



**Emaar Development PJSC**

Capital: AED 4,000,000,000

CR: 62240

P.O. Box 48882,

Dubai

United Arab Emirates

Tel 971.4.3998877

Fax 971.4.3998866

**Prospectus Announcement Concerning Listing the Shares of Emaar Development PJSC (the "Company") on Dubai Financial Market**

|  |   |
|--|---|
| <p><b>First:</b><br/>General information about the Company</p> | <p>The Company has operated as a part of Emaar Properties since its inception in 1997. The Government of Dubai gifted Emaar Properties the initial components of its land bank in 1998. In 1999, Emaar Properties launched Emirates Living, the first major freehold integrated lifestyle masterplan community in Dubai. The second project, Dubai Marina, launched in 2000 and was shortly thereafter followed in 2002 and 2004 with the launch of the Emaar Properties' desert-themed integrated lifestyle masterplan community, Arabian Ranches, and Downtown Dubai, its flagship community that combines commercial, residential, hotel, entertainment, shopping and leisure developments. The business of Emaar Properties was restructured to carve out the division and activities of real estate development out of Emaar Properties and transfer such division and activities to the Company since the latter is a subsidiary of Emaar Properties group.</p> <p>After the successful carve out process and the transfer of the real estate development division and activities of Emaar Properties to the Company, the Company became the leading developer of integrated lifestyle masterplan communities in Dubai, which feature world-class residential and commercial property, shopping malls and other retail assets and high-end hospitality and leisure attractions. Redefining the traditional approaches to property development, the Company's integrated lifestyle masterplan communities are distinguished by their world-class design, superior build quality, high quality finishes and wide range of amenities. Its integrated lifestyle masterplan concept combines retail, hospitality, leisure and other requirements of the Company's residents within secure, well-maintained communities. In addition, the Company 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. With the support of the Company's parent company, Emaar Properties, the Company has developed some of Dubai's most prestigious integrated lifestyle masterplan communities, including Emirates Living, the first major freehold community built in Dubai, and Downtown Dubai, one of the world's most visited destinations.</p> <p>The Company's extensive pipeline of projects in prime locations, including the Company's 170 million square foot gross floor area ("GFA") land bank for Build-To-Sell assets (213 million square foot total GFA) as at 30 September 2017, positions the Company to capitalize on the further growth of the Dubai residential real estate market. In addition to the Company's substantial existing land bank, the Company estimate that its land bank is sufficient to provide the Company with 12 years of project launches and 16 years of project completions, giving the Company a competitive advantage over others in the market who must invest substantial capital to secure land for development.</p> |
| <p><b>Second:</b><br/>Company activities</p>                   | <p><b>Main</b></p> <ul style="list-style-type: none"> <li>• Real estate development;</li> <li>• Buying and selling of real estate; and</li> <li>• Leasing and management of self-owned property</li> </ul>  |





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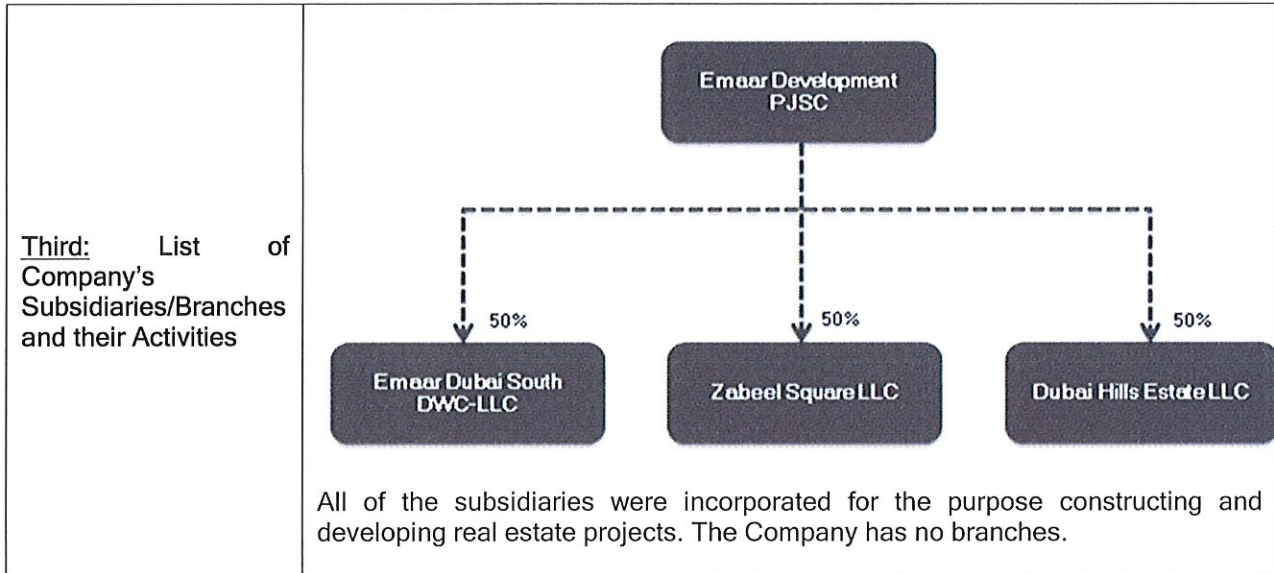
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**Fourth: Company's Board Members & Executive Management**

