower comprising 326 units. The development includes one-, two- and three-bedroom apartments. The development was launched in August 2017 and is scheduled for completion by 2021. As at 30 June 2019, approximately 83 per cent. of the units had been sold.

*Address Harbour Point*

Address Harbour Point is comprised of 800 luxury serviced residences. The development overlooks the Dubai Creek Tower and includes one-, two- and three-bedroom units. The development was launched in September 2017 and is scheduled for completion by 2021. As at 30 June 2019, approximately 72 per cent. of the units had been sold.

*Breeze*

Breeze is the first residential offering in the Creek Beach district of Dubai Creek Harbour. The Creek Beach district offers private beach access, a boardwalk, an infinity pool and sand bar mounds. Breeze consists of 202 units divided into one-, two- and three-bedroom apartments, of which 96 per cent. have been sold to date. Breeze residences overlook the courtyard and the green plazas, while the four-bedroom penthouses offer direct views of the waterfront canal.

*Sunset*

Sunset consists of 144 units divided into one-, two-, three- and four-bedroom apartments in a pedestrian-friendly community with private gardens, waterfront views and resort-style amenities, of which 94 per cent. have been sold to date. Sunset enjoys a pre-eminent location adjacent to Creek Beach and comprises three stylish low to mid-rise buildings connected by a podium that hosts several lifestyle amenities including a swimming pool. While two of the three buildings have a contemporary architecture, the third is designed in Arabesque style.

*The Grand*

The Grand is a residential tower located near the heart of Creek Island at Dubai Creek Harbour. With 62 storeys and 559 units, The Grand features premium one-, two-, and three-bedroom apartments, four-bedroom penthouses, and spacious podium-level townhouses with private gardens, of which 86 per cent. have been sold to date. The Grand enjoys a prime location by the marina and the waterfront promenade and offers resort-style living with upper-level homes enjoying uninterrupted views of Dubai Creek Tower and the downtown Dubai skyline.

*Palace Residences*

Palace Residences consists of one-, two-, three- and four-bedroom apartments on Creek Island. 88 per cent. of its 587 units have been sold to date. The development provides amenities such as on-demand service, concierge service, an infinity swimming pool, a spa, a gym and all-day dining.

*Bay Shore*

Located moments away from Ras Al Khor wildlife sanctuary, Bay Shore offers 304 one-, two- and three-bedroom apartments, of which 67 per cent. have been sold to date. The development comes with a private courtyard, a community pool, and a dedicated retail area.

*Summer*

Summer is a beachside community with green courtyards, a mix of retail and leisure amenities, direct access to Creek Beach and Creek Canal, and is a 5-minute walk away from the marina. It offers 300 one-, two- and three-bedroom apartments, of which 71 per cent. have been sold to date. Summer offers facilities such as a community pool, barbecue facilities, retail outlets, a gym, a play area and a community room.

*Creek Edge*

Located on the waterfront promenade of Creek Island, Creek Edge consists of two towers of 20 and 40 floors connected by a landscaped leisure podium. The building has 563 units of one-, two- and three-bedroom apartments, of which 24 per cent. have been sold to date.

*Surf*

Surf has 168 one-, two- and three-bedroom apartments, of which 42 per cent. have been sold to date. Surf is located close to Creek Beach and its canal, and also has a 2,650 square metre community plaza. It is also equipped with a pool, a gym, a community room, barbecue areas and landscaped green areas.

***Emaar South***

Emaar South is a joint venture project developed by Emaar South, a 50/50 joint venture between Emaar Development and Dubai Aviation City Corporation and is the Group's first development within Dubai World Central, strategically located between Dubai and Abu Dhabi. It will be a mixed-use development spread over an area of approximately 72 million square feet. The development will include a gated community of luxury villas, townhouses, mid-rise apartments, four-star business hotels, retail space, hospitality, healthcare and educational facilities, branded recreational facilities and a number of mosques. An 18-hole golf course will traverse the plot, offering golf course views for apartments and villas. There will be over 23,000 residential units (including the Urbana III complex which launched in April 2017), 574,000 square feet of retail space, 431,000 square feet of office space and three hotels comprising 773,000 square feet and over 850 keys.

The following projects have been launched: Urbana 1, 2 and 3 launched in September 2016 and April 2017, and have 932 units in total of which 74 per cent. have been sold to date. Golf Views launched in February 2017 and has 288 units of which 72 per cent. have been sold to date. Golf Links launched in July 2017 and has 204 units of which 36 per cent. have been sold to date. Parkside 1, 2 and 3 have 371, 422 and 365 units respectively, of which 99 per cent., 99 per cent. and 97 per cent., respectively, have been sold. Green View launched in April 2019 and has 286 units of which 94 per cent. have been sold to date.

***Zabeel Square***

Zabeel Square is a joint venture project developed by Zabeel Square LLC, a joint venture between Emaar Development (50 per cent.) and Meraas (50 per cent.) to create a mixed-use development near Zabeel Park, Dubai. The project is valued at AED4 billion and will contain over 1,700 residential units, retail space and a hotel comprising over 200 keys.

***Mina Rashid***

Mina Rashid is a joint venture with DP World to create a mixed-use development with yacht berthing facilities. It is expected to provide facilities such as docking space for 100-metre yachts, 430 wet berths, 12,600 square metres of beach, a floating yacht club and the first Dubai Mall extension. Mina Rashid is one of the largest ports in the region, home of the famous Queen Elizabeth 2 cruise liner, and eleven-time winner of the Middle East's Leasing Cruise Port Award.

***Sirdhana***

Named in honour of the first vessel to dock at Mina Rashid in 1970, Sirdhana has large floor-to-ceiling windows and sweeping views of the marina and the Dubai skyline. A collection of 172 units divided into one-, two- and three-bedroom apartments, Sirdhana offers a choice of two interior finishes and a host of outstanding amenities, including a gym, a recreation area and a children's play area. 37 per cent. of Sirdhana units have been sold to date.

**Real Estate Development – International**

**Property Developments – Wholly-Owned**

***Turkey***

Emaar's wholly-owned subsidiary, Emaar Properties Gayrimenkul Gelistirme Anonim Sirketi ("**Emaar Turkey**"), is responsible for undertaking Emaar's Turkish developments as set out below.

*Tuscan Valley*

Tuscan Valley is a 1.78 million square metres master planned community containing residential units and recreational space (including a shopping arcade) and is located at Büyükçekmece on the European side of Istanbul. Construction on the project commenced in 2007. The first phase of homes in the community was handed over in 2009, and the second phase of mixed residential and retail properties was completed in 2012. The third phase is being developed by a sub-developer and Emaar Turkey is receiving a share of the revenue from this third phase. As at 30 June 2019, 96 per cent. of the total units released for sale had been sold. The available land bank for future developments at Tuscan Valley is 488,000 square metres.

*Emaar Square*

Emaar Square is a mixed-use development located in Libadiye Çamlıca on the Asian side of Istanbul. It comprises over 1,000 residential units, a 182-key five-star Address Hotel and the Emaar Square Shopping Mall, which contains over 147,000 square metres of retail space and leisure and entertainment facilities, including a discovery centre. The development also includes 47,000 square metres of office space.

The Emaar Square Shopping Mall opened on 28 April 2017 and, as at the date of this Base Prospectus, the first phase of the residential units has handed over to tenants. As at 30 June 2019, 75 per cent. of the total 753 launched units in the first phase had been sold. The gross construction area for the Emaar Square project is over 791,000 square metres.

Construction commenced in the fourth quarter of 2011 and Emaar expects the development to be completed in 2019.

***Morocco***

Emaar's wholly-owned subsidiaries, Emaar Morocco Holding Offshore S.A., Emaar Tinja S.A. and Amelkis Resorts S.A. ("**Emaar Morocco**") are responsible for undertaking Emaar's developments in Morocco as set out below.

*Amelkis Resorts*

The Amelkis Resorts comprise three master planned golf and residential communities (encompassing approximately 1.744 million square metres in total) located on the outskirts of the city of Marrakech.

The first two phases are complete and approval of the revised master plan for the third phase, Amelkis 3, was received in 2017. Amelkis 3 has a gross land area of 1.28 million square metres and includes a 9-hole golf course, 356 villa plots, 98 holiday apartments, a hotel and 13,000 square metre designer outlet mall. The development is scheduled to be completed in 2023. As at 30 June 2019, approximately 48 per cent. of the freehold villa plots released for sale in Amelkis 3 had been sold.

*Emaar Tinja*

In February 2015, Emaar Morocco signed a protocol with the Government of Morocco for the development of 58 hectares of land located 20 minutes south of Tangiers, on the Atlantic coast of Morocco.

Following approval from the relevant authorities, and subject to the building permit approval requirements, the Tinja project will comprise a mixture of residential apartments, hotel and retail units. The masterplan has been submitted with a view to launching in 2020.

***Pakistan***

Emaar has undertaken two developments in Pakistan through two separate companies, namely Emaar GIGA Karachi Limited ("**EGKL**") for the Crescent Bay development in Karachi (see "*—Property Developments—International—Non-Wholly Owned*") and its wholly-owned subsidiary Emaar DHA Islamabad Limited for the Canyon Views development in Islamabad.

*Canyon Views, Islamabad*

Canyon Views is a master planned community including residential units and land plots. The community will also include retail facilities, parks, recreational facilities and a school. The gross land area is over 1.5 million square metres. Construction on Canyon Views commenced in 2007 and is expected to be completed in 2022. As at 30 June 2019, approximately 93 per cent. of the total freehold units released for sale had been sold.

**Property Developments – Non-Wholly Owned**

***Egypt***

Emaar's developments in Egypt are undertaken by its subsidiary, Emaar Misr for Development Company S.A.E. ("**Emaar Misr**"). In June 2015, Emaar Misr sold 12.99 per cent. of its shares in an IPO on the Egyptian Stock Exchange, raising EGP2,280 million (AED1097.55 million, which is equivalent to approximately U.S.$300.00 million). Emaar Misr intends to use the net proceeds of the IPO to partially fund existing and future developments of its projects, and to selectively expand its land bank in Egypt. This includes primarily the following projects: Emaar Square in the Uptown Cairo Project, Mivida Downtown and the marina and hotels in Marassi as well as funding the pre-launch expenditure of Cairo Gate. As at 30 June 2019, Emaar's non-controlling interest in Emaar Misr was 11.26 per cent.

*Uptown Cairo*

Uptown Cairo is a master planned development located in the Mokkatam Hills, 200 metres above sea level with a planned development cost of approximately EGP97.3 billion (approximately AED20.6 billion or U.S.$5.6 billion). Spread over 4.5 million square metres, Uptown Cairo will feature residences, a commercial complex, schools, a mall, a medical centre, a mosque, hotels and leisure facilities and a golf course. The project will offer over 6,863 residential units (with a mix of villas, townhouses and apartments), 234,734 square metres of retail space, 89,080 square metres of commercial office space and 40,132 square metres of hotel space. The central aspect of the project is Emaar Square, which will feature Egypt's largest open air mall and two hotels, the five-star Address Hotel and the four-star Vida Hotel. Construction on the project commenced in 2007 and is expected to be completed in 2029. As at 30 June 2019, a total number of 1,102 units have been handed over to customers. As at 30 June 2019, approximately 92 per cent. of the total freehold units released to for sale had been sold.

*Marassi*

Marassi is a Mediterranean styled tourist resort on the north coast of Egypt with a planned development cost of approximately EGP44.4 billion (approximately AED11.2 billion or U.S.$3.1 billion). The community is a waterfront development, spread over 6.5 million square metres, and will comprise seven distinct lifestyle districts. The development will include spas, retail space, a medical centre, hospitality and entertainment centres as well as an 18-hole golf course and a marina. Marassi will have over 8,663 freehold residential units with a mix of villas, townhouses and apartments and 124,276 square metres of serviced and branded apartments. Construction on the project commenced in 2008. The total number of units handed over to customers as at 30 June 2019 was 2,495 and construction is expected to be completed in 2025. As at 30 June 2019, approximately 92 per cent. of the total freehold units released for sale had been sold. The total gross internal floor area for the project is expected to be over 2.1 million square metres.

*Mivida*

Mivida is a 3.7 million square metres Santa Barbara California inspired residential and mixed-use development with a planned development cost of approximately EGP21.5 billion (approximately AED4.6 billion or U.S.$1.2 billion), located near the American University in Cairo, close to Cairo International Airport. Mivida will have over 5,672 freehold residential units with a mix of villas, townhouses and apartments, over 216,381 square metres of office space, a medical centre, a shopping mall and a school. Construction on Mivida commenced in 2009 and Emaar expects the residential units to be completed in 2022 and the school in 2024. As at 30 June 2019, a total of 2,887 residential units and 16,772 square metres of commercial space were handed over to customers. As at 30 June 2019, 94 per cent. of the total freehold residential units and 75 per cent. of the office units released for sale had been sold.

*Cairo Gate*

Cairo Gate will be located at the start of the Cairo to Alexandria road and is a mixed-use community with villas, townhouses and apartments, retail with food and beverage, a hotel, and healthcare facilities. The upscale development will spread over an area of square metres and has a planned development cost of approximately EGP12.6 billion (approximately AED2.7 billion or U.S.$728 million). This project is currently at the master planning stage.

See *"Risk Factors—Emaar's financial performance is dependent on economic and other conditions of the regions in which it operates"*.

***Saudi Arabia***

Emaar's primary development activities in Saudi Arabia are undertaken through its joint venture relationships. The King Abdullah Economic City development is being undertaken by Emaar The Economic City, a publicly listed company on the Saudi Arabian Stock Exchange (Tadawul) in which Emaar owns a non-controlling 30.59 per cent. stake. Emaar's other developments in Saudi Arabia include Jeddah Gate and Al Khobar Lakes, which are being undertaken by Emaar Middle East LLC ("**Emaar Middle East**"), a joint venture between Emaar (61 per cent.) and Al Oula Real Estate Development Holding Company ("**Al Oula**"), a Saudi Arabian real estate company, (39 per cent.); and Emaar Residences at Fairmont Makkah, which is being undertaken by Manarat Al Manzel Lil Istithmar Al Aqary Al Mahdauda ("**Manarat**"), a joint venture between Emaar (92.2 per cent.) and Al Oula (7.8 per cent.). In 2016, the Group entered into a separation agreement with Al Oula, by which the Group has agreed to acquire the equity shares held by Al Oula in Emaar Middle East, its subsidiaries and Manarat, which will be settled by way of transfer of ownership of a project (the "**EME disposal group**") developed by Emaar Middle East to Al Oula. The transfer of these shares to the Group is subject to completion of certain milestones and conditions defined in the separation agreement. As at 30 June 2019, these milestones and conditions had not been completed

Further details of the above-mentioned projects are set out below.

*King Abdullah Economic City ("**KAEC**")*

KAEC has a planned development cost of approximately U.S.$100 billion (approximately AED367 billion). The project is closely connected with Saudi Arabia's ongoing initiative to expand the domestic economy and is intended to function as a catalyst to attract foreign investment, global trade, commerce and industry. The Saudi Arabian General Investment Authority, the body responsible for inward investments into Saudi Arabia, is the prime facilitator for KAEC. KAEC's vision is to enable socio-economic development in Saudi Arabia by providing international investors with unique business opportunities while seeking to secure the future of Saudi Arabia's youth by creating new skilled job opportunities and housing solutions.

The mixed-use development will spread over 181 million square metres on the Red Sea coast is being developed into a fully integrated city. Its key components include the King Abdullah Port, the Industrial Valley (an industrial zone), a central business district accessible via the Haramein high-speed railway, residential communities and a resort district which will provide opportunities for investment in education and tourism. The total gross floor area will be 130 million square metres, and the Red Sea coastal and lagoon frontage will extend over 45 kilometres. Construction commenced in 2006 and Emaar anticipates that construction of the whole development will be completed by 2046, although various infrastructure projects in the industrial zone have already been completed.

As a shareholder in the development entity, Emaar The Economic City, Emaar provides assistance with the strategy for the development and the development entity.

KAEC is governed by a single regulator, the Economic Cities Authority. With a wide and comprehensive spectrum of incentives for investors and residents alike, the Economic Cities Authority offers pro-business regulations including 100 per cent. ownership for individuals and organisations, seaport regulations, and ease of access for permits and licenses related to residing, working, operating businesses and owning and managing properties.

*Jeddah Gate*

Jeddah Gate is a mixed-use development located close to the centre of Jeddah along King Abdullah Road, one of the major thoroughfares to the Holy City of Makkah with a planned development cost of approximately U.S.$0.5 billion (approximately AED2 billion). Construction of Jeddah Gate commenced in 2007.

The development will comprise over 4,000 residential units, 230,0000 square metres of office space and over 68,000 square metres of retail space. Handover of the first of three residential projects commenced in 2013. As at 30 June 2019, approximately 81 per cent. of the freehold units released for sale had been sold. Jeddah Gate also comprises a commercial real estate development, Emaar Square, located in its centre. Emaar Square was completed in December 2016. As at 30 June 2019, Emaar Middle East had sold 98 per cent. of the available commercial units.

*Al Khobar Lakes*

Al Khobar Lakes is a master planned gated lifestyle community located in close proximity to Al Khobar City with a planned development cost of approximately U.S.$0.6 billion (approximately AED2.2 billion). Al Khobar Lakes will ultimately include over 2,100 freehold villas, centred around common community facilities, parks, a retail centre and offices.

The project has been taken over by Al Oula as part of a separation agreement with Emaar.

*Emaar Residences at Fairmont Makkah*

Emaar Residences at Fairmont Makkah comprises 316 serviced studios and one- to three-bedroom apartments located on floors 30 to 41 of the Makkah Royal Clock Tower at the Fairmont Hotel, the tallest tower in the Holy City of Makkah. Due to restrictions on ownership of land in Makkah, space in the tower for the serviced residences is leased by Manarat from the Saudi Bin Laden Group and will be sub-leased to purchasers. The residences were completed in, and have been operational since, 2013 and range in size from 37 square metres to 231 square metres.

***India***

Emaar's developments in India are undertaken through its subsidiary Emaar MGF Land Limited ("**Emaar MGF**"). Emaar MGF is a joint venture between Emaar and MGF Developments Limited ("**MGF**"), an Indian real estate company.

In May 2016, in accordance with Emaar's plan to implement a more focused strategy for its real estate business in India and to allow it to undertake future expansion strategies, Emaar MGF filed a scheme of arrangement with the Delhi High Court in India for the demerger of the operations of Emaar MGF (the "**Demerger**") which resulted in the Group gaining control of the operations of Emaar MGF with effect from 23 May 2016. In addition to gaining control, the Group also increased its equity stake in Emaar MGF from 48.86 per cent. to 57.33 per cent., following which Emaar MGF became a subsidiary of the Group. MGF currently holds 41.59 per cent. of the shares in Emaar MGF, while the remaining 1.07 per cent. is held by other investors. The Demerger was approved by the National Company Law Tribunal (the "**NCLT**") of India on 8 January 2018. Emaar MGF filed a revision petition on 18 January 2018 stating that certain modifications needed to be made to the order issued by the NCLT, which was accepted by the NCLT. The final order for approval of the Demerger was issued by the NCLT on 16 July 2018 and the order was filed with the Registrar of Companies on 31 July 2018 and, as such, the Demerger was effective from 31 July 2018. While the parties were discussing the mechanics involved in giving effect to the Demerger Order dated 16 July 2018, MGF filed an application on 3 June 2019 before the NCLT for implementation of the Demerger.

The Demerger provided for the demerged undertaking to be transferred from the construction and development business of Emaar MGF to MGF and the consequent issue of shares by MGF to shareholders of Emaar MGF. MGF will issue nine shares for every 416 equity shares held in Emaar MGF as consideration for the Demerger. Following the Demerger, Emaar will own approximately 14 per cent. of equity shares in MGF.

Emaar also currently holds compulsory convertible debentures (the "**CCDs**") issued by Emaar MGF.As at the date of this Base Prospectus, the process of converting these CCDs to equity shares in Emaar MGF had been initiated following approval by the Board of such conversion. The conversion is expected to be completed by September 2019. Further details of the Group's dealings with Emaar MGF are set out in the 2017 Financial Statements (notes 4 and 29) and in the 2018 Financial Statements (notes 5 and 29).

Emaar MGF is currently operating projects in Punjab, Delhi, Haryana, Tamil Nadu, Rajasthan, Madhya Pradesh, Uttar Pradesh and Telangana State. These projects will continue following the proposed demerger. Following the Demerger, Emaar will have rights over 5,630 acres of land reserves in India of which 98 per cent. is fully paid. The existing land reserves identified for further development are expected to provide approximately 25 million square feet of developable area for residential, retail and commercial assets. Some of the key projects are set out below.

*Boulder Hills*

In 2004, Emaar entered into a 74/26 per cent. joint venture with TSIIC to create Boulder Hills, a master planned lifestyle community and a convention centre with a business hotel in Hyderabad. Boulder Hills will comprise freehold residential units consisting of single family villas or plots and apartments, an 18-hole golf course, a golf club and a country club and a five-star boutique style hotel. Construction of the community commenced in 2004. As at 30 June 2019, approximately 54 per cent. of the 355 units (Phase I of Excelsior Residential Apartments) and 74 per cent. of the 136 units (single family villa plots) in the development released for sale had been sold. The construction work on this project is being undertaken by Emaar MGF and the timeline for completion is subject to the resolution of the legal dispute with TSIIC (as described below).

Emaar is currently involved in a legal dispute with TSIIC (see "*Risk Factors—Risks relating to Emaar—A legal dispute relating to TSIIC'S (formerly APIIC's) stake in a joint venture with Emaar may have an unfavourable outcome and negative reputational consequences for Emaar*"). As a result of legal proceedings in respect of TSIIC, the registration of such sales cannot be completed. Accordingly, payments to Emaar MGF in respect of balances of such sale prices have ceased. This dispute is not considered material by Emaar. Until resolution of the dispute, construction is on hold, no new construction is being commenced and no new phases will be launched (although the convention centre remains fully operational).

*Mohali Hills*

Emaar MGF is developing a 11.81 million square feet master planned lifestyle residential community located in Mohali, Punjab. Mohali Hills currently consists of approximately 4,349 freehold residential and commercial units spread over seven projects: Mohali Hills; the Views; Central Plaza; the Villas; the Bungalows; Pinewood Centre and Mohali Terraces. Construction of Mohali Hills commenced in 2007 and has been partially completed. The project is expected to be fully completed by 2021. As at 30 June 2019, 79 per cent. of the total freehold units released to the public for sale had been sold.

*Gurgaon*

Emaar MGF is developing Palm Drive, Palm Hills, Palm Terraces Select, Palm Gardens, Emerald Hills, Gurgaon Greens, Imperial Garden and Marbella at Gurgaon, which combined will be a 21 million square feet master planned lifestyle residential community, close to New Delhi.

Palm Springs, the first part of the Gurgaon project which has been completed, consists of 314 freehold residential units made up of apartments and villas. Construction commenced in 2007 and was completed in 2011. As at 30 June 2019, all of the total freehold units released to the public for sale had been sold.

Palm Drive consists of five segments with approximately 1,504 freehold residential units. Construction commenced in 2008 and Phase 1 of the development was completed in 2017. The remainder of the development is almost complete, with the balance to be completed by the end of 2019. As at 30 June 2019, approximately 99 per cent. of the total freehold units released to the public for sale had been sold.

Emerald Hills consists of approximately 2,117 freehold residential units made up of plots, apartments and villas. Construction commenced in 2010 and is almost fully complete as at the date of this Base Prospectus. The remainder of the development is expected to be completed in phases in 2019. As at 30 June 2019, approximately 95 per cent. of the total freehold units released to the public for sale had been sold.

Palm Hills consists of approximately 1,538 freehold residential units made up of apartments. Construction commenced in 2010 and was partially completed in 2017. The remainder is expected to be completed by the end of 2019. As at 30 June 2019, approximately 78 per cent. of the total freehold units released to the public for sale had been sold.

Palm Terraces Select consists of approximately 278 freehold residential apartments. Construction commenced in 2010 and has been partially completed. The remainder of the development is expected to be completed by the end of 2019. As at 30 June 2019, all of the total freehold units released to the public for sale had been sold.

Palm Gardens consists of approximately 1,054 freehold residential apartments. Construction began in June 2012 and is expected to be completed by the end of 2019. As at 30 June 2019, approximately 99 per cent. of the total freehold units had been sold.

Marbella consists of approximately 162 freehold residential villas, of which, as at 30 June 2019, 155 units had been released to the public for sale. Construction commenced in 2012 and is expected to be completed by the end of 2019. As at 30 June 2019, all of the total freehold units released to the public for sale had been sold.

*Emerald Estate & Emerald Floor Premiere*

Emerald Estate & Emerald Floor Premiere is a 2,031,220 square foot apartment complex located in Gurgaon, which was launched in 2008. The development comprises 1,346 two- to four-bedroom apartments. The project is due to be completed by the end of 2019. As at 30 June 2019, 95 per cent. of units released to the public for sale had been sold.

*Gurgaon Greens and Imperial Garden*

The Gurgaon Greens and Imperial Garden projects were launched in 2012 (construction commenced in 2013) and are both located in Dwarka Expressway, Gurgaon.

Gurgaon Greens comprises a 1,155,300 square foot luxury apartment complex, which was completed in 2019. The apartments comprise three- to four-bedroom units. As at 30 June 2019, 94 per cent. of the total freehold units had been sold.

Imperial Garden comprises a 1,188,525 square foot apartment complex, which was completed in 2019. The apartments comprise three- to four-bedroom units. As at 30 June 2019, 92 per cent. of the total freehold units had been sold.

*Gomti Greens*

Gomti Greens is a 4,004,704 square foot, master planned, integrated community located in Lucknow, Uttar Pradesh. It consists of freehold residential plots and some commercial units. Construction of the development commenced in 2012 and Phase one of the project was completed in 2017. As at 30 June 2019, approximately 72 per cent. of the residential plots (1,435 units) released to the public had been sold.

*Jaipur Greens and Indore Greens*

Jaipur Greens is located in Rajasthan and consists of approximately 1,065 freehold residential plots. Construction commenced in 2009 and was completed in 2012. As at 30 June 2019, approximately 96 per cent. of the total freehold units released to the public for sale had been sold.

Indore Greens is a project in Madhya Pradesh and consists of approximately 532 freehold plots. Construction commenced in 2009 and was completed in 2012. As at 30 June 2019, approximately 91 per cent. of the total freehold units released to the public for sale had been sold.

*Esplanade Chennai*

Spread over 0.95 million square feet of land, Esplanade Chennai is one of the largest housing developments within the jurisdiction of the Chennai Metropolitan Development Authority. The development is an integrated community with 596 freehold residential units consisting of apartments of up to approximately 1,500 square feet each. Construction on Esplanade Chennai commenced in 2007. The first phase has been completed and was handed over to customers in 2011. The second phase was completed in 2016. As at 30 June 2019, all of the total freehold units in the development released to the public for sale had been sold.

*The Commonwealth Games Village – Delhi*

The Commonwealth Games Village ("**CGV**") consists of 1,168 residential units and is located close to the central business district Connaught Place, New Delhi.

Construction on the CGV began in 2008 and was completed in June 2010. As at 30 June 2019, all of the total freehold units released to the public for sale had been sold. For further information in relation to the CGV and a dispute that has arisen with the Delhi Development Authority in relation to the same see "*Risk Factors—Risks relating to Emaar—Legal disputes relating to Emaar MGF's Public-Private Partnership with the Delhi Development Authority for the Commonwealth Games Village residential project may have an unfavourable outcome and negative reputational consequences for Emaar*".

*Commercial and Retail Development*

Emaar MGF has developed the Palm Spring Plaza, a commercial and retail complex in Gurgaon, which consists of 230 freehold units. Construction commenced in 2008 and was completed in December 2015. As at 30 June 2019, approximately 98 per cent. of the freehold units released to the public for sale had been sold.

Emaar MGF has developed the Palm Square, a commercial and retail complex in Gurgaon, which consists of 271 freehold units. Construction commenced in 2008 and was completed in 2016. As at 30 June 2019, approximately 96 per cent. of the freehold units released to the public for sale had been sold.

Emaar MGF is developing the Digital Greens, a commercial complex in Gurgaon. At present the project has two phases, consisting of 614 freehold units. Construction commenced in 2008 and was completed in 2017. As at 30 June 2019, all of the freehold units released to the public for sale had been sold.

Emaar MGF developed the Emerald Plaza, a commercial complex in Gurgaon, which consists of 563 freehold units. Construction commenced in 2010 and was completed in December 2013. As at 30 June 2019, approximately 99 per cent. of the freehold units released to the public for sale had been sold.

Emaar MGF is also developing the Commerce Park, a commercial complex in Gurgaon, which will consist of 257 commercial freehold units. Construction is expected to commence in 2019 and be completed by 2022.

Emaar MGF has developed the Central Plaza, a retail complex in Mohali Hills (details of which are above), which consists of 352 freehold units. As at 30 June 2019, approximately 56 per cent. of the freehold units released to the public had been sold.

Emaar MGF is also developing the Colonnade, a project including a retail complex and serviced apartments in Gurgaon, which will consist of 433 freehold units. Construction commenced in 2016 and is expected to be completed by 2020. As at 30 June 2019, approximately 47 per cent. of the freehold units released to the public for sale had been sold.

*Hotel Development*

Emaar MGF has opened a hotel with 90 rooms in Jaipur. The hotel is operated by Fortune Park Hotels Limited, a subsidiary of ITC Limited.

### *Pakistan*

*Crescent Bay, Karachi*

EGKL is a joint venture between Emaar (73.12 per cent.) and Giga Group Holding ("**Giga**") (26.88 per cent.), established to develop the Crescent Bay Project. Giga has operations in a number of industries (including construction, real estate investment, jewellery, gold refining and textiles) in the Middle East, Africa and Pakistan.

Crescent Bay is a mixed-use development located on 437,000 square metres of reclaimed land in Karachi's Defence Housing Authority ("**DHA**") Phase 8, in close proximity to the DHA golf course. The land in respect of this development is sub-leased by EGKL from the Pakistan Defence Office Housing Authority for 97 years (from 2007) and is renewable for a further 99 years.

Under the existing master plan, the gross floor area of the project is to be 2.2 million square metres, including over 7,300 freehold residential units consisting of mid-rise and high-rise waterfront towers, a five-star hotel, five commercial office buildings and an iconic tower which will house offices and a shopping mall. Seven residential towers are currently under construction, with the first handovers occurring in June 2019. As at 30 June 2019, approximately 98 per cent. of the total units released for sale had been sold.

In November 2017, Emaar and Giga signed a separation agreement under which Giga agreed to exchange its shareholding in EGKL for land in Crescent Bay. As at 30 June 2019, the conditions precedent for completion of the transfer had not been satisfied and no exchange had occurred. As a result of the change in land area, the masterplan is currently under revision.

### *Jordan*

*Samarah Dead Sea Resort*

The Dead Sea Touristic and Real Estate Investment Company ("**DST**"), an entity in which Emaar has a 29.32 per cent. stake (and representation on the company's board), is developing the Samarah Dead Sea Resort, a 688,000 square metre project located on the Dead Sea, close to Amman. The first of two residential phases, comprising over 200 units, was completed in mid-2014.

DST's subsidiary (of which it holds 55 per cent. of the shares), Dead Sea Resort Company, owns the King Hussein Bin Talal Convention Center and the Hilton Hotel in Amman. Construction of the 285 key Hilton Hotel was completed in March 2017 and the hotel is now operational.

### *Syria*

*The Eighth Gate*

The Eighth Gate is being undertaken by Emaar IGO, a 60/40 joint venture between Emaar and Invest Group Overseas Limited, an offshore investment and property development company. The project is one of the first master planned lifestyle communities in Syria and is located on 300,000 square metres of land in Yafour, Damascus. The development is to comprise commercial space (including the Damascus Stock Exchange), apartments and retail. Construction on the Eighth Gate project commenced in 2008 and, as at 30 June 2019, approximately 64 per cent. of the 124,000 square metres of commercial space released for sale had been sold.

Political and civil unrest in Syria, which began in March 2011, has escalated to a civil war. As at the date of this Base Prospectus, the project has been put on hold. The political and economic outcome remains uncertain and accordingly it is not possible to predict the effect it will have on the real estate market, or the Group's investment, in Syria.

See "*Risk Factors—Emaar's financial performance is dependent on economic and other conditions of the regions in which it operates*".

***Lebanon***

*BeitMisk*

BeitMisk is being undertaken by Renaissance Metn Holding Limited, a 65/35 joint venture between Emaar and Georges Abou Jaoude, a prominent Lebanese businessman. The 654,000 square metre development is located approximately 20 kms from Beirut and will comprise over 1,800 freehold residential units. The gross internal floor area of the BeitMisk project is 0.8 million square metres.

Infrastructure for the development has been completed and building construction commenced in 2010 and is expected to be completed in 2023. As at 30 June 2019, approximately 77 per cent. of the total freehold units released to the public for sale had been sold.

***Turkey***

*Belek*

The Belek project is undertaken through a joint venture with Ekopark (Rixos group) for the design, construction, development, operation and management of the project. The project, The Land of Legends, is a 622,000 square metre retail and leisure destination located within Belek, Antalya, on the southern coast of Turkey (adjacent to the Mediterranean Sea). The land bank for this project was awarded by the Government of Turkey to the joint venture pursuant to a 49-year usufruct right (expiring in June 2058, upon which, the land bank will be returned to the Government of Turkey).

The project comprises a 70,000 square metre shopping mall, a 401 key hotel, and a theme park.

The hotel, theme park and first phase of the retail development are now operational.

**Project Development Process**

***Project Assessment***

The preliminary feasibility report sets out the project development phases, provides a high-level analysis of the financial parameters of the project and an overview of potential legal and regulatory issues, and includes relevant market research studies. At this stage, various government and/or local parties are also approached with a basic framework of the proposed project. Where a partnering entity is identified, due diligence of its business is also undertaken. The preliminary due diligence report is then submitted to the senior management team of the relevant Group company, as appropriate, for their review and approval. As a threshold matter, partnering entities must have solid market reputations and strong financials. Once the project is approved by the relevant senior management team it is then presented to the Investment Committee of the relevant Group company, as appropriate, and, if approved, to the Board of Directors (the "**Board**") of the relevant Group company, as appropriate, for their approval to undertake a detailed feasibility study.

Upon approval from the relevant Board, a Memorandum of Understanding with an expression of interest is signed with the relevant counterparties confirming interest in the project and the Group's exclusive development rights. External consultants are then appointed to carry out the detailed feasibility study. Investment Committee and Board approvals are obtained in order to proceed with development based on the outcome of the detailed feasibility study including approval on, where applicable, the terms and conditions of any proposed joint venture agreement.

***Master Planning***

Master planning starts after the granting or acquisition of land, whether directly, through a joint venture agreement or development agreement. This stage of the process is designed to ensure that a project will reflect the Emaar brand and quality standards, which are monitored on an ongoing basis by quality assurance and control teams, and that it will respond to the demands and preferences of the Group's customers, as informed by the insights of the relevant sales and marketing team.

The master plan requires approval from the Chairman of the relevant Group company, as appropriate, and a design review panel. The Group organises the master planning of its projects through a team of experienced in-house professionals as well as external design consultants.

At the design phase, more detailed project and design feasibility studies are conducted for various development options and third party consultants are engaged to design the project. Consultation with all relevant parties, including supervisory bodies, designers, architects, road and traffic authorities and utility providers are carried out to establish the infrastructure requirements for the project. Based on this work, a detailed master plan for the development is prepared which also includes its sales and marketing strategy. The master plan sets out, among other things, the type, density, built-up area and timeline for completion of a project.

Once the master plan is agreed, the Group may sell certain portions of the project and also act as developer or sub-contract the development of land retained (such development in all cases being undertaken in accordance with the applicable master plan).

***Plot Level Design and Tender Process***

Following approval of the master plan, the detailed schematic and tender process stage is commenced, when a bill of quantities (the "**BOQ**") is undertaken which defines the overall scope of work, lists the materials required and details the nature and scope of activities to be carried out to execute the project. It also includes details of the budget estimates for the proposed project. The BOQ is then typically submitted to the appropriate CEO for approval.

Tenders or invitations to submit proposals for each development phase are then issued to potential contractors, who are chosen based on their track record, their ability to complete the project and their relevant experience. Submitted bids are evaluated, with particular attention paid to the skill set and expertise (e.g., in design, cost consulting or construction) that the Group requires for the proposed project and the pricing proposal.

The Group is able to attract premium contractors at competitive prices as it awards contracts earlier in the development process than its competitors and is a partner of choice, given its sizable project portfolio and pipeline. The Group engages contractors and, from time to time, sub-contractors, ensuring quality control and reducing operational risk. The Group has also recently implemented a tender management process focusing on key inputs such as steel, which allows it to leverage its scale and optimise its arrangements with contractors and suppliers across its project portfolio.

A tender report detailing the results of the process is prepared and submitted to the tender committee. The tender committee, comprised of members of the employed management team of the relevant Group company, as appropriate, evaluates the tenders and recommends, where appropriate, approval for the award of contracts. Where, in the case of particularly large scale or complex projects, the proposed terms exceed the delegated powers of the tender committee, the tender committee makes a recommendation to the relevant Board or Investment Committee and requests their approval. Once approval is received, the contract is awarded to the relevant contractor (see "*Contractors and Suppliers*").

Procurement and award of both consultancy services and construction works are carried out in-house by the relevant Tender and Contracts Department which ensures the consistency, transparency and integrity of Emaar's tender processes and procedures are maintained. Strict guidelines are followed and all tendering parties must first sign a Secrecy Undertaking prior to receiving project information and tender documents. Tenders are closely controlled and all participating parties are afforded the same opportunity to provide compliant bids. A clear audit trail is developed from project conception through to the award of the relevant contract. All necessary management approvals are sought where relevant during the tender process.

The rigour of the Group's design and tender process provides it with a high degree of certainty with respect to development and BOQ costs. This, in turn, allows it to launch its developments for off-plan sales very early in the process, sometimes in as little as four to six weeks following approval. Early launches create the opportunity for further market and customer feedback through which the project plans can be further refined. While certain aspects of the Group's projects are relatively fixed, such as gross floor area and elements that affect regulatory approvals, such as traffic impact assessments, the Group maintains a high degree of flexibility to respond to customer demand for particular types of residential units, property features and amenities. The Group's sales and marketing teams provide continuous feedback on customer preferences that allow its design and construction teams to adjust and respond in order to enhance the Group's product offering. The Group's substantial development experience, including its extensive design archives, supports its ability to respond quickly to this feedback and implement adjustments to project designs where necessary.

*Leasing*

Typically, Emaar leases commercial developments (although in some instances, space in such developments is sold to third parties) and sells both development land and residential developments completed by it. In relation to its leasing arrangements, Emaar has adopted its own standard form lease contract for particular properties setting out details of rental periods, service charges, default provisions and other requirements. Where anchor tenants are identified (meaning those tenants identified as key businesses which lease large amounts of commercial space) non-standard-form lease agreements may be negotiated. Emaar has set criteria for its commercial developments and therefore before a lease agreement is executed, various profile checks on the potential tenant are undertaken. Once an agreement is signed, each tenant receives a tenant guide related to the nature of his tenancy, such as a retail tenant guide or an office tenant guide.

*Marketing and sales*

The marketing and sales plan for each project is developed at the master plan stage, and includes the launch plan and a marketing strategy informed by key insights from the sales and development teams. These insights incorporate a pricing proposal which covers the different types of residential units included in each development, their locations within the development and individual features, as well as an affordability analysis, which combines target market research, rental yields, mortgage rates and target margins, among other things. The Group's marketing plans include a mix of communication channels, with a strategic focus on digital and social media and other web-based platforms, in addition to ongoing branding and promotional events to foster sustained engagement with target customers.

The Group's marketing strategy has four key pillars: (i) strengthening awareness of Emaar's brand locally and internationally through sustained brand visibility initiatives and a robust digital presence, (ii) educating new and existing markets about its projects, (iii) developing integrated corporate campaigns across all Emaar entities and (iv) driving customer engagement through dedicated destination campaigns highlighting key attributes of its projects. The Group undertakes focused marketing initiatives in its core markets being the UAE, Saudi Arabia, India and Pakistan and also targets fast-growing emerging markets elsewhere in the MENA region, as well as Russia and China. The Group's marketing strategy combines impact campaigns, including engaging launch events, insight driven online and social media marketing and a best-in-class sales experience. In addition to the communication initiatives supporting the advertising, branding and promotional events for its projects, the Group also has dedicated display model villas and apartment interior mock-ups, which give potential customers the opportunity to experience elements of its projects first-hand, including details of the amenities that will be offered through the associated integrated lifestyle master plan communities.

The Group engages external public relations agencies to support more extensive communications for specific project launches such as press releases in regional publications and via its website. It undertakes an approach of "perfect launches", which refers to launches when all infrastructure requirements for the development are finalised or nearly finalised and where all the details of the master plan, including the services and amenities which will be available for the project, have been identified. On the launch date, prospective customers are served either on a first-come-first-served basis or based on pre-registration.

Emaar has a highly effective sales force which helps to convert leads into sales. As at 30 June 2019, Emaar employed a team of 178 sales professionals in the UAE, including 28 internationally and 44 dedicated marketing professionals in ten focused marketing subdivisions, such as digital marketing, property marketing, experimental marketing and creative services.

The bulk of the Group's sales are driven by third-party agencies. As at 30 June 2019, the Group had relationships or partnerships with more than 1,834 third-party agencies, of which approximately 1,404 were located in the UAE and approximately 430 were located internationally. In the UAE, approximately 1,229 of these agencies were added between 2018 and 2019. In the six-month period ended 30 June 2019, approximately 89 per cent. of Emaar's sales in the UAE were made through third-party agencies, however, no single sales agency or group of affiliated agencies represented more than 5 per cent. of total sales. The Group intends to continue to grow its relationships with new and existing agencies in order to expand the reach of its sales and marketing capabilities and, in particular, is aiming to double the number of agents it works with in the medium term. Its relationship with these third-party agencies is non-exclusive and on a commission basis. In addition to sales agencies, the Group's properties are also sold through international property fairs, dedicated marketing roadshows to premium destinations (for example, a 1,200 square foot sales suite with virtual reality and other sales attractions at Harrod's in London), as well as through referrals and direct enquiries. Feedback gathered through these sales and marketing initiatives is regularly shared with the design and development teams to inform any adjustments to the master plan needed to optimise sales and meet customer requirements.

The Group begins selling its projects off-plan. Initial units may be sold at lower prices to create demand inflow, and sales prices increase periodically throughout the development process with higher specification or priced units being sold as the integrated lifestyle master plan community matures. Sales are phased such that typically over 70 per cent. of residential units are sold within one year, and 94 per cent. are sold within two years, though this varies by development.

Upon buying a residential unit, the customer contractually agrees to pay Emaar the purchase price in instalments on a pre-agreed payment schedule. Main construction works are commenced once a sufficient portion of the residential units in a development is pre-sold (typically around 70 per cent.) and a sufficient portion of deposits (typically between 30 and 40 per cent. of the total sales value of the residential units sold) is received, and the cash collected is used to cover construction costs. Subsequent purchase price instalments as set out in the sales contract are used to fund further construction of the project. At the time of sale, contracts detailing, among other things, payment schedules (including relevant construction milestones), apartment or villa plans and agreed designs are executed and a deposit of 5-10 per cent. of the total purchase price is collected. Thereafter, customers are required to make progressive payments on pre-determined dates or upon the completion of pre-determined stages of construction. This business model allows projects to remain cash positive throughout the entirety of the construction cycle. Payment plans and schedules vary by development and type of residential unit.

If a customer defaults on such progressive or final payments, as applicable, local laws and regulations will determine the procedures and remedies available to Emaar. For example, Dubai law provides that the relevant customer would be required to pay a percentage of the value of the contract for sale, adjusted according to the stage of the relevant project's development (and, in the case of failure to make the final payment, the full value of the relevant contract). If the customer is unable to pay the required amount, the developer may be entitled to sell the property at auction to obtain the outstanding sum due. Default rates (which apply to customers who are more than 90 days past due in respect of their project milestone payments) are low, averaging approximately two per cent. during the previous three years.

***Construction of Infrastructure***

Infrastructure works are commenced before any buildings are constructed and run in parallel to main works construction for the duration of the development. Construction of infrastructure includes undertaking earth work, liaising with the relevant utility providers, building utility networks (such as district cooling stations, laying relevant pipelines for water and sewerage and establishing the electrical and telecommunications networks) and building roads. Typically, the infrastructure is developed in accordance with the development's requirements and accordingly, infrastructure plans can be amended based on actual sales patterns. In certain developments, where infrastructure is key to generate demand or premiums (for instance the construction of a marina), certain infrastructure work may be fast tracked.

***Construction of Projects***

Before tenders are awarded, a minimum threshold is normally set for pre-sales. This is typically between 60 and 70 per cent. of the residential units in a particular project (both in Dubai and internationally), with approximately 30 per cent. of the associated sales value collected. As this covers the majority of construction costs, it ensures that the project is substantially self-funded through customer payments. However, if the pre-sales threshold is not met, the Group has discretion to proceed to award tenders without the relevant customer contributions. Once the pre-sales and leasing stage is concluded and tenders have been awarded, construction commences. Any variance to the budget, timeline and scope of work is reported by a project control group (comprised of senior executives) to the appropriate CEO. The group meets with the appropriate CEO on a regular basis to ensure satisfactory development and progress of all aspects of the project. Responsibility for any significant development project is vested with the appropriate CEO. The senior management team is responsible for achieving desired project objectives including the deliveries, customer satisfaction and financial results from the projects.

Tenders are awarded to main contractors, which, in turn, may also employ specialist subcontractors after consulting with Emaar. In addition to the oversight of overall construction, the main contractor is typically responsible for site works, concrete works, masonry and partitions, metal works, thermal and moisture protection, signage, parking accessories and building maintenance units. These works account for approximately 40 per cent. of the total costs of construction on a typical project. The specialist subcontractors are typically responsible for major professional services items including MEP (mechanical, electrical and plumbing) works, wood works and joinery, facade works such as aluminium and glazing, fit-out and FF&E (furnishings, furniture and equipment), and external works such as hard and soft landscaping. These works account for approximately 50 per cent. of total construction costs on a typical project. The main contractor is also responsible for monitoring prime cost items, which include finishes (tiles, stone, thresholds, countertops), doors and related ironmongery, sanitary ware, light fitting and facade fitting, home appliances, shower enclosures, and partitions and mirrors. These works account for approximately 10 per cent. of total construction costs on a typical project.

The Group focuses on efficiency and cost management at all stages of the procurement and construction processes. Costs are known at the outset of a project and allocated at the same rate per square foot across all units in a given project. Gross profit margins begin at approximately 25 per cent. and typically average 40 per cent. over the life cycle of a given master planned community. The Group has well developed systems in place to maintain its target gross profit margins and enhance its operational and financial performance through the management of construction costs and the performance of its contractors. It manages the performance of its contractors through a pre-qualification process that comprises both technical and financial elements. It places limits on variation orders and changes from its original approved designs, and construction progress and quality is monitored by third-party supervision consultants, including through structural design peer review.

Project contracts are primarily lump-sum and awarded at a fixed price, and a performance bond equal to 5 to 10 per cent. of the contract sum at the time the contract is awarded is generally required. Standard form contracts allow Emaar to trigger early termination clauses in the case of non-performing contractors. The Group's structural designs are reviewed by third-party consultants to ensure design efficiency, and extensive value engineering is carried out on major project elements, such as MEP, facade, joinery, etc. which are carried out as nominated provisional sum packages. This allows Emaar to maintain control over the selection of sub-contractors to achieve its desired quality and cost. In addition, to benefit from economies of scale, term contract agreements are used for special materials like ceramic tiles and sanitary ware for its pipeline of projects.

The Group relies on leading regional and local contractors in the execution of its projects. It also relies on international construction services companies, consultants and project managers. In the past, the Group has contracted with BESIX (including on Burj Khalifa), Balfour Beatty LLC (including on Dubai Marina and The Dubai Mall), ALEC (including on Dubai Hills Estate) and Shapoorji Pallonji (including on Vida Dubai Creek). Design and cost consultants previously employed have included Arcadis, RTKL, CH2M and Benoy.

***Project Development Process outside the UAE***

The project development process described above is focused on Emaar's project development process in the UAE. In the Group's operations outside the UAE, this process may be subject to variations to account for local practices.

**Leasing and Retail**

***Emaar Malls***

Emaar Malls is the shopping mall operating subsidiary of Emaar and focuses on creating retail environments that are tailored to the particular needs of each community they serve. Emaar Malls' revenues are derived from rents paid by tenants in its facilities.

In October 2014, Emaar listed 15.37 per cent. of its holdings in Emaar Malls on the Dubai Financial Market. The U.S.$1.6 billion IPO, the first of its kind to be undertaken by a company in the UAE through an international book-building process, was the largest IPO in Dubai since 2007 and was 30 times oversubscribed. The proceeds from the IPO were distributed to Emaar's shareholders as dividends.

At its fourth Annual General Meeting in April 2019, Emaar Malls distributed 10 per cent. of its share capital (equivalent to U.S.$354 million) as cash dividends to its shareholders.

Details of Emaar Malls' key developments are set out below. Footfall figures set out below are calculated internally by Emaar Malls.

*The Dubai Mall*

The Dubai Mall, one of the largest malls in the world, is located in the heart of the Downtown Dubai Development. It opened in November 2008 with a GLA of 3.7 million square feet. The Dubai Mall features more than 1,000 stores and over 170 food and beverage outlets spread over four levels. Anchor tenants in The Dubai Mall include Bloomingdales, Galeries Lafayette and Debenhams. Leisure and entertainment offerings in The Dubai Mall include one of the world's largest indoor aquariums featuring a 180 degree walk through tunnel and comprising the world's largest underwater zoo. In addition, The Dubai Mall is home to Reel Cinemas (a 22 screen cineplex, the largest in Dubai), an Olympic-sized ice rink, an indoor virtual reality ("**VR**") theme park, KidZania® (a children's "edutainment" centre), undercover parking facilities for approximately 12,000 vehicles and is adjoined by Address Dubai Mall five-star hotel (see "*—Hospitality—Address Hotels*"), described below. The Dubai Mall has hosted the Vogue Fashion Dubai Experience, the Middle East's largest fashion event, in partnership with Vogue Italia for four out of the last five years. In 2018, The Dubai Mall recorded a footfall of 83 million people, making it the most visited mall in the world.

In 2018, Emaar Malls completed the expansion of The Dubai Mall's Fashion Avenue by one million square feet to accommodate a larger number of leading fashion brands. The expansion has resulted in an increase of leasable area by 11 per cent. The Dubai Mall is also adding new retail and leisure attractions with the expansions of the Boulevard, Fountain Views and Zabeel.

*Dubai Marina Mall*

Located at Dubai Marina, the Dubai Marina Mall opened in December 2008 and comprises over 140 stores. The Dubai Marina Mall includes shopping, entertainment and leisure facilities including Reel Cinemas (a seven screen cineplex with premium facilities) and a children's entertainment venue. Adjacent to Dubai Marina Mall is Address Dubai Marina, a five-star hotel (see "*—Hospitality—Address Hotels*"). Pier 7, a seven-floor tower connects to the Dubai Marina Mall and houses seven restaurants serving various global cuisines. In 2018, Dubai Marina Mall had an average monthly footfall of 1.5 million people, and for the three-month period ended 31 March 2019, it had an average monthly footfall of 1.5 million people.

*Gold and Diamond Park*

The Gold and Diamond Park opened in 2001 and comprises almost 450 units including retail outlets, manufacturing units showcasing gold, diamonds and jewellery and commercial space for offices. The development has an outdoor courtyard and a selection of cafes and restaurants and is conveniently located on Sheikh Zayed Road. In 2018, the Gold and Diamond Park had an average monthly footfall of 0.2 million people and in the three-month period ended 31 March 2019, it had an average monthly footfall of 0.2 million people.

*Souk Al Bahar*

Souk Al Bahar is located on The Old Town Island in the Downtown Dubai Development, adjacent to Burj Khalifa and between two five-star hotels, Address Downtown Dubai and The Palace Hotel (see "*—Hospitality—Address Hotels*"). It opened in November 2007 and has over 70 stores and an extensive waterfront promenade featuring 15 restaurants and cafes. In 2018, Souk Al Bahar had an average monthly footfall of 0.7 million people and in the three-month period ended 31 March 2019, it had an average monthly footfall of 0.7 million people.

*Namshi*

Global Fashion Group and Emaar Malls entered into a strategic partnership in 2017 when Emaar Malls acquired a 51 per cent. stake in Namshi Holding Limited ("**Namshi**"), the leading online fashion retailer in the Middle East. Over the past two years, Global Fashion Group has worked together with Emaar Malls and the Namshi team to strengthen the company's offering by bringing global expertise in e-commerce and shared resources such as global brand acquisitions and technology innovations to the platform.

As part of the Group's digital transformation initiatives, Emaar Malls acquired a 100 per cent. stake in Namshi on 25 February 2019. Namshi offers a range of over 85,000 products across more than 700 international and local fashion brands. Namshi also has an active customer base of 1.2 million people, and recorded growth in the past two years, having reported sales across the UAE and the KSA of AED849 million (USD231.3 million) in 2018.

*Various Community Retail Space/Complexes*

Emaar Malls also manages approximately 80,000 square metres of retail space located in various communities developed by Emaar such as Emirates Living, Arabian Ranches, Dubai Marina and the Downtown Dubai Development. The retail outlets at these locations feature, among other things, supermarkets, restaurants, community centres and fitness clubs. The Dubai Hills Mall is expected to be opened in late 2020 and will have more than 550 outlets. In addition, a mega-retail precinct is being developed by Emaar in Dubai Creek.

*Areas under design and construction*

Emaar, either through its subsidiary Emaar Malls or its other subsidiaries and joint ventures internationally, has various other shopping areas under construction. Emaar Malls has provided consultancy services to various retail areas in King Abdullah Economic City in Saudi Arabia (see "*Property Developments—International— Non-Wholly Owned—Saudi Arabia*"), which are currently under development. Emaar Malls is currently providing consultancy services to Emaar's subsidiaries that are developing the Emaar Square Mall in Istanbul (see "*Property Developments—International—Wholly-Owned—Turkey*") and the Uptown Cairo Mall in the Uptown Cairo development (see "*Property Developments—International—Wholly-Owned—Egypt*").

**Emaar Entertainment**

Emaar Entertainment LLC ("**Emaar Entertainment**") is a wholly-owned subsidiary of Emaar, and contributes to Emaar's mall developments in the Middle East through the creation of leisure attractions within its malls across Emaar's markets. Emaar Entertainment manages the business operations of Emaar's retail, leisure and entertainment brands, including Dubai Aquarium and Underwater Zoo, Dubai Ice Rink, KidZania®, VR Park and Reel Cinemas. Emaar Entertainment also operates Reel Cinemas at The Dubai Mall, Dubai Marina Mall, Al Ghurair Center, Jebel Ali Club, Springs Village Mall and The Pointe (the Palm). Emaar Entertainment's revenues are derived from admission fees, merchandise, food and beverage sales, and the sale of advertising space at its leisure facilities.

**Burj Khalifa**

Burj Khalifa, developed by Emaar, is described as a 'Global Icon' by the Council on Tall Buildings and Urban Habitat. Burj Khalifa was inaugurated on 4 January 2010, to coincide with the fourth anniversary of the Accession Day of His Highness Sheikh Mohammed Bin Rashid Al Maktoum as the Ruler of Dubai.

At 828 metres (2,716.5 feet) high, the building has in excess of 200 storeys and has 160 habitable levels, the highest number of any building in the world. Comprising a total built-up area of 5.67 million square feet, Burj Khalifa includes 1.85 million square feet of residential space and over 300,000 square feet of prime office space. That is in addition to the area occupied by the Armani Hotel Dubai and the Armani Residences.

Burj Khalifa features luxury recreational and leisure facilities including four swimming pools, excluding the hotel pool, lounges for home owners and office owners, health and wellness facilities and public observation decks. 'The Lounge', Burj Khalifa, is the highest point in Burj Khalifa and is spread over levels 152, 153 and 154, at a height of 584.5 metres, and At.mosphere, one of the world's highest fine dining restaurants, on level 122.

**Commercial Leasing**

Emaar Commercial Sales and Leasing manages Emaar's flagship commercial assets including but not limited to Burj Khalifa's Corporate Suites, Emaar Square, Boulevard Plaza, Marina Plaza and Emaar Business Park as well as the leasing of land for education, healthcare and industrial purposes. New assets currently under construction, located in new Emaar communities, will also be added to the portfolio. Emaar Business Park is located centrally by Sheikh Zayed Road with Dubai Metro connectivity and in close proximity to Dubai Internet City and Dubai Media City. The towers located within the business park feature fully-fitted offices with amenities including high-speed internet connectivity, video conferencing facilities and central satellite TV services. Emaar Business Park offices range in size from 4,000 to 25,000 square feet.

Emaar Square and Boulevard Plaza is an established commercial precinct in Downtown Dubai located close to Address Dubai Mall and The Dubai Mall. The precinct is made up of a six-building business complex and two twin towers overlooking Burj Khalifa. The precinct has 62,000 square feet of retail options, business services and boutique cafes and delis. The precinct features fully-fitted offices with amenities including advanced telecom systems, high-speed internet connectivity, video conferencing facilities and central satellite TV services.

Marina Plaza forms part of the Dubai Marina Mall complex and enjoys direct access to Sheikh Zayed Road as well as being in close proximity to Dubai Internet City and Dubai Media City. Marina Plaza enjoys direct access to the retail and food and beverage offerings of the Dubai Marina Mall. Marina Plaza offices range from 3,287 to 3,957 square feet.

Burj Khalifa Corporate Suites are fitted with state-of-the-art facilities and are located within Burj Khalifa. The Burj Khalifa Corporate Suites enjoy unobstructed views of Dubai and the Arabian gulf.

Dubai Hills Business Park is the commercial development of Dubai Hills Estate and is expected to have an area of 96,986 square metres, spread across four buildings consisting of six to seven floors.

In addition to the above, Emaar Commercial Sales and Leasing leases schools, nurseries, hospitals and clinics, located within their master communities, to highly regarded organisations operating in that particular sector.

**Hospitality**

Emaar Hospitality Group LLC ("**Emaar Hospitality**"), a wholly-owned subsidiary of Emaar, owns and manages Emaar's portfolio of hospitality assets including hotels, serviced residences, leisure clubs (under 'Emaar Leisure Group') and several independent restaurants (under 'Lifestyle Dining'). The hotels are managed under its three hotel brands: Address Hotels and Resorts LLC ("**Address Hotels**"), Vida Hotels and Resorts LLC ("**Vida Hotels**") and ROVE Hotels LLC ("**ROVE Hotels**") (a joint venture of Emaar and Meraas).

Emaar Hospitality's revenues are derived from (i) business operations, which include room revenue, food and beverage revenue, rental revenues, membership fees, banqueting and events, lesson revenues from the golf and polo clubs and ancillary revenues from minor operating departments such as the spas, telephone, transportation, laundry and revenue share from branded serviced residences and (ii) hotel and property management services as provided to hotel developers and mixed-use residential owners' associations, which include technical services fees, hotel management fees, residential branding fees and property management fees.

Emaar Hospitality has expanded its geographic footprint with management agreements to operate hotels in Saudi Arabia, Bahrain, Egypt, Turkey and the Maldives. As at the date of this Base Prospectus, Emaar Hospitality has a development and management agreement pipeline of around 43 projects in the UAE and international markets.

Emaar Hospitality's key developments are described below.

**Address Hotels + Resorts**

Address Hotels + Resorts, a wholly-owned subsidiary of Emaar Hospitality, is a hotel operator managing the premium luxury hotel brand 'Address' that currently operates four hotels and one resort. Address Downtown (which initially opened in October 2008), Address Dubai Mall (opened in September 2009), Address Boulevard (opened in March 2017), Address Dubai Marina (opened in November 2009) and Address Montgomerie (opened in 2002 and re-branded in 2009) are all owned by Emaar Hospitality and managed by Address Hotels. Address Downtown is an iconic, flagship hotel in the Downtown Dubai Development overlooking Burj Khalifa; Address Dubai Mall is a city retreat connected to The Dubai Mall; and Address Dubai Marina is an urban waterfront destination connected to the Dubai Marina Mall. Address Montgomerie features an 18-hole championship golf course and a hotel. Address Boulevard is a city lifestyle resort in the Downtown Dubai Development. On 31 December 2015, a fire incident in the Address

Downtown damaged the hotel and residences in the building. However, following an extensive restoration, the Address Downtown re-opened in June 2018.

Emaar plans to open and/or manage additional Address properties in key cities and tourist destinations in the MENA region, the Indian sub-continent, Asia, Africa and Europe in the future. Address Hotels announced in 2016 its first management agreement in Dubai with Al Ain Properties for an iconic beachfront project in Dubai – Address Jumeirah Resort + Spa – and, more recently, its first hotel in Makkah, Saudi Arabia, working with Jabal Omar Development – Jabal Omar Address Makkah. It has also announced further expansion into South Asia to operate its first resort in the Indian Ocean – Address Madivaru Maldives Resort + Spa. The first Address hotel in Turkey will be the Address New Istanbul and the first Address hotel in Egypt – Address, Uptown Cairo – is expected to open towards the end of 2022. Under Emaar's internal development pipeline, Address Hotels will also open two new hotels in the Downtown Dubai Development: Address Sky View and Address Fountain Views and has opened online bookings for each hotel. Both hotels are owned and developed by Emaar.

**ROVE Hotels**

'ROVE' is a contemporary midscale hotel brand which targets the fast-growing segment of value-conscious leisure and business travellers, and is being developed as a joint venture of Emaar and Meraas. ROVE Hotels currently operates four hotels: Rove Downtown (opened in May 2016), Rove City Centre (opened in December 2016), Rove Healthcare City (opened in February 2017) and Rove Trade Centre (opened in June 2017). These hotels, along with Rove Dubai Marina (opened in April 2018) and Rove At The Park (opened in June 2019), are part of ROVE Hotels' plans to open 10 properties across central locations in Dubai and the region by 2020.

**Vida Hotels and Resorts**

Vida Hotels and Resorts, a wholly-owned subsidiary of Emaar Hospitality, is a hotel operator managing the upscale lifestyle hotel brands, like 'MANZIL' and 'VIDA', which targets a new generation of business executives, entrepreneurs and leisure travellers. Vida Downtown, the first property under the VIDA brand, and Manzil Downtown Dubai, the second property under the VIDA brand, are both located within the Downtown Dubai Development. Emaar has also launched Vida Emirates Hills at Emirates Hills (opened in June 2019) and plans to open Vida at Dubai Creek Harbour in 2019 (a joint venture of Emaar and Dubai Holding). Forming a part of the growth strategy for the VIDA brand, Vida Dubai Marina, Vida Island District, Vida Creek Harbour and Vida Dubai Mall, which are all expected to open in 2021, will be managed by Vida Hotels and Resorts.

Vida Hotels has also signed a Management Agreement to operate a lifestyle boutique hotel and serviced residences in Town Square, the flagship development of Nshama, a private developer of integrated lifestyle communities. It has also signed with Aldar Properties (Abu Dhabi's leading listed property development company) to operate an upscale lifestyle hotel within the Shams Marina project on Reem Island. Other new hotel signings include VIDA branded hotels in Bahrain and Egypt, the Vida Marassi Al Bahrain and Vida Marassi Marina, respectively.

**Palace Downtown**

Palace Downtown is a luxury resort which opened in 2007 in the Downtown Dubai Development. It is situated by the Burj Lake and offers a direct connection to The Dubai Mall and prime views of Burj Khalifa and The Dubai Fountain.

**Emaar Leisure Group**

*Arabian Ranches Golf Club*

Arabian Ranches Golf Club has an 18-hole, par 72 signature golf course designed by Ian Baker-Finch in association with Nicklaus Design. The club also features rooms, restaurants as well as meeting and lifestyle events facilities. The golf course is managed by world-renowned golf company Troon® Golf.

*Dubai Marina Yacht Club*

The Dubai Marina Yacht Club is one of the largest private yacht clubs in the world with four marinas spread over a 3.5 km man-made canal. The marinas are able to accommodate 579 berths ranging from 6 to 36 metres in length.

*Dubai Polo and Equestrian Club*

Dubai Polo and Equestrian Club is located near the Arabian Ranches community, and offers upscale equestrian facilities. Designed to host international events and matches, the club features over 300 stables, show jumping and dressage facilities as well as some of the best international sized fields in the world.

*Hayya Community Centres and Clubs*

The Hayya Community Centres and Clubs are fitness facilities which are leased to retail and fitness business operations, including Fitness First. These are located at Emirates Lakes and Al Manzil.

**Lifestyle Dining**

Lifestyle Dining is an independent restaurant division of Emaar Hospitality. Lifestyle Dining currently operates At.mosphere, Burj Khalifa, which is located on the 122nd floor of Burj Khalifa.

**Armani Hotels and Resorts**

Emaar Hotels and Resorts LLC, a wholly-owned subsidiary of Emaar, has been established specifically to own, develop and operate the luxury Armani hotels being developed by Emaar in collaboration with Giorgio Armani S.p.A.

The first Armani hotel, Armani Hotel Dubai, opened in April 2010 and is situated in Burj Khalifa with prime views of The Dubai Fountain. In addition, Burj Khalifa contains the first Armani residential apartments. The second Armani hotel, Armani Hotel Milan, opened in November 2011. It is situated in the Manzoni 31 building, in Quadrilatero della Moda, Milan, Italy.

**U By Emaar**

U By Emaar is a multi-tier customer loyalty programme designed by Emaar Hospitality Group in association with Emaar Entertainment Group. Launched in 2016, it is available across participating Emaar hotels, restaurants, spas and leisure attractions.

The programme adds value to customer experiences by allowing them to earn and redeem 'Upoints' and enjoy exclusive benefits and privileges across participating Emaar Hospitality Group brands including: Address Hotels + Resorts, Armani Hotel Dubai, Vida Hotels and Resorts and Rove Hotels, as well at At.mosphere Burj Khalifa, Arabian Ranches Golf Club and Dubai Polo & Equestrian Club.

In addition, U By Emaar members are rewarded for every usage of Emaar Entertainment Group brands such as Reel Cinemas, Dubai Aquarium & Underwater Zoo, VR Park, Dubai Ice Rink, KidZania and Dig It.

**Other Businesses**

***Financial Services – Amlak Finance***

In April 2000, Emaar launched Amlak as a wholly-owned subsidiary to provide consumers with long-term financing when purchasing Emaar properties (a service not provided for at the time in Dubai). Following an IPO in January 2004, Emaar currently owns 48.08 per cent. of Amlak Finance. Amlak was the first financial institution to offer mortgages in the UAE and subsequently converted into an Islamic financial institution to offer *Sharia*-compliant home financing solutions.

In 2009, Amlak commenced a financial and debt restructuring process with its creditors under the supervision and guidance of a steering committee established by the UAE cabinet under the chair of the Ministry of Economy with representatives from other federal regulatory bodies. Various creditors of Amlak, including Emaar, held discussions with the steering committee offering suggestions regarding the possible options to secure sustainable funding to enable Amlak to continue to meet its commitments, to restructure Amlak's existing facilities and to stabilise its position. As a result, Amlak was suspended from trading on the DFM in November 2008. However, on 25 November 2014, a U.S.$2.7 billion deal was reached to restructure the debt and finances of Amlak. Subsequent to the restructuring, and after obtaining approval from regulatory authorities, trading in Amlak's shares resumed on 2 June 2015 on the Dubai Financial Market.

The market value of the shares Emaar held in Amlak as at 30 June 2019 was AED560 million.

**Asset and Facility Management – ECM**

The Group's communities are managed by ECM, a company currently 100 per cent. owned by Emaar. ECM is an award-winning division of the Group that specializes in delivering a full suite of management services. It provides community development and management, operations, customer service, owners' associations and advocacy groups, community engagement and events and promotes educational and sustainability initiatives. ECM manages all of the Group's master planned lifestyle communities. The ECM team consists of experienced professionals with international certifications, including Certified Manager of Community Associations, Association Management Specialist and Professional Community Association Manager.

**Mirage Leisure and Development Inc.**

On 1 October 2015, Emaar acquired a 65 per cent. interest in Mirage Leisure and Development Inc ("**MLD**"). MLD was incorporated in 1997 and its principal business activity is rendering development management services, primarily in the UAE. Currently, MLD's projects under progress include the Dubai Opera House, Madinat Jumeirah, Bluewaters Island, Media City, Jumeriah Gate, Dubai Creek Harbour, The Island (Wasl), Fashion Avenue, The Palm-Jumeirah, Al Alamein - Vida Hotel and the refurbishment of the Royal Mirage. On 30 April 2019, Emaar acquired the remaining 35 per cent. interest in MLD, taking the shareholding to 100 per cent.

**Emrill Services LLC**

Emrill Services LLC ("**Emrill Services**") was formed in 2002 as a 51/49 per cent. joint venture between Emaar and Carillion PLC, previously one of the UK's largest construction companies. Emrill Services was formed to provide facilities management services to Emaar and other property development companies in Dubai and throughout the MENASA region and the Indian sub-continent. The services provided by Emrill Services include cleaning, security, pest control, waste management, mechanical, electrical and air conditioning maintenance and plumbing.

In November 2006, Emaar sold a 17.67 per cent. stake in Emrill Services to Al Futtaim Group for U.S.$1.9 million (AED6.9 million). As at the date of this Base Prospectus, Emaar holds 50 per cent. of the shares in Emrill Services.

**Turner International Middle East Ltd**

In July 2006, Emaar and Turner Corporation, a leading building services provider, announced their investment in a newly formed entity, Turner International Middle East Ltd ("**Turner International ME**"), to jointly tap regional growth opportunities. Turner International ME is headquartered in Dubai and focuses on project and construction management in the MENA region. Emaar's stake in Turner International ME is 65 per cent. with Turner International Industries Inc. ("**Turner**") and Turner management holding the remaining 35 per cent. Turner continues to own certain intellectual property rights and the exclusive rights to the Turner trademark, provides manpower support and training and participates in key decisions in respect of Turner International ME.

**Emaar Industries and Investments Pvt. JSC**

Emaar Industries and Investments Pvt. JSC ("**Emaar Industries and Investments**"), a private joint stock company, was established in August 2005 to capitalise on the growth prospects of the technology and manufacturing sectors in the MENASA region. On incorporation, 50 per cent. of the shares of Emaar Industries and Investments were held by Emaar and the remaining shares were held by other investors throughout the GCC region. Emaar currently holds 40 per cent. of the shares in Emaar Industries and Investments.

**Hamptons International**

Hamptons International is Emaar's property services company and wholly-owned subsidiary. It is one of the premier real estate agents globally (with over 140 years of international real estate experience and a global network of over 80 offices) and offers a selection of tailor-made real estate services. Such services include residential and commercial sales and leasing, property management, valuations and research, and project management.

**Emaar District Cooling**

Emaar District Cooling LLC ("**EDC**") is a subsidiary of Emaar that provides innovative cooling solutions to developments in the UAE. It was established in 2004 and is headquartered in Dubai.

EDC focusses on the use of sustainable, energy-efficient and environmentally friendly practices to provide district cooling to a range of buildings, most notably Burj Khalifa and The Dubai Mall. It currently owns four cooling plants with the combined capacity of 169,500 tons of refrigeration. The company has experienced substantial growth over the last several years and is now the owner of the largest district cooling reverse osmosis plant serving district cooling systems in the UAE and the only district cooling ice storage plant in the UAE.

EDC offers a range of related services alongside the provision of cooling services. These include master planning; financial modelling; commissioning; legal and contractual services; regulatory services; plant room engineering design; chilled water network design; co-generation & tri-generation scheme design; project management and supervision; and industrial controls, instrumentation and SCADA systems.

EDC operates in the commercial, residential, hospitality, retail, education, medical and religious sectors.

**COMPETITION**

**Dubai and the UAE**

Emaar currently competes in Dubai with other major Dubai based property development companies including:

- Nakheel PJSC ("**Nakheel**") – a private joint stock company established in 2003. Its main developments include the Palm Islands, the Dubai Waterfront, International City and The World. As in the case of Emaar, Nakheel was gifted its land bank in Dubai by the Government. It has also developed a broad portfolio of projects in Dubai across a range of sectors – residential, commercial, retail and leisure. Nakheel is currently owned directly by the UAE Government. Nakheel (along with Dubai World) had to restructure its debt obligations as a result of the global financial crisis.

- Dubai Properties LLC ("**Dubai Properties**") – a limited liability company established in 2004. It is part of the Dubai Holding Group (an umbrella organisation owned by the Government). Its main developments include Culture Village, Business Bay, the Jumeirah Beach Residences and Dubailand. As in the case of Emaar, Dubai Properties was gifted its land bank in Dubai by the Government.

- Deyaar Development PJSC ("**Deyaar**") – a public joint stock company established in 2002 and floated as a public joint stock company in 2007. It has residential and commercial developments in Business Bay, Dubai Marina, Al Barsha, DIFC, Jumeirah Lake Towers, International Media Production Zone, Dubai Silicon Oasis and Barsha Heights (formerly known as TECOM) as well as operations in Lebanon and Turkey, the United States and the United Kingdom. In addition to property development, it also provides property management, facilities management and owners' association management services.

- Union Properties PJSC ("**Union Properties**") – a public joint stock company established in 1987 and floated as a public joint stock company in 1993, which is part of the Emirates Bank Group. It has completed a variety of different projects ranging from commercial, residential and leisure developments from high-rise towers to multi-use complexes, hotels and theme parks in the UAE. Projects include the Green Community, Uptown Mirdiff and Motor City.

- Majid Al Futtaim Properties LLC ("**MAF**") – a competitor of Emaar in the malls, hotels, communities, leisure and entertainment sectors, MAF is a part of the MAF Holding Group. It operates shopping malls, hospitality and residential and commercial properties businesses. Its mall portfolio comprises (among others) the Mall of the Emirates, Mirdif City Centre, City Centre Shindagha and City Centre Deira in Dubai, City Centre Sharjah in Sharjah, City Centre Ajman in Ajman and City Centre Fujairah in Fujairah. In addition to its portfolio of operating shopping malls, MAF has an AED30 billion City Centre expansion plan for Abu Dhabi. MAF's new projects may include new malls in the UAE, Egypt, Oman and the Kingdom of Saudi Arabia.

- Jumeirah International LLC ("**JIL**") – a competitor of Emaar in the hospitality sector, JIL was founded in 1997 and has been operating as a subsidiary of Dubai Holding LLC since 2004. JIL operates its own brand of luxury hotels and resorts in the Middle East, Europe and Asia. Additionally, JIL manages and operates luxury serviced residences in Dubai and London. Its UAE portfolio comprises the Burj Al Arab Jumeirah and seven other five-star hotels and resorts in Dubai, and a five-star hotel and a luxury serviced residence in Abu Dhabi. Its international portfolio includes five-star hotels in London, Baku, Istanbul, Bodrum, Frankfurt, Kuwait City, Mallorca, the Maldives and Shanghai. The group has plans to open hotels in Jordan, Oman, China (including Macau), India, Indonesia and Russia. JIL also owns the Wild Wadi waterpark in Dubai and the Jumeirah Emirates Towers office building.

- Meraas Holding LLC ("**Meraas Holding**") – a limited liability company established in 2007 in Dubai, Meraas Holding is a Dubai-based diversified holding company with a portfolio of investments in tourism, leisure, real estate development and asset management. Meraas Holding's completed and ongoing developments include Bluewaters (a man-made mixed-use island located off the coast of Jumeirah Beach Residence featuring retail, residential, hospitality and entertainment zones and the largest Ferris wheel in the world), the first Legoland theme park in the Middle East (now owned by DXB Entertainments PJSC, in which Meraas Holding has a partial stake), the Pearl Jumeira luxury residences, La Mer (a beachfront leisure and entertainment development located in the Jumeirah 1 district), City Walk (an outdoor retail destination in Dubai), the Beach (a stretch of beachfront offering activities, restaurants and shopping in the Jumeirah Beach Residence area), Al Seef (a dining and retail destination along Dubai Creek) and Last Exit (offering a wide variety of street foods sold from trucks located in Jebel Ali). The company is currently constructing Dubai Harbour which will have two cruise terminals when completed. Meraas Holding has announced its cooperation with Bulgari as part of the Bulgari Hotel and Residences project. Meraas is engaged in a joint venture with Emaar regarding the construction of the Dubai Hills development.

- Damac Properties Dubai Co. PJSC ("**Damac**") - a limited liability company established in 2002 in Dubai, Damac is a developer of high-end property in the Middle East and North Africa region. Damac operates primarily in the residential real estate sector but has developed a number of commercial and mixed-use properties in the UAE. The company operates apartments and villas that are co-branded with premium luxury brands such as Fendi Casa, Versace Home and Paramount Hotels and Resorts. Damac's completed developments include Park Towers, Akoya Oxygen, Trump Golf Estate, Ocean Heights and Marina Terrace in Dubai and Marina Bay and Oceanscape in Abu Dhabi. The company is also present in Jordan, Lebanon, Qatar, Saudi Arabia and North Africa.

- Danube Building Materials FZCO ("**Danube**") - a limited liability company established in 1993 in Dubai, Danube is one of the largest building materials companies and offers more than 25,000 products and value added services. Danube has been involved with many projects across the UAE and other GCC countries, such as Burj Al Arab, Shangri-La Hotel, Grand Hyatt, Burj Khalifa and Dubai International Airport.

- Ibis Hotels ("**Ibis**") - a brand of hotels within the AccorHotels group, Ibis has a number of hotels within Dubai and the Middle East. The hotels are operated through franchises and the chain is expected to expand within Dubai, particularly to cater for a lower budget market.

- Azizi Developments ("**Azizi**") – a competitor of Emaar established in 2007, Azizi specialises in the construction and management of residential homes in predominantly urban areas. The company's projects include residential buildings in Meydan, the Palm Jumeirah, Dubai Healthcare City, Al Furjan and Jebel Ali.

- Meydan Group ("**Meydan**") – a competitor of Emaar, Meydan's business includes a range of commercial developments, sports, equestrian, entertainment and amusement services, business parks, residential villa communities, schools, hospitals, business towers and retail developments. The company was launched as part of His Highness Sheikh Mohammad Bin Rashid Al Maktoum's vision to create a venue for horseracing along with an integrated city. Meydan's portfolio consists of The Meydan Hotel, Bab Al Shams Desert Resort & Spa, The Track Meydan Golf, QUBE Sports Lounge, Meydan Tennis Academy, Dubai Polo and Equestrian Club, Emirates Equestrian Centre, Dubai Racing Club and the Meydan Racecourse. Large portions of the projects, including the Dubai One Tower, remain under development.

This competition principally takes the form of competing for purchasers of residential property, tenants in retail properties and guests in its resort and hotel developments. In addition, if Emaar undertakes other developments in Dubai, it may also need to compete for the land on which the developments are to be located.

Emaar also competes with other already established and to be established retail outlets and hotels. Dubai continues to be the most desirable destination in the Middle East and the preferred choice for hotel operators, which is demonstrated by an influx of new hotel openings during 2018. Between 2017 and 2021, the hotel supply is expected to grow at a compound annual growth rate of 39 per cent., increasing the supply from 59,561 in 2017 to 82,994 keys.

Emaar continues to provide different product offerings to compete with international brands including its own range of brands which cover each customer category, from budget to super luxury. Emaar's portfolio of hotel brands includes the Armani Hotels, Address Hotels, Vida Hotels and Resorts and ROVE Hotels (developed by a joint venture between Emaar Hospitality and Meraas, see "*Hospitality—ROVE Hotels*" above).

For a description of the latest developments in the Dubai real estate, retail and hotel markets, see "*Recent Developments in the Dubai Real Estate, Retail and Hotel Markets Residential Sector*" below.

Outside Dubai, Emaar has undertaken only limited property development activities in the UAE, its major such development being Umm Al Quwain Marina. To the extent that Emaar seeks to expand its activities within the rest of the UAE, Emaar anticipates that it will face competition from major property developers based in Dubai and the other Emirates, although such expansion is not its current focus (see "*Strategy*").

**International**

Emaar competes with other locally based and, to an extent, international property developers in each jurisdiction in which it carries on development activity. Emaar believes, however, that as a result of a number of factors it is well placed to face this competition (see "*Competitive Strengths*").

**CONTRACTORS AND SUPPLIERS**

Emaar enters into a variety of contractor and supplier contracts for the purposes of the design and construction of its projects. Emaar has a set of 'standard conditions of contract' which have been developed over a number of years.

Emaar ordinarily makes progress payments to its contractors. Contractors issue an invoice on completion of each defined stage of work under the contract. These invoices are certified and approved by an external consultant, the project director and by Emaar's executive management team. A retention payment, generally between five and 10 per cent. of the total contract value, is deducted against each progress payment and is held by Emaar until the final payment is due to be made.

The final payment, including the retention, is only made to contractors after: (i) the contractor's notification of completion is received and verified; (ii) the final inspection by Emaar's consultants and project director to establish completion is finished; (iii) a taking over certificate ("**TOC**") is issued, which allows some issues to be addressed and incomplete works to be carried out later within a defined time limit, and a defects liability certificate ("**DLC**") is issued, which confirms a contractor's responsibility for defects identified within a defined period; and (iv) payment is approved by an external consultant, the project director and by Emaar's executive management.

The retention amount due is then paid by Emaar within three months of the issuance of the TOC and DLC. The terms of Emaar's standard conditions of contract are based on those recommended by internationally recognised trade bodies such as the International Federation of Consulting Engineers, Joint Contracts Tribunal and the New Engineering Contract. These contracts are amended to take into account local law and conditions and project specific requirements.

**HEALTH AND SAFETY**

Emaar appoints a supervision consultant to monitor the progress of construction and the implementation of local municipality and Dubai Civil Defence regulations, international health and safety guidelines such as ISO 9001:2008, ISO 14001:2004, OHSAS 18001:2007 and National Fire Protection Association standards in each of its projects. The supervision consultant hires a health and safety officer and works with the project manager. The supervision consultant also hires a health and safety manager for the project and works with others who are appointed specifically to monitor safety compliance at each relevant construction site. These teams jointly manage and ensure site safety requirements are met by contractors and subcontractors.

For each project, Emaar also appoints a project manager to inspect both the physical conditions on the site, such as personal protective equipment, working at heights and in confined spaces, and procedural issues such as third party certification for lifting equipment, machinery, firefighting systems, first aid procedures, control measures, emergency and contingency plans and job specific training registers. The Emaar project manager can authorise the appointed health and safety officer to issue reports, stop work and impose fines should policies not be followed. The health and safety officer also tracks and reports monthly key performance indicators on the project, such as the number of man-hours worked, workers, lost days, lost time incidents, first aid and medical treatment cases and fire accidents. In some cases, where no health and safety officer is appointed by the lead contractor, Emaar hires an external health and safety consultant to perform this task and report directly to the Emaar project manager. Emaar always seeks to ensure compliance with all applicable health and safety guidelines and regulations.

**ENVIRONMENT**

Emaar believes that its properties are in material compliance with all applicable environmental laws and regulations. Emaar's environmental policy adheres to strict operating guidelines to limit the impact to the ecosystems in which it operates. Emaar ensures that its employees, contractors, suppliers and communities are educated and made aware of the impact their activities could have on the surrounding environment. Emaar works in line with the 'green vision' of the UAE, working towards strengthening awareness of a greener lifestyle through energy and water efficiency.

**INSURANCE**

Emaar requires its contractors to provide insurance cover including workman's compensation, motor vehicles insurance, insurance for plant and contractor's equipment and, if applicable, marine insurance for goods transported to each project.

Emaar purchases contractors all risks ("**CAR**") insurance for each project during the construction phase. The policy covers the contractor and relevant sub-contractors as well as the principal for the full value of the contract. CAR insurance covers loss or damage to the contract works and the liability of the contractor/principal to third parties. The policy commences from the inception date of the contract and is valid until completion of construction and handing over of the project to Emaar. Once the project is handed over by the contractor, the CAR insurance expires. Subsequently it forms part of Emaar's assets and is insured under Emaar's Annual Property Insurance Program.

Emaar's corporate insurance programme is comprehensive and robust. Managed by a dedicated in-house insurance team and in partnership with the best industry resources, Emaar's insurance team endeavour to keep the insurance programme aligned and updated, on an ongoing basis, in accordance with the latest insurance solutions available in the global insurance market.

Emaar also has in place business interruption and loss of profit insurance in respect of its Dubai operations. In addition, Emaar has purchased directors' and officers' liability insurance and requires all of its consultants to carry professional indemnity insurance according to the best available market standards. Emaar has also purchased a security and privacy protection insurance policy to protect against cyber security risks.

Emaar had initiated an insurance claim process in relation to the fire incident at Address Hotel Downtown Dubai (see – "*Hospitality – Address Hotels*"). In November 2016, Emaar entered into an agreement with the insurance company pursuant to which both parties agreed to a final claim settlement amount. An offsetting insurance receivable and corresponding income was accordingly recorded in the books for 2016.

**INTELLECTUAL PROPERTY**

Emaar has registered or applied for the registration of the trademarks and service marks of all of its current projects as well as the Emaar word and logo both in the UAE and, where appropriate, internationally. Emaar intends to file trademark applications for any future projects (if capable of registration) as they occur.

**INFORMATION TECHNOLOGY**

Emaar's Technology division provides information technology ("**IT**") services to the Group across multiple countries. The division is responsible for building and operating the information technology landscape within the Group. It manages the Group's IT operations 24 hours, seven days per week and supports all enterprise and digital applications, security, network and technology infrastructure. The division has strong technology expertise in delivering solutions across real estate, malls and retail, hospitality, entertainment, financial services and community management sectors. The division is focused on delivering innovative solutions which utilise the latest technologies such as cloud computing, robotics, machine learning and artificial intelligence, blockchain, big data, 'internet of things' (IoT) platforms, cognitive enterprise and connected homes.

**LITIGATION**

Emaar's former joint venture, Emaar MGF, is involved in certain legal disputes. See "*Risk Factors—Risks relating to Emaar—Legal disputes relating to Emaar MGF's Public-Private Partnership with the Delhi Development Authority for the Commonwealth Games Village residential project may have an unfavourable outcome and negative reputational consequences for Emaar*", "*Risk Factors—Risks relating to Emaar—Emaar's joint venture with Telangana State Industrial Infrastructure Corporation Ltd. (TSIIC) could have negative consequences on Emaar's business in the State of Telangana in India as well as negative reputational consequences*", "*Risk Factors— Risks relating to Emaar—A legal dispute relating to TSIIC's (formerly APIIC's) stake in a joint venture with Emaar may have an unfavourable outcome and negative reputational consequences for Emaar*" and "*Risk Factors—Risks relating to Emaar—Investigations by the Enforcement Directorate against the Emaar MGF group alleging violation of the Foreign Exchange Management Act 1999 and its implementing regulations could adversely affect Emaar's market reputation and future profitability*" for more details.

**RECENT DEVELOPMENTS IN THE DUBAI REAL ESTATE, RETAIL AND HOTEL MARKETS RESIDENTIAL SECTOR**

According to JLL's "*The UAE Real Estate Market Overview –2018: A Year in Review*" (the "**FY 2018 report**"), the overall residential market in Dubai is currently experiencing a "soft landing" after having experienced a number of cycles in the last two decades, with sales and rental indexes declining more slowly than in previous years. According to JLL's FY 2018 report, sale and rental indexes slowed in the final quarter of 2018 (an average of 2.25 per cent. across all segments) suggesting that the Dubai residential market is approaching the bottom of its cycle.

In the fourth quarter of 2018, prices declined at a faster rate (year-on-year), with villa sale prices declining by 9 per cent. and apartment sale prices declining by 8 per cent. According to the FY 2018 report, it is expected that prices will decrease as supply of residential units outstrips demand. The above figures represent a slight negative movement in contrast to trends recorded by JLL in 2017 "*The UAE Real Estate Market –2017: A Year in Review*", the "**2017 report**") when sale prices fell 4.2 per cent. and 2.4 per cent. for apartments and villas, respectively, and the general REIDIN rental index declined by 6.4 per cent. and 6.8 per cent. for apartments and villas, respectively.

Following a rapid increase of residential rents and prices between 2012 and 2014, the FY 2018 report notes that both sale prices and rents declined during 2018. A number of new projects, due for completion in coming years, are expected to have a positive impact on the residential sector. For example, the Azizi Riviera in Meydan and Al Habtoor City, among others, will increase supply by over 60,000 units.

**Office sector**

Rents in the Central Business District and prime areas in 2018 experienced a decline of 17 per cent. year-on-year compared to a decline of 4 per cent. year-on year in 2017. This decrease is due to subdued demand, which continued through the fourth quarter of 2018 (with average rental rates of AED1,553 per square metre). A decline in vacancy rate within the Central Business District was recorded in the fourth quarter of 2018 (11 per cent. compared to 8 per cent. recorded in the fourth quarter of 2017). JLL expects an increased demand for cheaper rentals but with an increased focus on established commercial areas.

During 2017 (according to JLL's 2017 report), the rental value of buildings in secondary locations continued to decline. This trend continued in 2018, with only 61,000 square metres of office GLA delivered throughout the year, the lowest in the last five years. In view of this trend, the FY 2018 report notes that whilst office supply is expected to reach 9.4 million square metres by 2020 with completion of projects such as the ICD Brookfield Place in DIFC, among others, there are likely to be delays in the projects that are not pre-leased or being delivered for particular occupiers.

As consolidation of operations rather than expansion remains a key focus for commercial entities, commercial activity is slower.

**Retail sector**

The average city-wide rent declined in 2018. According to JLL, this is a result of the growing popularity of online retailing and the increasing retail supply, which has led to property owners becoming more willing to negotiate rents with existing tenants. The declines have been more pronounced in neighbourhood and community malls. As a result, the retail market is becoming increasingly "two-tiered". New projects are entering the market with the potential to increase supply by approximately 1.3 million square market of retail GLA by 2021 giving retailers greater choice and crowding out smaller and mid-sized tenants who are forced to consider more secondary locations with lower levels of turnover and footfall. In addition, local online platforms are seeking to compete by offering fast delivery options and competitive prices. According to JLL, Dubai is expected to enjoy continued growth in population and tourism arrivals which is positive for the retail market.

**Hotel sector**

According to the FY 2018 report, the occupancy levels in the city-wide hotel sector declined marginally in 2018 at 75 per cent. compared to 77 per cent. in 2017. While occupancies remained healthy in 2018, average room rates declined 7 per cent. (year-on-year) in 2018 compared to 4 per cent. (year-on-year) in 2017.

According to JLL's FY 2018 report, over the next two years, hotel supply is expected to increase by a further 24,600 rooms. Despite emphasising the need to remain cautious on the timely delivery and opening of certain hotels, including notable projects such as Hilton the Palm, the FY 2018 report noted that the hotel market is expected to experience fewer delays compared to other sectors over the next two years due to the upcoming Expo 2020.

**Investment from China**

A large number of Chinese investors are investing in residential developments of Emaar due to the strengthening of ties between the UAE and China, as well as other initiatives such as the opening of Emaar offices in China.

# DIRECTORS, MANAGEMENT AND EMPLOYEES

## Directors and Management

### *Board of Directors*

Certain members of the board of directors of Emaar (the "**Board**"), their families and companies of which they are principal owners, or of which they are employees, have dealings with Emaar in the ordinary course of business. To the extent that any member of the Board or the senior executive management of Emaar have any dealings with any shareholders, customers or suppliers of Emaar, the transactions with such parties are made at arm's length and on substantially the same terms as those prevailing at the same time for comparable transactions with unrelated parties.

Except as disclosed in this paragraph and the relevant biographies below, as at the date of this Base Prospectus, no member of the Board has any actual or potential conflict of interest between his duties to Emaar and his private interests and/or other duties. Each of the directors of Emaar named in the table below has interests in entities other than Emaar, including employment and/or directorships with third parties (as set out underneath their names in the paragraphs below). As the directors of Emaar are involved in Emaar's decision-making process and have knowledge of Emaar's products and services, including the commercial terms thereof, a potential conflict of interest may arise should there be competing interests between Emaar and the other relevant entity of which such a director holds directorships or senior management positions. However, Emaar has established robust internal procedures to deal with any such potential conflict, including the relevant director being excluded from voting at Board meetings on issues which relate to the relevant director's and/or other connected entity's dealings with Emaar.

Under the Commercial Companies Law, all directors are liable to Emaar, its shareholders and third parties for any acts of fraud, misuse of powers, violation of laws, violation of its Articles of Association or for mismanagement. Emaar has several internal policies to prevent misuse of powers by its directors and to protect its shareholders, including a policy against insider trading, a disclosure policy for Board directors and executive management and a shareholders' rights policy. In addition, the Nomination and Remuneration Committee and the Audit Committee (each as described below) carry out extra checks and balances on the actions of the directors and executive management and detailed procedures are also in place for internal approvals. Emaar is required to submit an annual corporate governance report to the Securities and Commodities Authority, which discloses all operations and related party transactions.

The business address of each of the directors of Emaar is Emaar Square, Building 3, Downtown Dubai, PO Box 9440, Dubai, UAE.

The members of the Board are as follows:

| Name | Position |
|---|---|
| Mohamed Ali Rashed Alabbar | Chairman |
| Jamal Majid Bin Theniyah | Vice Chairman |
| Ahmed Jamal Hassan Jawa | Director |
| Ahmad Thani Al Matrooshi | Managing Director |
| Arif Obaid Saeed Al Dehail | Director |
| Abdulrahman Hareb Rashid Al Hareb | Director |
| Abdullah Saeed Bin Majed Belyoahah | Director |
| Jamal Hamed Al Marri | Director |
| Jassim Mohd Abdul Rahim Al Ali | Director |

*Mohamed Ali Rashed Alabbar – Chairman, Executive and Non-Independent*

In 1997, Mr. Alabbar founded Emaar. Mr. Alabbar has long-standing interests in the real estate, retail and luxury hospitality sectors and, more recently, in e-commerce and technology, following his role as the founder and director of noon.com which, as at the date of this Base Prospectus, is the GCC's largest e-commerce company.

Mr. Alabbar also serves as the Chairman of Eagle Hills Properties, the Abu Dhabi-based private investment and real estate development company, of which he is the founder, and Chairman of Americana Group, the largest integrated food company in the Middle East. He is also the founder, and serves as a director, of Alabbar Enterprises.

A graduate of Finance and Business Administration from Seattle University, United States, Mr. Alabbar also holds an Honorary Doctorate from the same University and served on its Board of Trustees until 2016.

*Jamal Majid Bin Theniyah – Vice Chairman*

Mr. Bin Theniyah joined Port Rashid in October 1981 and progressed through management until May 1991 when the Government of Dubai merged Port Rashid with Jebel Ali port under the Dubai Ports Authority ("**DPA**"), following which Mr. Bin Theniyah was appointed as Assistant Managing Director. During his time at DPA, Mr. Bin Theniyah was responsible for the development of an international port operation market encompassing Beirut, Djibouti and Jeddah, which led to the creation of Dubai Ports International ("**DPI**"). In 2001, he was appointed as Managing Director of DPA to develop Jebel Ali into one of the world's largest port terminals, increasing its capacity from 20 million twenty-foot equivalent units ("**TEUs**") to 50 million TEUs. In 2004, Mr. Bin Theniyah played a major role in DPI's acquisition of Sealand World Terminals, which expanded DPI's international footprint.

Mr. Bin Theniyah is the co-founder of DP World, the world's fourth largest port operator with a capacity of 100 Million TEUs as at the end of 2006, and is now a company worth U.S.$22 billion. DPI acquired P&O Ports in 2006 to become the world's third largest port operator. In 2006, Mr. Bin Theniyah was appointed Vice Chairman and Group CEO of Ports and Free Zone World, which includes DP World, Free Zone World and P&O Ferries, a position he maintained until his retirement in January 2017. In 2008, following the global financial crisis, Mr. Bin Theniyah led the restructuring of Dubai World, a conglomerate across the real estate (Nakheel), private equity (Istithmar World PJSC ("**Istithmar**")) and marine and offshore services (Drydocks World) sectors.

Since 2012, Mr. Bin Theniyah has served as an independent member on the Board, having previously served as a board member for several different Group entities. In September 2017, Mr. Bin Theniyah was elected as a non-executive board member of Emaar the Economic City.

Mr. Bin Theniyah has received the following internationally recognised awards in the maritime industry: 'The Personality of the Year' in 2006 and 2007 from Lloyds List and Sea Trade, respectively, and in December 2010 he received the 'Seatrade Lifetime Achievement Award' at the Seatrade Middle East and Indian Subcontinent Awards.

Mr. Bin Theniyah holds a Bachelor's degree in Public Management from Al Ain University.

*Ahmed Bin Jamal Bin Hassan Jawa – Director, Non-Executive and Independent*

Mr. Jawa was appointed to the Board in 2006 and he also serves as the Chairman of Emaar's Investment Committee and he is a member of the Risk Committee, in each case, providing strategic support to the company's global expansion objectives. He is also the Chairman of Emaar Turkey, and he serves on the board of Emaar Misr in Egypt and is the Chairman of Emaar Misr's Audit Committee and a member of its Investment Committee.

Mr. Jawa possesses significant expertise in strategic international investments and corporate governance and he has extensive business interests in oil and gas, healthcare, hospitality, home entertainment and real estate development, in the Middle East, Europe, the United States, North Africa and South Asia.

Mr. Jawa serves on the board of directors of Emaar The Economic City, a Saudi Tadawul-listed developer. He is also a member of its Nomination and Remuneration Committee. In addition, Mr. Jawa sits on the board of Emaar Development, an entity publicly traded on Dubai Financial Market and he is also a member of its investment and nomination committees.

Mr. Jawa also serves as the Chairman, President and Chief Executive Officer of Starling Holding Limited, an international investment group with diversified investments, including relationships with Euro Disney, as one of its largest shareholders; Emaar; RAK Petroleum, an Oslo Børs-listed oil and gas investment company and one of the largest oil and gas companies in the Middle East; and Samumed, a United States-based bio-tech leader in medical research and development of tissue-level regeneration. Mr. Jawa is also sits on the board of directors of RAK Petroleum and is Chairman of its Audit Committee.

Mr. Jawa has extensive corporate leadership expertise, having served as Chairman of Disney Jawa Enterprises, which introduced a range of Walt Disney licensed products to the Middle East region. He was also the Chairman and Chief Executive Officer of Stallions Home Video LLC, a regional home entertainment business, and Coflexip, a joint venture with France's Elf Aquitaine to lay underwater pipes for crude oil distribution.

Mr. Jawa holds a Master's in Business Administration degree and a Bachelor of Science in Business Administration each from the University of San Francisco, United States. Mr. Jawa has been recognised at the World Economic Forum in Davos, Switzerland as one of the 'Global Leaders of Tomorrow'.

*Ahmad Thani Al Matrooshi – Managing Director, Emaar Properties PJSC, Executive and Non-Independent*

Mr. Al Matrooshi was appointed to the Board on 8 March 2006. As Managing Director of Emaar, Mr. Al Matrooshi oversees the day to day operations of Emaar, including government affairs, media, and public and community relations.

Mr. Al Matrooshi is the founder and chairman of Dubai Property Society which is responsible for maintaining a forum which ensures a code of ethics for real estate practices and procedures. He is also the Chairman of Emrill Services LLC; Vice Chairman of Emaar Malls, a member of the Consultation Committee for the Dubai Supreme Council of Energy and a member of the Committee at the UAE Council of UAE companies invested abroad.

Prior to joining Emaar in November 2005, Mr. Al Matrooshi held the position of Chief Executive Officer at the Government of Dubai's Development Board (the "**DDB**") for almost a decade. At the DDB, he oversaw the provision of affordable housing and competitive financing rates to all residents across the Emirate. Before this move, Mr. Al Matrooshi was Deputy Director of the Dubai Chamber of Commerce and Industry for 14 years.

Mr. Al Matrooshi holds a Bachelor of Arts degree in Public Administration and a Diploma in Property Management from the Northern Council for Further Education in the United Kingdom.

*Arif Obaid Saeed Al Dehail – Director, Non-Executive and Independent*

Mr. Al Dehail, a Non-Executive Director, was appointed to the Board on 23 April 2012. He is a member of the Investment Committee.

Mr. Al Dehail currently serves as Chief Executive Officer of Dubai Port Authority – Ports, Customs and Free Zone Corporation, a position he has held since January 2017. Mr. Al Dehail has extensive experience in international ports and terminal operations and management through his 28 years' experience in the ports and maritime industry. Mr. Al Dehail has held several leading positions in the ports and maritime sector, including as Chairman and Chief Executive Officer of P&O Ports between 2014 and 2016 and the Ports, Customs and Free Zone Corporation as Chief Executive Officer of the Department of Planning and Development. He was the Assistant Managing Director of DP World (UAE region) and, prior to that, Senior Vice President of DP World, Global Operations and Engineering and Acting Senior Vice President and Managing Director for the African region. He has also served in several key roles of the DP World and DPA, including as Chief Operating Officer of DP World (UAE region).

Mr. Al Dehail has worked on several key projects in the UAE and internationally within the portfolio of DP World. He was actively involved in the master plan development of Jebel Ali port and the terminal phase planning for the expansion of the port. Mr. Al Dehail was also a board member at DP World in

Sukhan, Egypt, in 2008. He was recognised as a valued contributor in the successful integration of DPA, DPI & CSX World Terminals as well as the P&O group merger in 2007.

Mr. Al Dehail is a board member of various companies, including of Etihad Rail, UAE, Emirates Transport, DP World (UAE Region) and Dubai World Travel.

Mr. Al Dehail holds a Bachelor's degree in Geo-Economics from UAE University, and holds diplomas in Ports and Shipping Management from Singapore Port Authority and University of Delaware, United States. He also holds a diploma in International Program in Port Planning and Management, jointly organised by the University of New Orleans, Louisiana, United States, and Port of New Orleans, Louisiana, United States and he has a diploma, SEPME (Senior Executive Program), from Harvard Business School, Massachusetts, United States. He has also successfully completed the Government of Dubai leadership programme (Sheikh Mohammed Bin Rashid Leadership Program) at the Dubai School of Government.

*Abdulrahman Hareb Rashed Al Hareb – Director, Non-Executive and Independent*

Mr. Al Hareb, a Non-Executive Director, was appointed to the Board on 23 April 2012. He is a member of the Audit Committee. Mr. Al Hareb is also a board member of Emaar Malls.

Mr. Al Hareb also serves as the Chief Internal Audit Officer at Dubai Holding, a global investment group. In his role at Dubai Holding, Mr. Al Hareb is responsible for managing, planning and supervising Dubai Holding's annual audit, overall risk assessment, internal control structure and corporate governance evaluation. Mr. Al Hareb also oversees the auditing of all Dubai Holding subsidiaries.

In addition to his responsibilities at Dubai Holding, Mr. Al Hareb is the Chairman of the board of directors at TAIB Bank. He is also the Vice Chairman of the Awqaf & Minors Affairs Foundation.

Mr. Al Hareb has over 23 years of experience in audit, risk management and banking. Prior to joining Dubai Holding, Mr. Al Hareb held various senior positions at National Bank of Dubai and within the Financial Audit Department of the Government of Dubai. Most recently, Mr. Al Hareb has served as the Chairman of Shuaa Capital, Gulf Finance, Oman National Investment Corporation Holding, as well as a board member of StandardAero US and Chairman of the Audit Committee of Dubai Aerospace Enterprise Ltd. Mr. Al Hareb has previously served as Vice President in Internal Audit at Dubai Islamic Bank PJSC.

Mr. Al Hareb holds a Master of Business Administration degree from the Hult International Business School, UAE, and a Bachelor's degree in Business Administration – Accounting from Seattle University, United States. He is also a Certified Public Accountant and a Certified Internal Auditor.

*Abdullah Saeed Bin Majed Belyoahah – Director, Non-Executive and Independent*

Mr. Belyoahah serves as a Non-Executive Director of Emaar, having been appointed to the Board in 2012. Mr. Belyoahah was appointed as a board member of Emaar Malls in September 2014 and he also serves as a board member of the National Bonds Corporation and a member of its Audit Committee.

Mr. Belyoahah is currently the Director of the Public Debt Management Division of the Department of Finance of the Government of Dubai and is responsible for the consolidation of Dubai sovereign debt, establishing the Debt Management Office, and investor relations. He has previously served as Head of Operations of the Dubai Financial Support Fund, and entity of the Government of Dubai, and was actively involved in the successful completion of the restructuring of Dubai World and Nakheel.

Mr. Belyoahah has previously worked on several key financing initiatives of the Government of Dubai, including a U.S.$1.93 billion sukuk issuance in 2009, a U.S.$1.25 billion bond issuance in 2012, a U.S.$500 million 30-year bond issuance (the first ever 30-year unrated U.S. dollar conventional bonds issued globally) and a 10-year sukuk issuance with a benchmark size of U.S.$750 million, each in 2013. He also played an active role in the successful restructuring of Dubai World and Nakheel and was also part of the team that represented the Department of Finance of the Government of Dubai, spearheaded by its Director General, to win its first Government of Dubai 'Excellence Award'.

Mr. Belyoahah started his professional career with Istithmar, serving in the consumer products and real estate vertical departments where he worked on several key acquisitions and strategic divestments, and evaluated real estate investment opportunities globally.

Mr. Belyoahah is a graduate of the American University in Dubai, from where he graduated with a degree in Business Administration.

*Jamal Hamed Al Marri – Director, Non-Executive and Independent*

Mr. Al Marri, a Non-Executive Director, was appointed to the Board in May 2013.

He is the Executive Director of Central Accounts at the Department of Finance of the Government of Dubai and a member of the Professional Communication Corporation "Nedaa". He also serves as a board member and Chairman of the Audit Committee of Imdaad LLC, UAE.

Mr. Al Marri previously worked for 10 years in various positions at Emirates General Petroleum Corporation ("**Emarat**") until he served as Financial Accountant and Chairman of Emarat's Tender Committee. In 2006, he joined the Department of Finance at H.H. The Ruler's Court in Dubai where he held several positions until he was appointed to his current position of Executive Director of Central Accounts at the Department of Finance. In 2010, he was appointed to lead the Government of Dubai's Finance Team. He has also previously served as a representative of the Government of Dubai to the Restructuring Committee of Amlak Finance.

In addition to his day-to-day duties, Mr. Al Marri takes assists with the drafting and reviewing of local legislation which is referred to the Department of Finance.

In 1995, Mr. Al Marri received a Bachelor's degree in Business Administration (Finance and Banking) from the College of Business and Economics from the United Arab Emirates University.

*Jassim Mohd Abdul Rahim Al Ali – Director, Non-Executive and Independent*

Mr. Al Ali is the Chief Executive Officer of Al Ali Property Investments ("**API**"). He has extensive experience in planning, construction and development of the family assets.

He is also the Chief Executive Officer of API Hotels and Resorts and he works closely with international hotel operators, including Accor and IHG.

In 2006, Mr. Al Ali obtained a Bachelor's degree in Business Administration from American University of Sharjah. After graduating, Mr. Al Ali joined his family business, API, in 2006 as the Commercial Director. During his tenure, he worked on numerous projects and the business currently has investments in over 50 property assets within the UAE.

**Executive Management**

The business address of each member of Emaar's Executive Management is Emaar Square, Building 3, Levels 1, 2 and 4, and Building 1, Level 7, PO Box 9440, Dubai, UAE.

The names and title of each member of Emaar's Executive Management are set out in the table below:

| Name | Position |
|---|---|
| Ahmad Thani Rashed Al Matrooshi | Managing Director, Emaar Properties PJSC |
| Amit Jain | Group CEO, Emaar Properties PJSC |
| Ayman Hamdy | Group Chief Legal Officer and Company Secretary, Emaar Properties PJSC |
| Avinash Pangarkar | Group CFO, Emaar Properties PJSC |
| Irfan Sadiq | Group Chief Audit Officer, Emaar Properties PJSC |
| Ahmad Al Falasi | Executive Director, Group Operations, Emaar Properties PJSC |
| Maitha Al Dossari | CEO, Strategic Projects, Emaar Properties PJSC |

| Name | Position |
|---|---|
| Ibrahim Alhashmi | Executive Director, Corporate Services, Emaar Properties PJSC |
| Bilal T. Matarneh | Chief Procurement Officer, Emaar Development PJSC |
| Oliver Lambrecht | Group Chief Human Resources Officer, Emaar Properties PJSC |
| Bader Saeed Hareb | CEO, Development, Emaar Development PJSC |
| Sunil Grover | CFO, Emaar Development PJSC |
| Omar Ghalib Bustami | Executive Director, Development, Emaar Development PJSC |
| Fawaz Sous | Head of Sales, Emaar Development PJSC |
| Fady Shaher El Borno | General Manager, Joint Ventures, Emaar Development PJSC |
| Natalie Bogdanova | COO, Emaar Malls PJSC |
| Hadi Badri | CEO International at Emaar Properties PJSC |
| Ahmed I. Linjawy | Group CEO, Emaar Economic City |
| Feyzi Tecellioglu | CEO, Emaar Turkey |
| Redwan Zaouk | COO, Emaar Middle East LLC |
| Chris Newman | COO, Emaar Hospitality Group LLC |
| Zeina Dagher | CEO, Emaar Entertainment LLC |
| Jasper Hope | Chief Executive, Dubai Opera |
| Arif Alharmi | CEO, Amlak Finance PJSC |
| Ali H. Odeh | Chairman and Chief Executive Officer, Turner International Middle East LLC |
| Waleed Dhaduk | CEO, Emaar Industries and Investments Pvt. JSC |

As at the date of this Base Prospectus, there are no conflicts of interest between the private interests and other duties of the Executive Management listed above and their duties to Emaar.

*Ahmad Thani Rashed Al Matrooshi – Managing Director, Emaar*

Please see "*– Board of Directors*" above.

*Amit Jain – Group CEO, Emaar*

Mr. Jain joined Emaar in 2006. He was named Group COO in October 2014 and Group CEO in June 2017.

Mr. Jain is responsible for the Group's strategy and overall management of its operations. Mr. Jain has previously held the position of CEO of Emaar Dubai and Executive Director, Finance and Group CFO of Emaar, and continues to be responsible for financial related matters of the Group. He has over 22 years of experience in real estate, banking, auditing and management consulting.

Mr. Jain qualified as a Chartered Accountant at the Institute of Chartered Accountants of India and is a CFA Charter holder from the CFA Institute, United States. He also holds a Bachelor of Commerce degree from the University of Delhi, India.

*Ayman Hamdy – Group Chief Legal Officer and Company Secretary, Emaar*

Mr. Hamdy joined Emaar in 2006 and is responsible for establishing the Group's legal strategy, overseeing its legal and governance functions, securing legal protection for Emaar's assets, structuring major transactions and supervising the implementation of Emaar's bylaws, policies and regulations. He has also been appointed as the Company Secretary of the Group.

Mr. Hamdy started his career with one of the largest law firms in Egypt, working on international business transactions and foreign investment matters. He served as a public prosecutor for three years before joining Unilever in Dubai as their Regional Head of Legal. He was also the Resident Partner of the Dubai office of a regional law firm, Shalakany Law Office. Mr. Hamdy is a member of the Egyptian Bar Association, the Egyptian Association of Judges, the Egyptian Association of Public Prosecutors, the Association of Corporate Counsel (the "**ACC**") and a fellow of the International Bar Association. He is also a member of the ACC's Advisory Board and the ACC's Executive Leadership Institute.

Mr. Hamdy holds an LL.B. from Alexandria University, Egypt, an LL.M. from Paris Dauphine University, France, and an LL.M. in U.S. Law from Washington University, St. Louis, Missouri, United States.

*Avinash Pangarkar – Group CFO, Emaar*

Mr. Pangarkar joined Emaar in 2017 and is responsible for the overall financial functions of the Group. He has a particular focus on resource optimisation, funding generation and growth (organic and merger driven).

Mr. Pangarkar has over 24 years of experience in providing companies with commercial support. He has particular experience in investment analysis, joint ventures, acquisitions and divestitures, commercial negotiations, project and capital expenditure strategies, banking and finance, accounting, taxation and risk management.

Prior to joining Emaar, Mr. Pangarkar was Chief Investments Officer of Abdul Latif Jameel Group where he had an active role in the group's mergers and acquisitions and joint venture activities and strategic planning. He has also worked as CFO of Dubai Holding, where he was responsible for strategic planning in relation to business alignment, debt restructuring and the renegotiation of banking facilitates. Mr. Pangarkar additionally served as CFO at TECOM Investments (part of Dubai Holding) and has held senior positions at Citigroup, Global Consumer Group and Microsoft Corporation.

Mr. Pangarkar is a Chartered Accountant and Cost & Management Accountant. He holds a degree in Commerce from MS University, Baroda, India.

*Irfan Sadiq – Chief Audit Officer, Emaar*

Mr. Sadiq joined Emaar in 2014 and is responsible for overseeing and reviewing the effectiveness of Emaar's internal control environment, risk assessment and corporate governance.

Mr. Sadiq has over 18 years of experience in auditing and assurance services, enterprise risk management, compliance and financial due diligence across a range of industries, including real estate, asset management, hospitality and oil and gas. Prior to his role at Emaar, Mr. Sadiq was Executive Director in Audit and Assurance Services of Ernst & Young in the UAE. He started his career with another 'Big 4' professional services firm and worked in the audit and advisory services division of that firm in Pakistan, the UAE, Canada and the United States.

Mr. Sadiq is a Certified Public Accountant with the American Institute of Certified Public Accountants, a Certified Internal Auditor with the Institute of Internal Auditors, United States, a Chartered Professional Accountant from CPA Canada and a Fellow Chartered Certified Accountant from the Association of Chartered Certified Accountants, United Kingdom. Mr. Sadiq holds a Bachelor of Commerce degree from Oxford Brooks University, United Kingdom.

*Ahmad Al Falasi – Executive Director, Group Operations, Emaar*

Mr. Al Falasi joined Emaar in 2002 and has since been an integral team member in the development and management of Emaar's projects, including Burj Khalifa, The Dubai Fountain and The Dubai Mall. He has also served as a member of the board of directors of Emaar Industries and Investments (Pvt) JSC ("**EII**") since 2015. Mr. Al Falasi has over 20 years of professional experience in facilities, property and community management, corporate services and administration and finance.

Mr. Al Falasi is a graduate in Business Administration with a major in Economics from Eastern Washington University, United States. Mr. Al Falasi has also completed the Executive Development programme in General Management from the International Institute for Management Development, Switzerland.

*Maitha Al Dossari – CEO, Strategic Projects, Emaar*

Ms. Al Dossari joined Emaar in 2000 and is responsible for leading several strategic projects relating to Emaar's customer franchise. Her responsibilities include monitoring project progress, identifying opportunities to accelerate project work and monitoring project quality. She is also mandated to enhance customer satisfaction and rapidly address the concerns of customers.

Ms. Al Dossari was formerly the CEO of Emaar Entertainment and was responsible for the operations and administration of its various leisure assets, including Dubai Aquarium and Underwater Zoo, SEGA Republic, KidZania, Dubai Ice Rink, Reel Cinemas and Njoi. She also worked on Emaar Entertainment's expansion plans in key emerging markets, in line with Emaar's geographic growth objectives.

Ms. Al Dossari has also served as the Head of Procurement, Administration & Logistics of Emaar and Pre-Opening Procurement of Emaar Hospitality. Ms. Al Dossari has experience in procurement, logistics and operations covering various business functions including process optimisation, policies, procedures, auditing and cost control.

Ms. Al Dossari is a graduate in Business Administration and Finance. She also gained an Executive Master of Business Administration and completed her Executive Development Programme in General Management from the International Institute for Management Development in Switzerland.

*Ibrahim Alhashmi – Executive Director, Corporate Services, Emaar*

Mr. Alhashmi joined Emaar in 2017 and is responsible for the development and implementation of Emaar's Corporate Services strategy.

Mr. Alhashmi has over 30 years of experience in key corporate functions, including people management, strategic organisational leadership and marketing. Prior to taking up his role in Emaar's Corporate Services team, Mr. Alhashmi served as Executive Director of Sales at Emaar, and was involved in leading and establishing Emaar's operations in Syria. Mr. Alhashmi has previously served as an Associate Director in Employee Services at MAF, where he was involved in launching hotel chains, and developing facilities and employee manuals. He has also served in other senior management roles at Dubai World Trade Centre and Emirates Airlines.

Mr. Alhashmi holds a Bachelor of Arts degree in Economics and Business Administration from the United Arab Emirates University.

*Bilal T. Matarneh – Chief Procurement Officer, Emaar*

Mr. Matarneh joined Emaar Development as Senior Director of Development in March 2018. In June 2018, Mr. Matarneh was promoted to Chief Procurement Officer. Mr. Matarneh possesses expertise in construction and real estate development and he has over 24 years of industry experience. He is responsible for managing Emaar's project and non-project spend by working closely with the business and building its strategic procurement capability.

In his role as Senior Director of Development, Mr. Matarneh was responsible for driving Emaar's most high-profile developments, including their master-planning and project management aspects. Mr. Matarneh has also previously held a number of senior positions with leading developers in Dubai and Abu Dhabi.

Mr. Matarneh holds a Master's degree in Construction Management from East Ukrainian National State University, Ukraine.

*Oliver Lambrecht – Group Chief Human Resources Officer, Emaar*

Mr. Lambrecht joined Emaar as Group Chief Human Resources Officer in March 2018. He has over 20 years of international experience in consulting and fast-moving consumer goods ("**FMCG**") multinationals in Europe, the United States and Brazil. Mr. Lambrecht also has experience in change management, culture change, restructuring, strategic rewards, learning and development, shared services setup, business process outsourcing and project management. Mr. Lambrecht is responsible for overseeing the human resource functions of the Group, across all levels of the organisation and multiple markets.

Mr. Lambrecht has previously served as Vice President People & Performance Europe, at Kraft Heinz Company, where he introduced a performance-based culture led by clear objectives across all functional areas. He has also worked as Vice President People & Performance Europe at Anheuser Busch InBev, Vice President – People LATAM at AmBev in Brazil, and in various capacities at Accenture in Europe and the United States.

Mr. Lambrecht holds a Master's degree in Commercial Engineering and a Master's degree in Applied Economics from the University of Antwerp, Belgium.

*Bader Saeed Hareb – CEO, Development, Emaar*

Mr. Hareb joined Emaar in August 2017 as Executive Director – Development.

Prior to his appointment at Emaar, Mr. Hareb was the Chief Executive Officer of Dubai Healthcare City, leading strategy and sustainable growth of the free zone. Mr. Hareb has also held senior positions in other organisations in the real estate industry, including as Chief Property Officer at MAF, where he was responsible for overseeing MAF's large-scale investment projects in the MENA region, and as Vice Chairman of Sharjah Holding and The Wave, Muscat.

Mr. Hareb also previously served as Managing Director of Nakheel, where he managed several projects and was a member of the team which led the real estate developer through a period of significant financial restructuring. Mr. Hareb has also handled projects at Mobily in Saudi Arabia and Etisalat in the UAE. He has also held board positions at ENSHAA PSC, Dubai, and Dubai Healthcare City Authority.

Mr. Hareb holds an Executive Master of Business Administration from the American University of Sharjah, UAE, and a Bachelor's degree in Civil Engineering from United Arab Emirates University. He is a graduate of the Dubai Leadership Program provided through The Wharton School of the University of Pennsylvania, United States.

*Sunil Grover – CFO, Emaar*

Mr. Grover joined Emaar in March 2000. Mr. Grover has over 20 years of experience in finance, accounting, budgeting, planning and reporting, and has previously worked as Senior Director – Finance at Emaar.

Mr. Grover is a Certified Public Accountant with the American Institute of Certified Public Accountants (AICPA) and a certified Company Secretary with the Institute of Company Secretaries of India (ICSI).

Mr. Grover holds a Bachelor of Commerce degree from the University of Delhi, India.

*Omar Ghalib Bustami – Executive Director, Development, Emaar*

Mr. Bustami joined Emaar in July 2017 and is responsible for heading the Dubai Creek Harbour development in addition to leading Emaar's multiple projects teams, comprising Development, Project Management, Project Controls and Commercial Management which work across the full master plan.

Prior to joining Emaar, Mr. Bustami held senior positions at organisations such as Meraas Holding, where he led and delivered a number of key projects which enhanced the retail, leisure and entertainment landscape of Dubai, as well as Nakheel and Istithmar under the Dubai World umbrella of companies where he led development projects, both in Dubai and Singapore. He also has previous experience working with

WS Atkins Consultants Ltd, in Dubai and in the business' head office in the United Kingdom, working in the fields of project management and design.

Mr. Bustami holds a Master's degree in Civil Engineering from the University of Leeds, United Kingdom, and is also a graduate of the Dubai Leadership Programme held through The Wharton School of the University of Pennsylvania, United States. He is also a member of, and holds the APMP Certification from, the Association for Project Management, United Kingdom.

*Fawaz Sous – Head of Sales, Emaar Development*

Mr. Sous joined Emaar in June 2018 and is responsible for overseeing the sales functions of Emaar.

Mr. Sous has over 14 years of experience in the property sector, including in new market entry, land acquisitions, sales management and property development. Previously, Mr. Sous served as Senior Vice President – Sales of Damac, leading the business' residential, hotel, hotel apartments and commercial segments. He was also the head of department of the Brokers Development Team at Damac where he created broker business units and oversaw brokers' loyalty programmes.

Mr. Sous has managed property sales in several international markets, including the United Kingdom, Saudi Arabia and Lebanon, serving as Emaar's country head in these markets. He also worked as Vice President – Sales & Business Development and as Senior Director of Sales at Damac.

Mr. Sous holds a Diploma in Business Studies from Toronto School of Business, Canada, and a Diploma in Business Foundation from Bellerbys College, Brighton, United Kingdom.

*Fady Shaher El Borno – General Manager, Joint Ventures, Emaar*

Mr. El Borno joined Emaar in 2004 and was previously General Manager of Joint Ventures at Emaar and, more recently, Managing Director of Emaar Middle East in Saudi Arabia.

Mr. El Borno is responsible for the management and execution of Emaar's joint venture projects with Dubai World Central and Dubai World Trade Centre. He has extensive experience in supporting Emaar's international project development portfolio.

Mr. El Borno works closely with various departments at Emaar, including development and projects, sales and marketing, and finance to successfully deliver project completion and profitability against set targets. He also has experience in master-planning, strategic planning, business development and partner relationships, and played an instrumental role in developing the concept of KAEC, one of the largest real estate developments in the region, by Emaar The Economic City.

Mr. El Borno holds a Bachelor of Business Administration degree from the American University, Dubai, United Arab Emirates.

*Natalie Bogdanova – COO, Emaar Malls*

Ms. Bogdanova joined Emaar in February 2003 and she is responsible for the financial performance of all regional malls and community retail assets. In her role as Chief Operating Officer of Emaar Malls, Ms. Bogdanova reports to the Group Chief Executive Officer, Emaar. She is also responsible for promoting and managing international development through Regional Malls which currently includes Emaar Square Mall, Istanbul, Turkey.

Ms. Bogdanova has progressed through various senior roles within Emaar, moving from International Sales and Marketing to lead Emaar's customer care, property handover, property transfer and call centre teams. She was also a member of the executive opening committee for Burj Khalifa, as well as General Manager of The Dubai Mall for five years, before becoming Senior Director of Business Development for Emaar Malls where she oversaw Emaar's international mall expansions.

Ms. Bogdanova also served as Executive Director of Malls Development and her experience includes design and construction delivery for The Dubai Mall, Dubai Hills Estate Mall, The Springs, Dubai South Mall, Zabeel extension, Dubai Creek Harbour Retail district and other retail areas within the Emaar portfolio.

Ms. Bogdanova holds a Bachelor's degree in International Business from Bournemouth University, United Kingdom.

*Hadi Badri – CEO International, Emaar*

Mr. Badri joined Emaar in 2015 and he currently serves as the Chief Executive Officer of International at Emaar. Mr. Badri has previously served as Chief Strategy Officer, Acting Head of Human Resources and Acting Chief Digital Officer.

Prior to joining Emaar, Mr. Badri gained over nine years of management consulting and corporate strategy experience and five years of experience in global private equity.

He has previously worked for several top-tier global and UAE-based corporates and was a Principal at Bain & Company where he developed corporate and business unit strategies for conglomerates and financial institutions. He also served as Executive Director of the Chief Executive Officer's Office at SHUAA Capital. Prior to that, he worked at The Carlyle Group in Washington DC, United States (as an Associate with Carlyle Venture Partners, focussing on growth buyouts in the United States), Dubai International Capital, and The Executive Office of His Highness Sheikh Mohammed bin Rashid Al Maktoum (as an Associate in the Strategy Department). Mr. Badri was also named as a Global Shaper at the World Economic Forum.

Mr. Badri is also Chairman of the Board of Namshi and he serves as a Board Director of Emaar India, Rove Hotels and Mirage Leisure & Development.

Mr. Badri holds a Bachelor of Arts degree, Magna Cum Laude Honours in Economics from Tufts University, Massachusetts, United States.

*Ahmed I. Linjawy – Group CEO, Emaar Economic City*

Mr. Linjawy joined Emaar in 2005 and has been part of the Executive Management team for over 12 years, including six years as the Deputy Group Chief Executive Officer. Under his leadership, Emaar oversees the master planning and development of KAEC.

Prior to joining Emaar Economic City, Mr. Linjawy was an executive at Procter & Gamble ("**P&G**"), the US FMCG conglomerate, where he held various positions and led a number of initiatives during his 16 years at P&G, including in external relations and product development with regional and international projects, as well as serving as the country manager for Saudi Arabia. Mr. Linjawy also led the Corporate Social Responsibility programme for P&G in the region.

Mr. Linjawy has a Bachelor of Science degree in Medical Technology from the College of Medicine, King Abdulaziz University, Saudi Arabia, and certifications from the London Institute of Banking & Finance, United Kingdom, and the American University, Washington, United States.

*Feyzi Tecellioglu – CEO, Emaar Turkey*

Mr. Tecellioglu joined Emaar Turkey in May 2018 as Chief Executive Officer and is responsible for developing Emaar's real estate and retail business and exploring new opportunities for growth in Turkey. Mr. Tecellioglu is responsible for value creation across multiple businesses in Turkey, including the largest mixed use real estate development project in Turkey.

Mr. Tecellioglu brings over 20 years of experience in Turkey and the United States to his role at Emaar, overseeing real estate, land, retail, commercial, investment and business development with a strong emphasis on innovation at Emaar Turkey.

Prior to joining Emaar Turkey, Mr. Tecellioglu was a Board Member at Toya Real Estate Development. From 2014 to 2016, he was the Managing Director at Tabanlioglu Architects where he fostered national and international expansion in Dubai, Doha (Qatar) and London (United Kingdom) and strengthened organisational and financial capabilities. During his tenure, that company's revenue and profitability grew by triple digits.

Mr. Tecellioglu was the managing director of Soyak Real Estate Development between 2006 and 2014 where he was responsible for office, retail, residential and land developments and he achieved strong sales figures in the residential market and improved marketing efficiencies. Earlier in his career, Mr. Tecellioglu worked at Lend Lease, an international real estate firm, in the United States. He began his career with Koç Holding, a Fortune Global 500 Company and the largest industrial group in Turkey, in the strategic planning department.

Mr. Tecellioglu graduated from Istanbul Technical University in 1997 with a Bachelor of Arts degree in Management Engineering and received his Master of Business Administration degree from University of California, Berkeley, United States in 2002.

*Redwan Zaouk – COO, Emaar Middle East*

Mr. Zaouk joined Emaar Middle East as Chief Operating Officer in October 2017. He currently oversees all of Emaar Middle East's operations, including sales and marketing, construction, community management and operations, in addition to supervising Emaar's investment in the Fairmont Abraj Al Bait, Mecca, Saudi Arabia.

Mr. Zaouk brings extensive leadership experience to Emaar Saudi Arabia in both product and business development. He has expertise in master-planning, business planning, product launches and delivery.

From 2015 to 2017, Mr. Zaouk held the position of Director of Business Development & Residential Projects at Kinan International Real Estate Development Company ("**Kinan**") in Jeddah, Saudi Arabia, where he was responsible for the strategy, launch and delivery of all home development projects, in Jeddah and Riyadh. Previously, Mr. Zaouk served as Development Director of Urban Planning at Kinan where his responsibilities included master-planning and development strategy for a 1.1 million square metre project in Jeddah.

From 2006 to 2014, Mr. Zaouk served as Business Development Director at The Savola Group ("**Savola**"). Among his accomplishments at Savola was an SAR350 million private placement, an SAR1 billion IPO (the largest IPO in Saudi Arabia in 2010) and the establishment of several joint ventures as well as the structuring of a number of public-private partnership schemes.

Mr. Zaouk holds a Bachelor's degree from the University of Balamand in Tripoli, Lebanon. He is also a graduate of McGill University's Graduate School of Management, Canada, where he graduated top of his class.

*Chris Newman - COO, Emaar Hospitality Group*

Mr. Newman joined Emaar Hospitality Group in February 2015 and is responsible for overseeing the strategic growth of the organisation through new ventures, expansion, and partnerships, and achieving the highest standards of operational efficiency across all aspects of the group.

Mr. Newman is also responsible for driving the strategic operations of all three hotel brands of Emaar Hospitality Group, including The Address Hotels and Resorts, Vida Hotels and Resorts and Rove Hotels, together with Emaar Hospitality Group's Leisure Clubs and Lifestyle Dining division.

He has over 17 years of experience in the global hospitality industry and has previously worked on large-scale hospitality projects for leading international brands in several global markets, including Egypt, Nigeria, the Gambia, Madagascar, Mauritius, Malawi, Guyana (South America), West Indies, Bahamas, Greece, the United Kingdom and Switzerland.

Mr. Newman holds a Higher National Diploma in Hotel, Catering & Institutional Management from the Westminster School of Catering, London, United Kingdom and a Certification in Hotel Real Estate Investments & Asset Management from Cornell University, New York, United States. He also holds a number of industry certificates in group training techniques, managing sales platforms, management communication skills and high performance financial management for hotels, among others.

*Zeina Dagher – CEO – Emaar Entertainment*

Ms. Dagher joined Emaar in 2008 and is responsible for driving the growth of Emaar Entertainment, expanding Emaar's leisure assets and enhancing its operational efficiency and productivity.

Ms. Dagher's has held various roles within Emaar including as Senior Director of Operations for "At The Top" in 2015, where she was responsible for managing the observatory and lounge, and overseeing all aspects related to revenue generation, including sales, marketing and operations.

Ms. Dagher's additional contributions to Emaar's enterprises include setting up the Emaar Turkey Observation Deck and Retail, the upcoming Sky View Tower Observation Deck and Retail, and the Dubai Fountain Boat Ride.

Ms. Dagher holds a Bachelor of Science in Finance degree from the American University of Sharjah, UAE, and a Master's degree in Marketing and International Relations from the University of Dubai, UAE.

*Jasper Hope – Chief Executive, Dubai Opera*

Mr. Hope joined Emaar in 2016 and is Dubai Opera's lead officer and international advocate, responsible for setting Dubai Opera's artistic direction and overseeing global stakeholder relationships. He is also tasked with ensuring the commercial success of Dubai Opera and developing its profile internationally.

Mr. Hope has over 25 years of experience in the management of high-end cultural venues and events. Previously, as Chief Operating Officer of the Royal Albert Hall, London, United Kingdom, he was responsible for the successful implementation of all operational management criteria and the leadership of the day-to-day business of the Royal Albert Hall. Under his leadership, the prestigious venue achieved close to 400 events each year, making it one of the busiest venues in the world. He has additionally served as Senior Director of UK Live Events at AEG Live, where he was responsible for creating and managing new entertainment business for the company, and as International Vice President and General Manager for Europe at IMG, where he led projects such as the Hampton Court Palace Festival in London, United Kingdom and the Nobel Peace Prize Concert. Mr. Hope has also spent time as a Board Member of the Exhibition Road Cultural Group.

Mr. Hope holds a Bachelor of Science (with Honours) degree in Hotel and Catering Management from Oxford Brooks University, United Kingdom and was elected as a Fellow of the Royal Society of Arts in 2008.

*Arif Alharmi – CEO, Amlak Finance PJSC*

Mr. Alharmi joined Amlak Finance in 2007 and has over 18 years of knowledge and experience in senior positions at leading international and domestic financial institutions.

Mr. Alharmi also sits on the board of directors of a number of local and regional private companies, as well as governmental institutions.

He is the recipient of the prestigious 'CEO Middle East Award' in the Home Finance category by ITP-CEO Middle East. He holds a Master's degree in International Business.

*Ali H. Odeh – Chairman and CEO, Turner International Middle East LLC*

Mr. Odeh joined Emaar in 2006 and is responsible for leading the growth initiatives of the Dubai-based Turner International Middle East Ltd LLC in programme, project and construction management across the Middle East, North Africa and the Indian subcontinent.

Mr. Odeh has over 29 years of experience in project construction and holds a Bachelor's and Master's degrees in Civil Engineering from the University of Michigan, United States. He is also a member of the American Society of Civil Engineering.

*Waleed Dhaduk – CEO, Emaar Industries and Investment*

Mr. Dhaduk joined Emaar in January 2016 and is the Chief Executive Officer of EII where he is responsible for leading Emaar's overall strategy, managing its investment portfolio, and delivering its growth plans. Mr. Dhaduk was previously the Chief Investment Officer of EII, a position he held until 2016.

Mr. Dhaduk is also a member of the Investment Committee of EII and sits on the Boards of various investee companies including Memaar Building Systems, Starwood Industries, Gutmann Middle East, AASA, Leaders Fort Contracting, Service Market and Abode Investments. Mr. Dhaduk is a board and an investment committee member of Dubai Angel Investors, a leading technology investment platform.

Mr. Dhaduk holds a Master's degree in International Relations from the University of Cambridge, United Kingdom, and a Bachelor's degree in Commerce from Queen's University, Canada. Mr. Dhaduk has also pursued various courses in Economics and Finance at the London School of Economics, United Kingdom, and Harvard University, Massachusetts, United States.

**Employees**

As at 31 December 2018, the Group had 7,022 employees. Almost all of Emaar's employees are based in Dubai. The table below shows Emaar's approximate number of employees as at 31 December in each of the years indicated:

| Year | Number of employees |
|---|---:|
| 2013 | 6,794 |
| 2014 | 7,752 |
| 2015 | 7,619 |
| 2016 | 7,103 |
| 2017 | 6,496 |
| 2018 | 7,022 |

Emaar provides a range of employee benefits such as health insurance, children's education allowance, discount programmes and discretionary annual bonuses.

Emaar recognises the importance of the calibre and the motivation of the individuals it employs. A performance management system where Emaar's objectives are translated into measurable departmental and individual objectives is in place and assists with regularly monitoring performance. A formal appraisal is carried out for all employees on an annual basis. Bonuses and rewards are linked with key performance indicators which feed into the performance management system.

Emaar places a high degree of importance on staff development, and development plans are implemented for high performers and high potential staff through quality training and by establishing and maintaining standards of professional conduct. Development of employees is carried out through in-house training and, when specialist training is needed, through training delivered by local and internationally recognised external agencies.

**Corporate Governance**

Emaar is committed to maintaining appropriate standards of corporate governance and complies with all legal and regulatory requirements relating to corporate governance. Emaar has established a framework of corporate governance policies, rules and practices which comply with the requirements of the Code of Governance issued by Decree of the Chairman of the Board of Directors of the Securities and Commodities Authority No. 7RM of 2016 and takes into consideration international best practices as appropriate. The most significant features of that framework are set out hereunder.

***Board of Directors***

The Board consists of nine members and is vested with the power to manage Emaar and conduct its business in accordance with the Federal Law No. 2 of 2015 concerning commercial companies of the UAE. The majority of the Board is comprised of non-executive independent directors. Board members are elected for a term of three years. The Board meets at least four times per year. The positions of the Chairman, the Managing Director and the CEO are held by separate individuals to ensure effective and clear supervision and accountability at the Board and Executive Management levels.

There are currently four Board Committees: the Investment Committee, the Audit Committee (including Internal Control, a department supervised by the Audit Committee), the Nomination and Remuneration Committee and the Risk Committee. Further details of each committee are set out below.

***Investment Committee***

The Investment Committee is established principally to review and monitor the investments made by Emaar, to undertake periodical reviews of investment performance, financing structures for various projects and also the Group's overall corporate financing structure to ensure that it is consistent with Emaar's requirements for growth and is fiscally sound, and to exercise the authority and functions set out below or as may be delegated to it by the Board from time to time. The Investment Committee is made up of the Chairman and two non-executive directors, as follows:

(a) Ahmed Jamal Hassan Jawa (Chairman);

(b) Mohamed Ali Rashed Alabbar (member); and

(c) Arif Obaid Saeed Al Dehail (member).

The main objectives and responsibilities of the Investment Committee are as follows:

- to review and approve for recommendation to the Board any new investment proposal;
- to review and ensure that the investment is within the policy established by Emaar and meets the investment criteria from a risk and return perspective;
- to review and approve for recommendation to the Board if appropriate, specific public debt offerings and other financings or refinancing to be undertaken by Emaar and its subsidiaries and affiliates in excess of Executive Management limits, as well as public equity offerings;
- to review the proposed annual short-term plan, annual budgeted cash flows, capital budget and strategic plan to address significant financial issues affecting Emaar's ability to achieve its business objectives;
- to review on a periodic basis Emaar's policy governing approval levels for capital expenditures and Emaar's financial plan to fund approved capital expenditures; and
- to review and approve Emaar's Investment Policy and Guidelines.

The Investment Committee meets upon request and whenever required in accordance with the objectives and responsibilities outlined above.

***Audit Committee***

The Audit Committee is made up of three non-Executive directors, as follows, two of whom have accounting or related financial management expertise and experience:

(a) Abdullah Saeed Belyoahah (Chairman);

(b) Abdulrahman Al Hareb (member); and

(c) Jamal Majid Bin Theniyah (member).

The main objective of the Audit Committee is to assist the Board in fulfilling its oversight and fiduciary responsibilities to the Group.

The Audit Committee has responsibilities related to external audit, financial reports and internal control and risk management. The main objectives and responsibilities of the Audit Committee are as follows:

- overseeing and appraising the quality of the audit efforts of Emaar's internal audit function and of its external auditors;
- assisting the Board in ensuring proper implementation of the governance rules as set out in applicable governance laws, regulations and internal policies and procedures;
- serving as an independent and objective party to review the integrity of the financial information presented by management to the shareholders, regulators and the general public;
- facilitating communication between the Board and the external and internal auditors;
- assisting the Board in evaluating the procedures for risk management; and

- ensuring compliance by Emaar and its employees with relevant laws, regulations and internal policies and procedures.

The Audit Committee meets quarterly, in compliance with SCA regulations, and whenever required in accordance with the objectives and responsibilities outlined above.

***Internal Control***

It is the policy of the Board to maintain and support a quality internal audit function carried out by the Internal Control Department which reports directly to the Board. The Internal Control Department is guided by its Charter which establishes the general authorisation from the Audit Committee to perform internal audit activities within a defined scope of work in accordance with the annual audit plan approved by the Audit Committee. The Charter also sets out the purpose, authority and responsibility of the Internal Control Department. It establishes the Internal Control Department's position within the Group, authorises access to records, personnel and physical properties relevant to the performance of engagements and defines the scope of work. The Audit Committee is responsible for supervising the Internal Control Department's day to day business.

The Internal Control Department's core responsibility is to review the effectiveness of the internal control systems within the Group. The Internal Control Department reviews and reports on all business processes and support functions within the Group, both in the UAE and internationally. Reports raised by the Internal Control Department are submitted to the Audit Committee and senior management, as well as to the Board. On an ongoing basis, the Audit Committee monitors the progress that management has made with respect to remedial actions taken on issues and findings raised by the Internal Control Department.

***Nomination and Remuneration Committee***

The Nomination and Remuneration Committee is made up of three non-Executive directors, as follows:

(a) Arif Obaid Saeed Al Dehail (Chairman);

(b) Jamal Majid Bin Theniyah (member); and

(c) Jamal Hamed Al Marri (member).

The main objectives and responsibilities of the Nomination and Remuneration Committee are as follows:

- regulation and supervision of procedures for nomination of Board members as per applicable laws and identifying candidates, reviewing all nominations and making recommendations for appointments of committee members and senior management;
- reviewing the Board structure, size and composition to ensure compliance with applicable laws and making recommendations to the Board with regards to any adjustments that are deemed necessary;
- determining Emaar's needs of executive management and employees and the criteria for their election;
- ensuring that the criteria and methods applied in identifying candidates and reviewing nominations for appointments to the Board, committees and senior management are in accordance with applicable laws;
- ensuring the continuing independence of the members of Emaar's Board in accordance with applicable laws;
- issuing a human resources and training policy, supervising its implementation and reviewing the policy annually;
- issuing a remuneration policy comprising bonuses, benefits, incentives and salaries for Board members and employees and reviewing the policy annually in the best interests of the Group and its shareholders;

- ensuring as far as possible that the remuneration and compensation packages, in particular those of the senior management, take due account of the environment, circumstances and performance which are faced by the various business units in the markets and countries in which the Group operates; and

- administering Emaar's share option schemes for Group executives and directors.

The Nomination and Remuneration Committee meets annually, in compliance with the UAE's Securities and Commodities Authority regulations, and whenever required in accordance with the objectives and responsibilities outlined above.

***Risk Committee***

The Risk Committee is made up of four non-Executive directors, as follows:

(a) Jamal Majid Bin Theniyah (Chairman);

(b) Ahmed Jamal Hassan Jawa (member);

(c) Abdulrahman Al Hareb (member); and

(d) Abdullah Saeed Belyoahah (member).

The Risk Committee assists the Board in fulfilling its oversight responsibilities and acts in accordance with the authority delegated by the Board. The Risk Committee has overall responsibility for reviewing and monitoring the risk management framework of Emaar.

## SUMMARY OF THE PRINCIPAL TRANSACTION DOCUMENTS

*The following is a summary of certain provisions of the principal Transaction Documents. Copies of the Transaction Documents will be available for inspection at the offices of the Principal Paying Agent (as defined in the Conditions).*

### Trust Deed

The Master Trust Deed entered into on 2 September 2019 between the Trustee, Emaar and the Delegate is governed by English law. A Supplemental Trust Deed between the same parties will be entered into on the Issue Date of each Tranche of Trust Certificates and will also be governed by English law.

Upon issue of the Global Trust Certificate initially representing the Trust Certificates of any Series, the Master Trust Deed and the relevant Supplemental Trust Deed (together, the "**Trust Deed**") shall together constitute the trust over the relevant Trust Assets declared by the Trustee in relation to such Series.

The Trust Assets in respect of each Series of Trust Certificates will comprise (unless otherwise specified in the applicable Final Terms), *inter alia*: (a) the Issue Proceeds, pending application thereof in accordance with the Transaction Documents; (b) the Trustee's rights, title, interest and benefit, present and future, in, to and under the Relevant Lease Assets; (c) the Trustee's rights, title, interest and benefit, present and future, in, to and under the Transaction Documents (other than in relation to any representations given to the Trustee by Emaar pursuant to any of the Transaction Documents); (d) all monies standing to the credit of the relevant Transaction Account from time to time; (e) any other assets, rights, cash or investments as may be specified in the applicable Final Terms; and (f) all proceeds of the foregoing.

Pursuant to the Trust Deed, the Trustee will, *inter alia*, in relation to each Series of Trust Certificates:

(a) hold the relevant Trust Assets on trust absolutely for the Certificateholders as beneficial tenants in common *pro rata* according to the face amount of Trust Certificates held by each Certificateholder; and

(b) act as trustee in respect of such Trust Assets, distribute the income from such Trust Assets and perform its duties in accordance with the provisions of the Trust Deed.

Each Trust Deed will specify, *inter alia*, that in relation to each Series:

(a) the Trustee may from time to time (but always subject to the provisions of the Master Trust Deed), without the consent of the Certificateholders, create and issue additional Trust Certificates having the same terms and conditions as the outstanding Trust Certificates of such Series or terms and conditions which are the same in all respects save for the date and amount of the first payment of the Periodic Distribution Amount and the date from which Periodic Distribution Amounts start to accrue, and so that the same shall be consolidated and form a single Series, with the outstanding Trust Certificates of such Series, and that any additional Trust Certificates which are to be created and issued so as to form a single series with the Trust Certificates of a particular Series shall be constituted by a trust deed supplemental to the Master Trust Deed; and

(b) on the date upon which any additional Trust Certificates are created and issued pursuant to the provisions described in paragraph (a) above, the Trustee will execute a Declaration of Commingling of Assets for and on behalf of the holders of the existing Trust Certificates and the holders of such additional Trust Certificates so created and issued, declaring that the relevant Additional Assets and the Lease Assets in respect of the relevant Series as in existence immediately prior to the creation and issue of the additional Trust Certificates and each Commodity Murabaha Investment made pursuant to the Master Murabaha Agreement (and all rights arising under or with respect thereto) in relation to the relevant Series are commingled and shall collectively comprise part of the Trust Assets for the benefit of the holders of the existing Trust Certificates and the holders of such additional Trust Certificates as tenants in common *pro rata* according to the face amount of Trust Certificates held by each Certificateholder, in accordance with the Master Trust Deed.

In the Trust Deed, the Trustee irrevocably and unconditionally appoints the Delegate to, *inter alia*, exercise all of the present and future powers, rights, authorities (including but not limited to the authority to request instructions from any Certificateholders and the power to make any determinations to be made under the

Trust Deed) and discretions vested in the Trustee by the Trust Deed that the Delegate may consider to be necessary or desirable in order to, subject to its being indemnified and/or secured and/or pre-funded to its satisfaction, exercise all of the rights of the Trustee under the Transaction Documents and make such distributions from the relevant Trust Assets as the Trustee is bound to make in accordance with the Trust Deed. The appointment of such delegate by the Trustee is intended to be in the interests of the Certificateholders and, subject as provided in the Trust Deed, does not affect the Trustee's continuing role and obligations as trustee.

In each Trust Deed, the Delegate has undertaken that, *inter alia,* if it has actual knowledge or express notice pursuant to the Trust Deed of the occurrence of a Dissolution Event in respect of any Trust Certificates and subject to Condition 15, it shall: (i) promptly notify the Certificateholders of the occurrence of such Dissolution Event; and (ii) subject to being indemnified and/or secured and/or prefunded to its satisfaction against all losses to which it may thereby render itself liable or which it may incur by so doing, take all such actions, proceedings or steps as are necessary to enforce the obligations of Emaar under the Transaction Documents to which Emaar is a party.

A non-interest bearing Transaction Account in London will be established in respect of each Series of Trust Certificates. Monies received in the Transaction Account in respect of each Series will, *inter alia*, comprise: (i) payments from the Lessee under the Lease Agreement (see "*Summary of the Principal Transaction Documents – Lease Agreement*" below); (ii) the Deferred Sale Price received from Emaar under the Master Murabaha Agreement; and (iii) the Exercise Price received from Emaar under the relevant Sale Agreement (see "*Summary of the Principal Transaction Documents – Purchase Undertaking*" and "*Summary of the Principal Transaction Documents – Sale Undertaking*" below). The Master Trust Deed provides that all monies credited to the Transaction Account in respect of each Series will be applied in the order of priority set out in Condition 5.2.

Emaar has also acknowledged and agreed, *inter alia*, in the Trust Deed that:

(a) the Emaar Events applicable to it are set out in full in the Conditions, that it is fully aware of and understands the terms thereof and that the occurrence thereof shall constitute a Dissolution Event for the purposes of the Conditions; and

(b) the Delegate shall be entitled to enforce the obligations of the Trustee under the Transaction Documents to which it is a party as if the same were set out and contained in the Trust Deed.

In addition, Emaar has covenanted and undertaken in the Trust Deed that:

(a) if the relevant Exercise Price is not paid in accordance with the Transaction Documents for any reason whatsoever, Emaar shall (as an independent, severable and separately enforceable obligation) fully indemnify the Trustee for the purpose of redemption in full of the outstanding Trust Certificates and, accordingly, the amount payable under any such indemnity claim will equal the Exercise Price; and

(b) if the outstanding Deferred Sale Price is not paid on the relevant Dissolution Date in accordance with the provisions of the Master Murabaha Agreement for any reason whatsoever, Emaar shall (as an independent, severable and separately enforceable obligation) fully indemnify the Trustee for the purpose of redemption in full of the outstanding Certificates and, accordingly, the amount payable under any such indemnity claim will equal the outstanding Deferred Sale Price.

**Purchase Agreement**

The Master Purchase Agreement entered into on 2 September 2019 between the Trustee (in its capacity as Purchaser) and Emaar (in its capacity as Seller) is governed by the laws of Dubai and, to the extent applicable in Dubai, the federal laws of the UAE. A Supplemental Purchase Agreement between the same parties will be entered into on the Issue Date of the first Tranche of each Series of Trust Certificates and will also be governed by the laws of Dubai and, to the extent applicable in Dubai, the federal laws of the UAE.

Pursuant to the Master Purchase Agreement and the relevant Supplemental Purchase Agreement (together, the "**Purchase Agreement**"), the Seller may sell, transfer and convey to the Purchaser, and the Purchaser may agree to purchase from the Seller, all of the Seller's rights, benefits and entitlement in, to and under the relevant Assets. The Purchaser and the Seller will agree that there will be no obligation to register (to the extent registrable), or complete any other formalities as may be required to give effect to, the sale and purchase of the Assets. Notwithstanding the non-registration of the sale and purchase of the Assets pursuant to the Purchase Agreement, the Purchaser and the Seller will agree that this will not affect their respective rights and obligations under the Purchase Agreement and the other Transaction Documents. The Assets will comprise on the Issue Date those assets described in the schedule to the Supplemental Purchase Agreement.

**Lease Agreement**

The Master Lease Agreement entered into on 2 September 2019 between the Trustee (in its capacity as Lessor) and Emaar (in its capacity as Lessee) is governed by the laws of Dubai and, to the extent applicable in Dubai, the federal laws of the UAE. A Supplemental Lease Agreement between the same parties will be entered into on the Issue Date of each Series of Trust Certificates and will also be governed by the laws of Dubai and, to the extent applicable in Dubai, the federal laws of the UAE.

Pursuant to the Master Lease Agreement and the relevant Supplemental Lease Agreement (together, the "**Lease Agreement**"), the Lessor may lease to the Lessee, and the Lessee may lease from the Lessor, the Relevant Lease Assets during renewable Rental Periods commencing on the Lease Commencement Date (each such expression having the meaning given to it in the relevant Supplemental Lease Agreement) and extending to the Maturity Date of the relevant Series of Trust Certificates (unless the relevant Supplemental Lease Agreement is terminated earlier in accordance with its terms or extended in accordance with the Purchase Undertaking). The Lessor and the Lessee will agree that there will be no obligation to register (to the extent registrable) the lease of the Relevant Lease Assets. Notwithstanding the non-registration of a lease, the Lessor and the Lessee will agree that this will not affect their respective rights and obligations under the Lease Agreement and the other Transaction Documents.

The Lessee will agree to use the Relevant Lease Assets at its own risk. Accordingly, the Lessee shall from the date of the Supplemental Lease Agreement bear the entire risk of loss of or damage to the Relevant Lease Assets or any part thereof arising from the usage or operation thereof by the Lessee to the extent that such loss or damage has resulted from the Lessee's gross negligence, wilful default, actual fraud, or breach of its obligations under the Supplemental Lease Agreement. In addition, the Lessor shall not be liable (and the Lessee will waive any claim or right, howsoever arising, to the contrary) for any indirect, consequential or other losses, howsoever arising, in connection with the Lessee's use or operation of the Relevant Lease Assets, save to the extent that such loss or damage has resulted from the Lessor's gross negligence, wilful default, actual fraud or breach of its obligations under the Lease Agreement.

Under the Supplemental Lease Agreement, the Lessee will agree to be responsible, at its own cost and expense, for the performance of all Ordinary Maintenance and Repair (as defined in the Master Lease Agreement) required for any Relevant Lease Assets. The Lessor shall be responsible for: (i) the performance of all Major Maintenance and Structural Repair (as defined in the Master Lease Agreement); (ii) the payment of any proprietorship or other relevant taxes; and (iii) if Condition 11.4 is specified in the applicable Final Terms as being applicable, insuring any Relevant Lease Assets in accordance with the terms of the Servicing Agency Agreement, and the Lessee will acknowledge that the Lessor may procure that the Servicing Agent, in accordance with the terms and conditions set out in the Servicing Agency Agreement, shall perform, or shall procure the performance of, Major Maintenance and Structural Repair, pay or procure the payment of such taxes and insure or procure the insurance of such Relevant Lease Assets, on behalf of the Lessor.

All payments by the Lessee to the Lessor under a Lease Agreement shall be made without set-off (save as provided in the Lease Agreement) or counterclaim of any kind and without any withholding or deduction for or on account of any taxes unless required by law and, in the event that there is such withholding or deduction, the Lessee shall pay all additional amounts as will result in the receipt by the Lessor of such net amounts as would have been receivable by it if no such withholding or deduction had been made. The payment obligations of the Lessee under a Lease Agreement are and will be direct, unconditional, unsubordinated and (subject to the negative pledge provisions described in Condition 6) unsecured obligations of the Lessee and shall (save for such exceptions as may be provided by applicable law and subject to the negative pledge provisions described in Condition 6) at all times rank at least *pari passu* with all other unsecured and unsubordinated obligations of the Lessee, present and future.

**Purchase Undertaking**

The Purchase Undertaking executed on 2 September 2019 by Emaar (as the Obligor) as a deed in favour of the Trustee and the Delegate is governed by English law.

Pursuant to the Purchase Undertaking, **provided that** a Total Loss Event has not occurred, the Obligor will irrevocably grant to the Trustee and the Delegate the following rights:

(a) **provided that** a Dissolution Event has occurred and is continuing and a Dissolution Notice has been delivered in accordance with the Conditions, to require the Obligor to purchase on the Dissolution Date specified in the relevant Exercise Notice all of the Trustee's rights, benefits and entitlements in, to and under the Lease Assets at the Exercise Price specified in the relevant Exercise Notice;

(b) to require the Obligor, on the Maturity Date, to purchase all of the Trustee's rights, benefits and entitlements in, to and under the Lease Assets at the Exercise Price specified in the relevant Exercise Notice; and

(c) **provided that**: (i) Certificateholder Put Right is specified as applicable in the applicable Final Terms; and (ii) one or more Certificateholders have exercised the Certificateholder Put Right in accordance with the Conditions, to require the Obligor to purchase on the Certificateholder Put Right Date specified in the relevant Exercise Notice the Trustee's rights, benefits and entitlements in, to and under the Certificateholder Put Right Lease Assets at the Certificateholder Put Right Exercise Price specified in the relevant Exercise Notice.

For this purpose, "**Exercise Price**" means, in relation to each Series, an amount equal to the aggregate of: (a) the aggregate face amount of the Trust Certificates then outstanding for the relevant Series; plus (b) an amount equal to all accrued and unpaid Periodic Distribution Amounts (if any) relating to such Trust Certificates; plus (c) without duplication or double counting, an amount representing any amounts payable by the Trustee (in any capacity) under the Transaction Documents to which it is a party (including but not limited to, an amount equal to any Service Charge Amounts in respect of which a corresponding payment of Supplementary Rental has not been made in accordance with the Master Lease Agreement and the relevant Supplemental Lease Agreement) **provided that**, in the case of any amounts payable pursuant to Condition 5.2(a), the Obligor has received a notification from the Delegate of such amounts by not later than the third Business Day prior to the date on which the Exercise Notice is delivered; plus (d) without duplication or double counting, any other amounts payable on redemption of the Trust Certificates as specified in the applicable Final Terms; less (e) the aggregate amounts of Deferred Sale Price then outstanding, if any.

In relation to any Series, the Obligor shall covenant and undertake to the Trustee in the Purchase Undertaking that if the relevant Exercise Price or Certificateholder Put Right Exercise Price, as the case may be, is not, paid in accordance with the provisions of the Purchase Undertaking for any reason whatsoever, the Obligor shall (as an independent, severable and separately enforceable obligation) fully indemnify the Trustee for the purpose of redemption in full of the outstanding Trust Certificates of such Series or the Certificateholder Put Right Certificates, as the case may be, and, accordingly, the amount payable under any such indemnity claim will equal the relevant Exercise Price or the relevant Certificateholder Put Right Exercise Price, as the case may be. Payment of an amount equal to the Exercise Price or the Certificateholder Put Right Exercise Price into the Transaction Account in accordance with this paragraph shall constitute full discharge of the obligation of the Obligor to pay the Exercise Price or the Certificateholder Put Right Exercise Price, as the case may be, to the Trustee (or for the benefit of the Certificateholders). Following payment in full of an amount equal to the Exercise Price or the Certificateholder Put Right Exercise Price, as the case may be, in accordance with this paragraph, a Sale Agreement shall be entered into between the Trustee and the Obligor.

The Obligor shall covenant and undertake with the Trustee and the Delegate in the Purchase Undertaking that from the date of the Purchase Undertaking until the satisfaction in full of all its obligations under the Transaction Documents to which it is a party, the Obligor shall: (a) ensure that its payment obligations under the Purchase Undertaking and any Sale Agreement are and will be its direct, unconditional, unsubordinated and (subject to the negative pledge provisions described in Condition 6) unsecured obligations of the Obligor and shall (save for such exceptions as may be provided by applicable law and subject to the negative pledge provisions described in Condition 6) at all times rank at least *pari passu* with all of its other unsecured and unsubordinated obligations, present and future; (b) comply with all provisions of the Conditions which are expressed to be applicable to it, including, without limitation, the negative pledge provisions and other covenants described in Condition 6; (c) comply with the terms of the Transaction Documents to which it is a party; and (d) notify the Trustee and the Delegate in writing of any Dissolution Event (and the steps, if any, being taken to remedy it), Potential Dissolution Event and/or Total Loss Event, in each case, promptly upon becoming aware of its occurrence.

The Obligor will agree in the Purchase Undertaking that (except as provided below) all payments by the Obligor under the Purchase Undertaking and any Sale Agreement must be made without any withholding or deduction for or on account of any Taxes unless required by law and without set-off or counterclaim of any kind. If there is any such withholding or deduction, the Obligor shall pay all additional amounts as will result in the receipt by the Trustee of such net amounts as would have been receivable by it if no such withholding or deduction had been made and accordingly the Obligor undertakes to pay to the Trustee or such other persons as the Trustee may direct such additional amounts forthwith upon demand and in the manner and currency prescribed in the Purchase Undertaking. Notwithstanding the foregoing, an amount equal to the Service Charge Amounts to be paid by the Obligor as part of any Exercise Price or Certificateholder Put Right Exercise Price under the Purchase Undertaking and any Services Charge Amount to be paid by the Trustee in its capacity as Lessor under clause 7 of the Servicing Agency Agreement in respect of which an aggregate payment of Supplementary Rental under the Supplemental Lease Agreement has not been made, shall be set-off against one another and the obligation to pay that part of the Exercise Price or the Certificateholder Put Right Exercise Price, as the case may be, shall be discharged by such set-off.

**Sale Undertaking**

The Sale Undertaking executed on 2 September 2019 by the Trustee as a deed in favour of Emaar is governed by English law.

Pursuant to the Sale Undertaking, **provided that** a Total Loss Event has not occurred, the Trustee will irrevocably grant to Emaar the following rights:

(a) (i) following the occurrence of a Tax Event and upon satisfaction of the conditions precedent relating thereto set out in Condition 11.2; (ii) if the Optional Dissolution (Call) option is specified in the applicable Final Terms as being applicable; or (iii) if: (1) the Clean Up Call Right option is specified in the applicable Final Terms as being applicable; and (2) 75 per cent. or more in face amount of the Trust Certificates then outstanding have been redeemed and/or purchased and cancelled pursuant to Conditions 11 and Condition 12, to require the Trustee to sell, transfer and convey on the Dissolution Date or Clean Up Call Right Dissolution Date, as the case may be, specified in the relevant Exercise Notice in accordance with the Sale Undertaking, all of the Trustee's rights, benefits and entitlements in, to and under the Lease Assets at the applicable Exercise Price specified in the relevant Exercise Notice in accordance with the terms of the Sale Undertaking; and

(b) following the delivery of the Cancelled Trust Certificates for cancellation pursuant to Condition 12, to require the Trustee to transfer on the relevant Cancellation Date, all of the Trustee's rights, benefits and entitlements in, to and under the Cancelled Lease Assets in return for which the Cancelled Trust Certificates shall be cancelled, **provided that**: (i) no Dissolution Event or Potential Dissolution Event has occurred in respect of the relevant Series; (ii) the aggregate value of the Cancelled Lease Assets will not exceed the aggregate face amount of the Cancelled Trust Certificates less the Cancellation Proportion of the aggregate amount of the Deferred Sale Price (which, for this purpose, shall exclude all Murabaha Profit Amounts forming part of such Deferred Sale Price) then outstanding, if any; and (iii) in respect of the Cancelled Lease Assets (or any of them), no Exercise Notice has been delivered under the Sale Undertaking and no Exercise Notice (as defined in the Purchase Undertaking) has been received under the Purchase Undertaking, in each case, where such Exercise Notice remains outstanding and the related redemption of Trust Certificates referred to therein has not occurred in accordance with the Conditions.

Following payment of the Exercise Price by Emaar (in the Specified Currency by wire transfer for same day value) into the Transaction Account on the Business Day immediately preceding the relevant Dissolution Date without set-off or counterclaim of any kind (save as set out below) and without any withholding or deduction for or on account of any Taxes unless required by law and, if there is any such withholding or deduction, the payment by Emaar of all additional amounts as will result in the receipt by the Trustee of such net amounts as would have been receivable by it if no such withholding or deduction had been made, the Trustee shall enter into a Sale Agreement with Emaar on the relevant Dissolution Date. Payment of the Exercise Price into the Transaction Account in accordance with this paragraph shall constitute full discharge of the obligation of Emaar to pay the Exercise Price to the Trustee (for the benefit of the Certificateholders).

An amount equal to the Service Charge Amounts to be paid by Emaar as part of any Exercise Price under the Sale Undertaking and any Service Charge Amount to be paid by the Trustee under clause 7 of the Servicing Agency Agreement in respect of which an aggregate payment of Supplementary Rental under the Supplemental Lease Agreement has not been made, shall be set-off against one another and the obligation to pay that part of the Exercise Price shall be discharged by such set-off.

**Servicing Agency Agreement**

The Servicing Agency Agreement entered into on 2 September 2019 by the Lessor and Emaar (as Servicing Agent) is governed by English law.

Pursuant to the Servicing Agency Agreement, the Servicing Agent is responsible on behalf of the Lessor for the carrying out of all Major Maintenance and Structural Repair (as defined in the Master Lease Agreement), the payment of proprietorship taxes levied or imposed on the Lease Assets and for effecting all appropriate insurances in respect of the Lease Assets. If the Servicing Agent fails to comply with such insurance obligations and, as a result of such breach, the amount (if any) credited to the Transaction Account pursuant to the terms of the Servicing Agency Agreement is less than the Full Reinstatement Value (the difference between the Full Reinstatement Value and the amount paid into the Transaction Account being the Total Loss Shortfall Amount), then the Servicing Agent (unless it proves beyond any doubt that any shortfall in the insurance proceeds is neither attributable to its negligence nor its failing to comply with the terms of the Servicing Agency Agreement relating to insurance) irrevocably and unconditionally undertakes to pay (in same day, freely transferable, cleared funds) the Total Loss Shortfall Amount directly to the Transaction Account by no later than close of business in London on the 31st day after the Total Loss Event has occurred. Subject to the Servicing Agent paying such Total Loss Shortfall Amount, there will be no further claim against the Servicing Agent for failing to comply with its obligations relating to insurance pursuant to the terms of the Servicing Agency Agreement.

All payments by the Servicing Agent under the Servicing Agency Agreement must be made in the Specified Currency without any withholding or deduction for or on account of any Taxes unless required by law and without set-off or counterclaim of any kind. If there is any such withholding or deduction, the Servicing Agent shall pay all additional amounts as will result in the receipt by the Lessor of such net amounts as would have been receivable by it if no such withholding or deduction had been made and accordingly the Servicing Agent undertakes to pay to the Lessor or such other persons as the Lessor may direct such additional amounts forthwith upon demand and in the manner and currency prescribed in the Servicing Agency Agreement.

The payment obligations of the Servicing Agent under the Servicing Agency Agreement are and will be direct, unconditional, unsubordinated and (subject to the negative pledge provisions described in Condition 6) unsecured obligations of the Servicing Agent and shall (save for such exceptions as may be provided by applicable law and subject to the negative pledge provisions described in Condition 6) at all times rank at least pari passu with all other unsecured and unsubordinated obligations of the Servicing Agent, present and future.

**Substitution and Sale of Additional Assets Undertaking**

The Substitution and Sale of Additional Assets Undertaking executed on 2 September 2019 by the Trustee as a deed in favour of Emaar is governed by English law.

Pursuant to the Substitution and Sale of Additional Assets Undertaking, **provided that** no Total Loss Event has occurred and no Dissolution Event has occurred and is continuing, the Trustee has irrevocably granted to Emaar the following rights:

(a) to require the Trustee to sell, transfer and convey on any Substitution Date all of the Trustee's rights, benefits and entitlements in, to and under the Substituted Assets against the sale, transfer and conveyance to the Trustee of the New Assets, **provided that**: (i) the aggregate value of the New Assets is equal to or greater than the aggregate value of the Substituted Assets as certified by Emaar in the relevant Substitution Notice; (ii) the aggregate value of the Assets (which, for this purpose, shall include the New Assets and exclude the Substituted Assets) is equal to or greater than 51 per cent. of the aggregate face amount of the relevant Trust Certificates as certified by Emaar in the relevant Substitution Notice; and (iii) in respect of the Substituted Assets (or any of them), no Exercise Notice (as defined in the Purchase Undertaking or the Sale Undertaking, as the case may be) has otherwise been received by Emaar under the Purchase Undertaking or delivered by it under the Sale Undertaking, in each case where such Exercise Notice remains outstanding and the related redemption of Trust Certificates referred to therein has not occurred in accordance with the Conditions; and

(b) if Additional Trust Certificates are to be issued in accordance with the Conditions, to require the Trustee to purchase all of Emaar's rights, benefits and entitlements in, to and under the Additional Assets at the Additional Assets Purchase Price, **provided that** the aggregate value of the Additional Assets is equal to or greater than 51 per cent. of the aggregate face amount of the Additional Trust Certificates as certified by Emaar in the relevant Additional Assets Notice.

**Master Murabaha Agreement**

The Master Murabaha Agreement entered into on 2 September 2019 between the Trustee (as Seller), Emaar (as Buyer) and the Delegate is governed by English law.

In connection with each Tranche of Trust Certificates, the Seller may enter into a Murabaha Contract with the Buyer using no more than 49 per cent. of the aggregate face amount of such Tranche **provided that**, in the case of each Tranche of Trust Certificates following the first Tranche, the value of the Additional Assets purchased in accordance with the Substitution and Sale of Additional Assets Undertaking is less than the aggregate face amount of the additional Trust Certificates which have been issued.

Pursuant to the Master Murabaha Agreement, on receipt of a duly completed Purchase Order from the Buyer, the Seller may on the Issue Date for the relevant Tranche and on the terms set out in the Purchase Order enter into commodity purchase transactions with the Supplier for Purchase to purchase commodities at the Commodity Purchase Price (as defined in the Master Murabaha Agreement). Following the purchase of the commodities by the Seller from the Supplier for Purchase, and **provided that** the Seller has acquired title to, and actual or constructive possession of, the commodities, the Seller may deliver to the Buyer a duly completed Letter of Offer and Acceptance.

**Provided that** the Buyer has delivered a duly completed Purchase Order in accordance with the terms of the Master Murabaha Agreement, the Buyer shall irrevocably and unconditionally undertake to accept the terms of, countersign and deliver to the Seller the Letter of Offer and Acceptance delivered to it in accordance with the Master Murabaha Agreement and (as a result of the Seller having acted on the request of the Buyer set out in the Purchase Order) purchase the commodities acquired by the Seller for the relevant Deferred Sale Price (to be paid in the Specified Currency and amounts and on the dates as specified in the Letter of Offer and Acceptance).

As soon as the Buyer has accepted the Seller's offer by countersigning the Letter of Offer and Acceptance: (a) a murabaha contract (a "**Murabaha Contract**") shall be created between the Seller and the Buyer upon the terms of the Letter of Offer and Acceptance and incorporating the terms and conditions set out in the Master Murabaha Agreement; (b) the Seller shall sell and the Buyer shall buy the commodities on the terms set out in the Letter of Offer and Acceptance; and (c) ownership of, and all risks in, to and under, the relevant commodities shall immediately pass to and be vested in the Buyer, together with all rights and obligations relating thereto.

The Deferred Sale Price, including as may be adjusted in accordance with the provisions of the Master Murabaha Agreement, shall be paid by the Buyer to the Seller in cleared funds by crediting: (a) the Murabaha Profit Amount, payable in the Instalment Profit Amounts and on the Deferred Payment Dates, each as specified in the Letter of Offer and Acceptance, to the Transaction Account; (b) where, in the case of an exercise of the Certificateholder Put Right only, less than the full amount of the outstanding Deferred Sale Price shall be payable in connection with the relevant Certificateholder Put Right Date, the Certificateholder Put Right Proportion of the remaining balance of the outstanding Deferred Sale Price on the Business Day prior to the Certificateholder Put Right Date to the Transaction Account; and (c) where the full amount of the outstanding Deferred Sale Price shall be payable in connection with the relevant Dissolution Date, the remaining balance of the outstanding Deferred Sale Price on or on the Business Day prior to the relevant Dissolution Date as specified in the Master Murabaha Agreement, to the Transaction Account.

All payments by the Buyer under the Master Murabaha Agreement and any Murabaha Contract must be made in the Specified Currency without any withholding or deduction for or on account of any Taxes unless required by law and without set-off or counterclaim of any kind. If there is any such withholding or deduction, the Buyer shall pay all additional amounts as will result in the receipt by the Seller of such net amounts as would have been receivable by it if no such withholding or deduction had been made and accordingly the Buyer undertakes to pay to the Seller or such other persons as the Seller may direct such additional amounts forthwith upon demand and in the manner and currency prescribed in the Master Murabaha Agreement.

The payment obligations of the Buyer under the Master Murabaha Agreement and any Murabaha Contract are and will be direct, unconditional, unsubordinated and (subject to the negative pledge provisions described in Condition 6) unsecured obligations of the Buyer and shall (save for such exceptions as may be provided by applicable law and subject to the negative pledge provisions described in Condition 6) at all times rank at least *pari passu* with all other unsecured and unsubordinated obligations of the Buyer, present and future.

***Sharia* Compliance**

Each Transaction Document provides that each of Emaar Sukuk Limited and Emaar Properties PJSC agrees that it has accepted the *Sharia* compliant nature of the Transaction Documents to which it is a party and, to the extent permitted by law, further agrees that:

(a) it shall not claim that any of its obligations under the Transaction Documents to which it is a party (or any provision thereof) is *ultra vires* or not compliant with the principles of *Sharia*;

(b) it shall not take any steps or bring any proceedings in any forum to challenge the *Sharia* compliance of the Transaction Documents to which it is a party; and

(c) none of its obligations under the Transaction Documents to which it is a party shall in any way be diminished, abrogated, impaired, invalidated or otherwise adversely affected by any finding, declaration, pronouncement, order or judgment of any court, tribunal or other body that the Transaction Documents to which it is a party are not compliant with the principles of *Sharia*.

## TAXATION

### General

*The following is a general description of certain UAE, Cayman Islands and European Union tax considerations relating to the Trust Certificates. It does not purport to be a complete analysis of all tax considerations relating to the Trust Certificates, whether in those jurisdictions or elsewhere. Prospective purchasers of Trust Certificates should consult their own tax advisers as to which countries' tax laws could be relevant to acquiring, holding and disposing of Trust Certificates and receiving payments under the Trust Certificates and the consequences of such actions under the tax laws of those countries. This summary is based upon the law as in effect on the date of this Base Prospectus and is subject to any change in law that may take effect after such date.*

### United Arab Emirates

*The following summary of the anticipated tax treatment in the UAE in relation to the payments on the Trust Certificates is based on the taxation law and practice in force at the date of this Base Prospectus, and does not constitute legal or tax advice. Prospective investors should be aware that the relevant fiscal rules and practice and their interpretation may change. Prospective investors should consult their own professional advisers on the implications of subscribing for, buying, holding, selling, redeeming or disposing of Trust Certificates and the receipt of any payments in respect of any Periodic Distribution Amounts and distributions (whether or not on a winding-up) with respect to such Trust Certificates under the laws of the jurisdictions in which they may be liable to taxation.*

There is currently in force in Dubai legislation establishing a general corporate taxation regime (the Dubai Income Tax Decree 1969 (as amended)). The regime is, however, not enforced save in respect of companies active in the hydrocarbon industry, some related service industries and branches of foreign banks operating in the UAE. It is not known whether the legislation will or will not be enforced more generally or within other industry sectors in the future. Under current legislation, there is no requirement for withholding or deduction for or on account of UAE or Dubai taxation in respect of payments on debt securities (including Periodic Distribution Amounts or Dissolution Amounts in relation to the Trust Certificates). In the event of the imposition of any such withholding, the Trustee has undertaken to gross-up any payments subject as described under Condition 13.

The Constitution of the UAE specifically reserves to the Federal Government of the UAE the right to raise taxes on a federal basis for purposes of funding its budget. It is not known whether this right will be exercised in the future.

The UAE has entered into double taxation arrangements with certain other countries, but these are not extensive in number.

### Cayman Islands

*The following is a discussion on certain Cayman Islands income tax consequences of an investment in the Trust Certificates. The discussion is a general summary of present law, which is subject to prospective and retroactive change. It is not intended as tax advice, does not consider any investor's particular circumstances and does not consider tax consequences other than those arising under Cayman Islands law.*

Under existing Cayman Islands laws, payments on the Trust Certificates will not be subject to taxation in the Cayman Islands and no withholding will be required on the payments to any holder of the Trust Certificates, nor will gains derived from the disposal of the Trust Certificates be subject to Cayman Islands income or corporation tax. The Cayman Islands currently have no income, corporation or capital gains tax and no estate duty, inheritance or gift tax.

The Trustee has obtained an undertaking from the Governor in Cabinet of the Cayman Islands, pursuant to the Tax Concessions Law (1999 Revision) of the Cayman Islands, that for a period of 20 years from the date of grant of that undertaking no law which is enacted in the Cayman Islands imposing any tax to be levied on profits, income, gains or appreciation shall apply to the Trustee or its operations and, in addition, that no tax to be levied on profits, income, gains or appreciations which is in the nature of estate duty or inheritance tax shall be payable on or in respect of the shares, debentures or other obligations (which includes the Trust Certificates) of the Trustee or by way of the withholding in whole or part of any relevant payment. No capital or stamp duties are levied in the Cayman Islands on the issue, transfer or redemption of Trust Certificates. However, an instrument transferring title to such Trust Certificates, if brought to or executed in the Cayman Islands, would be subject to Cayman Islands stamp duty. An annual registration fee is payable by the Trustee to the Cayman Islands Registrar of Companies which is calculated by reference to the nominal amount of its authorised capital. At current rates, this annual registration fee is approximately U.S.$854. The foregoing is based on current law and practice in the Cayman Islands and this is subject to change therein.

**Foreign Account Tax Compliance Act**

Pursuant to certain provisions of the U.S. Internal Revenue Code of 1986, commonly known as FATCA, a "*foreign financial institution*" may be required to withhold on certain payments it makes ("**foreign passthru payments**") to persons that fail to meet certain certification, reporting, or related requirements. The Trustee may be a foreign financial institution for these purposes. A number of jurisdictions (including the Cayman Islands) have entered into, or have agreed in substance to, intergovernmental agreements with the United States to implement FATCA ("**IGAs**"), which modify the way in which FATCA applies in their jurisdictions. Under the provisions of IGAs as currently in effect, a foreign financial institution in an IGA jurisdiction would generally not be required to withhold under FATCA or an IGA from payments that it makes. Certain aspects of the application of the FATCA provisions and IGAs to instruments such as the Trust Certificates, including whether withholding would ever be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Trust Certificates, are uncertain and may be subject to change. Even if withholding would be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Trust Certificates, such withholding would not apply prior to the date that is two years after the publication of the final regulations defining "foreign passthru payments". Holders should consult their own tax advisors regarding how these rules may apply to their investment in the Trust Certificates. In the event that any withholding would be required pursuant to FATCA or an IGA with respect to payments on the Trust Certificates, no person would be required to pay additional amounts as a result of such withholding.

**The proposed financial transactions tax ("FTT")**

On 14 February 2013, the European Commission published a proposal (the "**Commission's Proposal**") for a Directive for a common FTT in Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia (the "**participating Member States**"). However, Estonia has since stated that it will not participate.

The Commission's Proposal has very broad scope and could, if introduced, apply to certain dealings in Trust Certificates (including secondary market transactions) in certain circumstances. The issuance and subscription of Trust Certificates should, however, be exempt.

Under the Commission's Proposal the FTT could apply in certain circumstances to persons both within and outside of the participating Member States. Generally, it would apply to certain dealings in Trust Certificates where at least one party is a financial institution, and at least one party is established in a participating Member State. A financial institution may be, or be deemed to be, "established" in a participating Member State in a broad range of circumstances, including (a) by transacting with a person established in a participating Member State or (b) where the financial instrument which is subject to the dealings is issued in a participating Member State.

However, the FTT proposal remains subject to negotiation between the participating Member States. It may therefore be altered prior to any implementation, the timing of which remains unclear. Additional EU Member States may decide to participate.

Prospective holders of Trust Certificates are advised to seek their own professional advice in relation to the FTT.

## SUBSCRIPTION AND SALE

The Dealers have, in an amended and restated programme agreement (such programme agreement as modified and/or supplemented and/or restated from time to time, the "**Programme Agreement**") dated 2 September 2019, agreed with the Trustee and Emaar a basis upon which they or any of them may from time to time agree to purchase Trust Certificates. Any such agreement will extend to those matters stated under "*Terms and Conditions of the Trust Certificates*". In the Programme Agreement, each of the Trustee and Emaar has agreed to reimburse the Dealers for certain of their expenses in connection with the establishment and any future update of the Programme and the issue of Trust Certificates under the Programme.

### United States

The Trust Certificates have not been and will not be registered under the Securities Act and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. The Trust Certificates are being sold solely outside the United States to non-U.S. persons in reliance on Regulation S under the Securities Act. Each Dealer has represented and agreed that it has offered and sold any Trust Certificates, and will offer and sell any Trust Certificates (a) as part of their distribution at any time and (b) otherwise until 40 days after the completion of the distribution of all Trust Certificates of the Tranche of which such Trust Certificates are a part as determined and certified as provided below, only in accordance with Rule 903 of Regulation S under the Securities Act. Each Dealer who purchases Trust Certificates of a Tranche (or in the case of a sale of a Tranche of Trust Certificates issued to or through more than one Dealer, each of such Dealers as to the Trust Certificates of such Tranche to be purchased by or through it or, in the case of a syndicated issue, the relevant Lead Manager) shall determine and certify to the Principal Paying Agent the completion of the distribution of the Trust Certificates of such Tranche. On the basis of such notification or notifications, the Principal Paying Agent has agreed to notify such Dealer/Lead Manager of the end of the distribution compliance period with respect to such Tranche. Each Dealer has also agreed that, at or prior to confirmation of sale of Trust Certificates, it will have sent to each distributor, dealer or person receiving a selling concession, fee or other remuneration that purchases Trust Certificates from it during the distribution compliance period a confirmation or notice to substantially the following effect:

> "The Securities covered hereby have not been registered under the U.S. Securities Act of 1933, as amended (the "**Securities Act**"), and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons (i) as part of their distribution at any time or (ii) otherwise until 40 days after the completion of the distribution of the Securities as determined and certified by the relevant Dealer, in the case of a non-syndicated issue, or the Lead Manager, in the case of a syndicated issue, and except in either case in accordance with Regulation S under the Securities Act. Terms used above have the meanings given to them by Regulation S."

Terms used in this sub-section have the meanings given to them by Regulation S.

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it, its affiliates or any persons acting on its or their behalf have not engaged and will not engage in any directed selling efforts with respect to any Trust Certificate, and it and they have complied and will comply with the offering restrictions requirement of Regulation S.

### Public Offer Selling Restrictions under the Prospectus Regulation

In relation to each Member State of the European Economic Area, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent, warrant and agree, that it has not made and will not make an offer of Trust Certificates which are the subject of the offering contemplated by this Base Prospectus as completed by the applicable Final Terms in relation thereto to the public in that Member State, except that it may make an offer of such Trust Certificates to the public in that Member State:

(a) at any time to any legal entity which is a qualified investor as defined in the Prospectus Regulation;

(b) at any time to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Regulation) subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Trustee and Emaar for any such offer; or

(c) at any time in any other circumstances falling within Article 1(4) of the Prospectus Regulation,

**provided that** no such offer of Trust Certificates referred to above shall require the Trustee, Emaar or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation.

For the purposes of this provision, the expression an "**offer of Trust Certificates to the public**" in relation to any Trust Certificates in any Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Trust Certificates to be offered so as to enable an investor to decide to purchase or subscribe for the Trust Certificates, and the expression "**Prospectus Regulation**" means Regulation (EU) 2017/1129.

**United Kingdom**

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that:

(a) in relation to any Trust Certificates which have a maturity of less than one year, (i) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business and (ii) it has not offered or sold and will not offer or sell any Trust Certificates other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or as agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses where the issue of the Trust Certificates would otherwise constitute a contravention of Section 19 of the FSMA by the Trustee;

(b) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of any Trust Certificates in circumstances in which Section 21(1) of the FSMA does not apply to the Trustee or Emaar; and

(c) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Trust Certificates in, from or otherwise involving the United Kingdom.

**Cayman Islands**

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not made and will not make, whether directly or indirectly, any offer or invitation to the public in the Cayman Islands to subscribe for any Trust Certificates.

**Dubai International Financial Centre**

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered and will not offer the Trust Certificates to be issued under the Programme to any person in the DIFC unless such offer is:

(a) an "Exempt Offer" in accordance with the Markets Rules (MKT) Module of the rulebook of the DFSA (the "**DFSA Rulebook**"); and

(b) made only to persons who meet the Professional Client criteria set out in Rule 2.3.3 of the DFSA Conduct of Business Module of the DFSA Rulebook.

**Hong Kong**

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that:

(a) it has not offered or sold and will not offer or sell in Hong Kong, by means of any document, any Trust Certificates (except for Trust Certificates which are a "*structured product*" as defined in the

Securities and Futures Ordinance (Cap. 571) of Hong Kong (the "**SFO**")) other than (i) to "professional investors" within the meaning of the SFO and any rules made under the SFO; or (ii) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong (the "**C(WUMP)O**") or which do not constitute an offer to the public within the meaning of the C(WUMP)O; and

(b) it has not issued or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue, in each case whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Trust Certificates, which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to the Trust Certificates which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the SFO and any rules made under the SFO.

**Malaysia**

This Base Prospectus has not been registered as a prospectus with the Securities Commission of Malaysia under the CMSA. Accordingly, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that the Trust Certificates have not been and will not be offered, sold or delivered, and no invitation to subscribe for or purchase the Trust Certificates has been or will be made, directly or indirectly, nor may any document or other material in connection therewith be distributed in Malaysia, other than to persons falling within any one of the categories of persons specified under Part I of Schedule 6 or Section 229(1)(b) and Part I of Schedule 7 or Section 230(1)(b), read together with Schedule 8 or Section 257(3) of the CMSA, subject to any law, order, regulation or official directive of the Central Bank of Malaysia, the Securities Commission of Malaysia and/or any other regulatory authority from time to time.

**Saudi Arabia**

No action has been or will be taken in the Kingdom of Saudi Arabia that would permit a public offering of the Trust Certificates. Any investor in the Kingdom of Saudi Arabia or who is a Saudi person (a "**Saudi Investor**") who acquires any Trust Certificates pursuant to an offering should note that the offer of Trust Certificates is a private placement under Article 9 or Article 10 of the "Rules on the Offer of Securities and Continuing Obligations" as issued by the Board of the Capital Market Authority resolution number 3-123-2017 dated 27 December 2017, as amended by the Board of the Capital Market Authority resolution number 3-45-2018 dated 23 April 2018 (the "**KSA Regulations**"), made through an authorised person licensed to carry out arranging activities by the Capital Market Authority and following a notification to the Capital Market Authority under Article 11 of the KSA Regulations.

The Trust Certificates may thus not be advertised, offered or sold to any person in the Kingdom of Saudi Arabia other than to "Sophisticated Investors" under Article 9 of the KSA Regulations or by way of a limited offer under Article 10 of the KSA Regulations. Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that any offer of Trust Certificates made by it to a Saudi Investor will be made in compliance with Article 9 or Article 10 of the KSA Regulations.

Each offer of Trust Certificates shall not therefore constitute a "public offer", an "exempt offer" or a "parallel market offer" pursuant to the KSA Regulations, but is subject to the restrictions on secondary market activity pursuant to Article 15 of the KSA Regulations. Any Saudi Investor who has acquired Trust Certificates pursuant to a private placement under Article 9 or Article 10 of the KSA Regulations may not offer or sell those Trust Certificates to any person unless the offer or sale is made through an authorised person appropriately licensed by the Capital Market Authority and; (a) the Trust Certificates are offered or sold to a Sophisticated Investor (as defined in Article 9 of the KSA Regulations); (b) the price to be paid for the Trust Certificates in any one transaction is equal to or exceeds Saudi Riyals 1 million or an equivalent amount; or (c) the offer or sale is otherwise in compliance with Article 15 of the KSA Regulations.

**Singapore**

Each Dealer has acknowledged, and each further Dealer appointed under the Programme will be required to acknowledge, that this Base Prospectus has not been and will not be registered as a prospectus with the

Monetary Authority of Singapore. Accordingly, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered or sold any Trust Certificates or caused such Trust Certificates to be made the subject of an invitation for subscription or purchase, and will not offer or sell such Trust Certificates or cause such Trust Certificates to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, this Base Prospectus or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of such Trust Certificates, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor (as defined in Section 4A of the SFA) pursuant to Section 274 of the SFA, (ii) to a relevant person (as defined in Section 275(2) of the SFA) pursuant to Section 275(1) of the SFA, or any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provisions of the SFA.

Where Trust Certificates are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

(a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or

(b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities or securities-based derivatives contracts (each term as defined in Section 2(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Trust Certificates pursuant to an offer made under Section 275 of the SFA except:

(i) to an institutional investor or to a relevant person, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;

(ii) where no consideration is or will be given for the transfer;

(iii) where the transfer is by operation of law;

(iv) as specified in Section 276(7) of the SFA; or

(v) as specified in Regulation 37A of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018.

**United Arab Emirates (excluding the DIFC)**

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that the Trust Certificates to be issued under the Programme have not been and will not be offered, sold or publicly promoted or advertised by it in the UAE other than in compliance with any laws applicable in the UAE governing the issue, offering and sale of securities.

**General**

Each Dealer has agreed, and each further Dealer appointed under the Programme will be required to agree, that it will (to the best of its knowledge and belief) comply with all applicable securities laws and regulations in force in any jurisdiction in which it purchases, offers, sells or delivers Trust Certificates or possesses or distributes this Base Prospectus and will obtain any consent, approval or permission required by it for the purchase, offer, sale or delivery by it of Trust Certificates under the laws and regulations in force in any jurisdiction to which it is subject or in which it makes such purchases, offers, sales or deliveries and none of the Trustee, Emaar and any other Dealer shall have any responsibility therefor.

None of the Trustee, Emaar or any of the Dealers (i) makes any representation that any action has been or will be taken in any jurisdiction that would permit a public offering of any Trust Certificates, or possession or distribution of this Base Prospectus, any other offering, material or any Final Terms, in any country or jurisdiction where action for that purpose is required; or (ii) represents that Trust Certificates may at any time lawfully be sold in compliance with any applicable registration or other requirements in any jurisdiction, or pursuant to any exemption available thereunder, or assumes any responsibility for facilitating any such sale.

With regard to each Tranche, the relevant Dealer will be required to comply with any additional restrictions agreed between the Trustee, Emaar and the relevant Dealer and set out in the relevant dealer accession letter or subscription agreement, as the case may be.

## GENERAL INFORMATION

### Authorisation

The establishment of the Programme was duly authorised by a resolution of the Board of Directors of the Trustee dated 20 November 2008 and by the Board of Directors of Emaar dated 24 November 2008. The update of the Programme has been duly authorised by a resolution of the Board of Directors of the Trustee dated 22 August 2019 and a resolution of the Board of Directors of Emaar dated 29 August 2019. The issue of Trust Certificates will be authorised from time to time by each of the Boards of Directors of the Trustee and Emaar respectively.

### Listing of Trust Certificates

Application has been made to the DFSA for Trust Certificates issued under the Programme to be admitted to the DFSA Official List and to Nasdaq Dubai for such Trust Certificates to be admitted to trading on Nasdaq Dubai. The listing of the Programme in respect of Trust Certificates is expected to be granted on or around 2 September 2019.

### Documents Available

For the period of 12 months following the date of this Base Prospectus, copies of the following documents will, when published, be available for inspection from the registered office of the Trustee and from the specified office of the Principal Paying Agent:

(a) the Memorandum and Articles of Association of the Trustee and of Emaar;

(b) the consolidated audited financial statements of Emaar in respect of the financial years ended 31 December 2018 and 31 December 2017. Emaar currently prepares audited consolidated accounts on an annual basis;

(c) the most recently published annual audited consolidated financial statements of Emaar and the most recently published unaudited condensed consolidated interim financial statements (if any) of Emaar in each case together with any audit or review reports prepared in connection therewith. Emaar currently prepares unaudited condensed consolidated interim accounts on a quarterly basis;

(d) the Master Trust Deed, the Master Purchase Agreement, the Master Lease Agreement, the Agency Agreement, the Purchase Undertaking, the Sale Undertaking, the Substitution and Sale of Additional Assets Undertaking, the Master Murabaha Agreement and the forms of the Global Trust Certificate and the Trust Certificates in definitive form;

(e) each Supplemental Trust Deed, Supplemental Purchase Agreement, Supplemental Lease Agreement and Letter of Offer and Acceptance in relation to Trust Certificates which are admitted to listing, trading and/or quotation by any listing authority, stock exchange and/or quotation system;

(f) a copy of this Base Prospectus; and

(g) any future offering circulars, prospectuses, information memoranda, supplementary prospectus and supplements including Final Terms (save that a Final Terms relating to a Trust Certificate which is not listed on Nasdaq Dubai and neither admitted to trading on a regulated market in the European Economic Area nor offered in the European Economic Area in circumstances where a prospectus is required to be published under the Prospectus Regulation will only be available for inspection by a holder of such Trust Certificate and such holder must produce evidence satisfactory to the Trustee and the Principal Paying Agent as to its holding of Trust Certificates and identity) to this Base Prospectus and any other documents incorporated herein or therein by reference.

This Base Prospectus will be available for viewing on the website of each of the DFSA (http://www.dfsa.ae/) and Nasdaq Dubai (http:// www.nasdaqdubai.com).

### Clearing Systems

The Trust Certificates have been accepted for clearance through Euroclear and Clearstream, Luxembourg (which are the entities in charge of keeping the records). The appropriate ISIN and Common Code for each

Tranche of Trust Certificates allocated by Euroclear and Clearstream, Luxembourg (and, if applicable, Financial Instrument Short Name (FISN) and Classification of Financial Instruments (CFI) codes) will be specified in the applicable Final Terms. If the Trust Certificates are to clear through an additional or alternative clearing system the appropriate information will be specified in the applicable Final Terms.

The address of Euroclear is Euroclear Bank SA/NV, 1 Boulevard du Roi Albert II, B-1210 Brussels and the address of Clearstream, Luxembourg is Clearstream Banking, 42 Avenue JF Kennedy, L-1855 Luxembourg.

**The Legal Entity Identifier**

The Legal Entity Identifier (LEI) code of the Trustee is 549300NZHOOO6634T541.

**Significant or Material Change**

There has been no significant change in the financial or trading position of Emaar and its subsidiaries since 30 June 2019 and there has been no material adverse change in the financial position or prospects of Emaar and its subsidiaries since 31 December 2018.

There has been no significant change in the financial or trading position of the Trustee and no material adverse change in the financial position or prospects of the Trustee, in each case, since the date of its incorporation.

**Litigation**

Neither the Trustee nor Emaar nor any of Emaar's subsidiaries is or has been involved in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Trustee or Emaar is aware) in the 12 months preceding the date of this document which may have or have had in the recent past a significant effect on the financial position or profitability of the Trustee, Emaar and/or the Group.

**Auditors**

The Trustee is not required by Cayman Islands law, and does not intend, to publish audited financial statements or appoint any auditors.

Ernst & Young Middle East (Dubai Br.) ("**EY**"), of P.O. Box 9267, Al Saqr Business Tower, 28th floor, Sheikh Zayed Road, Dubai, UAE, has audited Emaar's consolidated financial statements, in accordance with International Standards on Auditing, for each of the financial years ended on 31 December 2018 and 31 December 2017, as stated in their reports incorporated by reference herein.

At Emaar's Annual General Meeting on 22 April 2019, the shareholders of Emaar approved the appointment of KPMG Lower Gulf Limited ("**KPMG**") of P.O. Box 3800, Dubai, UAE as auditors of Emaar, who replaced EY as the auditors of Emaar with effect from the 2019 financial year.

EY and KPMG are regulated in the UAE by the UAE Ministry of Economy which has issued each of EY and KPMG with a licence to practice as auditors. There is no professional institute of auditors in the UAE and, accordingly, EY and KPMG are not members of a professional body in the UAE.

**Dealers transacting with Emaar**

Certain of the Dealers and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, Emaar (and its affiliates) in the ordinary course of business.

In addition, in the ordinary course of their business activities, the Dealers and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/ or instruments of Emaar or Emaar's affiliates. Certain of the Dealers or their affiliates that have a lending relationship with Emaar routinely hedge their credit exposure to Emaar consistent with their customary risk management policies. Typically, such Dealers and their affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in securities, including potentially the Trust Certificates issued under the Programme. Any such short positions could adversely affect future trading prices of Trust Certificates issued under the Programme. The Dealers and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

***Sharia Boards***

***Description of the members of the Fatwa and Sharia Supervisory Board of Dubai Islamic Bank***

A description of the members of the Fatwa and Sharia Supervisory Board of Dubai Islamic Bank as at the date of this Base Prospectus is set out below.

*Dr Hussain Hamed Hassan (Chairman)*

Dr Hussain holds a PhD and is the head of the *Sharia* board of Dubai Islamic Bank and a member of Fatwa and *Sharia* boards of numerous other leading global Islamic finance institutions including Islamic Development Bank (IDB), Jeddah. For over 50 years, he has advised various central banks and regulators, has supervised the establishment and conversion of various Islamic financial institutions and advised Presidents of various Islamic Republics. He has established Islamic universities/faculties worldwide, including in Makkah, Islamabad, Kazakhstan and Libya. He is member of AAOIFI and the Islamic Financial Services Board, the International Fiqh Academy of the Organisation of the Islamic Conference, the Fiqh Academy of Muslim World League, Saudi Arabia and is also a President of American Muslim Jurists Association. Dr Hussain has authored 21 books and over 400 articles, has supervised translation of the Holy Quran into Russian and of 200 Islamic books into various languages.

*Dr. Mohamed Zoeir*

Dr. Zoeir holds a PhD in Islamic Economy and is a member of many Islamic Banks across the Middle East and Africa. He has authored numerous researches and studies in Islamic Finance and banking. Dr. Zoeir is also *Sharia* inspector, Secretary General of Board of *Sharia* at Dubai Islamic Bank, Chief Editor of Islamic Economics magazine.

*Dr. Muhammad Qaseem*

Dr. Muhammad Qaseem holds a PhD (Islamic Studies) from the Faculty of Usul ud Din, is the country head of *Sharia* board of Dubai Islamic Bank Pakistan Limited (DIBPL) and has served as *Sharia* board member of many other institutions. He also has written various articles on Islamic Banking. He has also been teaching various courses in various BA and MA programmes at the International Islamic University, Islamabad (IIUI). Dr. Muhammad Qaseem has many academic contributions, articles and literary and translation work.

*Dr. Muhammad Abdulrahim Sultan Al- Ulama*

Dr. Muhammad Sultan Al-Ulama holds a PhD in Islamic jurisprudence, is an assistant professor in various universities and a member of numerous academic committees. In addition to his contribution to worldwide seminars and conferences in the area of Islamic finance, he has published numerous articles and reports.

*Dr. Youssif Abdullah bin Saleh Al Shibly*

Dr. Youssif Al Shibly holds a PhD and is a comparative Fiqh professor in Saudi Arabia. He has contributed and presented many courses and training sessions to judges in Saudi Arabia. Dr. Al Shibly has also worked in Islamic institution in Washington, served as *Sharia* board member of many other institutions and has published more than 17 reports and researches.

***Description of the members of the Shariah Supervisory Committee of Standard Chartered Bank***

A description of the members of the Shariah Supervisory Committee of Standard Chartered Bank as at the date of this Base Prospectus is set out below.

***Shaikh Nizam Yaqubi***

Shaikh Nizam studied traditional Islamic studies under the guidance of eminent Islamic scholars from different parts of the world. He has a BA in Economics and Comparative Religions and MSc in Finance from McGill University, Canada, and also holds a PhD in Islamic Law from the University of Wales. In addition to advising Citi and other Islamic finance institutions and funds, Shaikh Nizam is a member of the Islamic Fiqh Academy and AAOIFI. Since 1976, he has taught Tafsir, Hadith and Fiqh in Bahrain and is a *Sharia* adviser to several international and local financial institutions worldwide. He has also published several articles and books on various Islamic subjects including Banking and Finance.

***Dr. Mohamed Ali Elgari***

Dr. Elgari holds a PhD in Economics from the University of California. He is a professor of Islamic Economics at King Abdul Aziz University and an expert at the Islamic Jurisprudence Academies of the Organisation of Islamic Countries, having published several articles and books on Islamic finance. Dr. Elgari is a member of the *Sharia* boards of several Islamic banks and Takaful companies, including the *Sharia* board of Dow Jones International Islamic Fund Market. He also sits on the *Sharia* boards of AAOIFI and is a member of the advisory board of Harvard Series on Islamic Law.

***Dr. Aznan Hasan***

Dr. Aznan Hasan is an Associate Professor in Islamic Law at Ahmad Ibrahim Kulliyyah of Laws, International Islamic University Malaysia and has taught Islamic law there since 2003. He is also President of the Association of Shariah Advisors in Islamic Finance and has been Deputy Chairman of the Shariah Advisory Council, Securities Commission of Malaysia since July 2010. He was a member of the Shariah Advisory Council, Bank Negara Malaysia (from November 2006 to August 2008 and from November 2010 to October 2013). He is also the Chairman of the Shariah Supervisory Board, Shariah Advisory Committee, Barclays DIFC (April 2011 to present). He is *Sharia* adviser to Maybank Islamic in Malaysia and has been advising ABSA Islamic Banking, South Africa since July 2010.

**ISSUER AND TRUSTEE**

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United Arab Emirates

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Citigroup Centre
Canada Square
Canary Wharf
London E14 5LB
United Kingdom

**PRINCIPAL PAYING AGENT, TRANSFER AGENT AND CALCULATION AGENT**

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United Kingdom

**REGISTRAR**

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*To the Trustee*
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United Arab Emirates

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**DEALERS**

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