| #  | Name  | Nationality | Position                           |
|----|---|-------------|------------------------------------|
| 1. | H.E. Mohamed Ali Rashed Al Abbar              | UAE         | Chairman                           |
| 2. | Mr. Ahmed Bin Jamal Bin Hassan Jawa           | KSA         | Non-Executive Director             |
| 3. | Mr. Jamal Majid Khalfan Bin Theniyah          | UAE         | Non-Executive Director             |
| 4. | Mr. Arif Obaid Saeed Al Dehail                | UAE         | Non-Executive Director             |
| 5. | H.E. Dr. Aisha Butti Bin Humaid Bin Bishr     | UAE         | Independent Non-Executive Director |
| 6. | Mr. Abdulla Mohammed Abdulla Mohammed Al Awar | UAE         | Independent Non-Executive Director |
| 7. | Mr. Adnan Abdul Fattah Kazim Abdul Fattah     | UAE         | Independent Non-Executive Director |

| #  | Name of Board Member                 | Name and Legal Form of the Other Company that the Board Member is a Member of its Board   | Position   |
|----|--------------------------------------|---|--|
| 1. | H.E. Mohamed Ali Rashed Al Abbar     | <ul style="list-style-type: none"> <li>Emaar Properties PJSC</li> <li>Emaar Malls PJSC</li> <li>Aramex PJSC</li> <li>Commercial Bank of Dubai PJSC</li> </ul> | <ul style="list-style-type: none"> <li>Chairman</li> <li>Chairman</li> <li>Board Member</li> <li>Board Member</li> </ul> |
| 2. | Mr. Ahmed Bin Jamal Bin Hassan Jawa  | Emaar Properties PJSC   | Board Member   |
| 3. | Mr. Jamal Majid Khalfan Bin Theniyah | Emaar Properties PJSC   | Board Member   |
| 4. | Mr. Arif Obaid Saeed                 | Emaar Properties PJSC   | Board Member   |







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|    |   |     |     |
|----|---|-----|-----|
|    | Al Dehail                                     |     |     |
| 5. | H.E. Dr. Aisha Butti Bin Humaid Bin Bishr     | N/A | N/A |
| 6. | Mr. Abdulla Mohammed Abdulla Mohammed Al Awar | N/A | N/A |
| 7. | Mr. Adnan Abdul Fattah Kazim Abdul Fattah     | N/A | N/A |

| #  | Name                | Nationality | Position                       |
|----|---------------------|-------------|--------------------------------|
| 1. | Chris O'Donnell     | Australia   | Chief Executive Officer        |
| 2. | Sunil Grover        | India       | Chief Financial Officer        |
| 3. | Gianni Carfi        | Australia   | CEO of Development and Project |
| 4. | Rasha Hassan        | Iraq        | Chief Commercial Officer       |
| 5. | Milosha Mascarenhas | Portuguese  | Design Director                |
| 6. | Rami El Tawil       | Lebanon     | Head of Marketing              |
| 7. | Jeevan D'Mello      | India       | Chief Customer Officer         |
| 8. | Walid Karam         | Lebanon     | Legal Counsel                  |

**Fifth:**  
Names of the Shareholders (together with their minor children for individual shareholders and together with their subsidiaries for juristic shareholders) owning more than 5 % of the Company's shares and the Percentage of their Ownership

| #  | Shareholder                        | Nationality            | Percentage of Ownership Prior Offering | Percentage of Ownership Post Offering | No. of Shares Owned Post Offering |
|----|------------------------------------|------------------------|--|---------------------------------------|-----------------------------------|
| 1. | Emaar Properties PJSC              | UAE                    | 99%                                    | 79%                                   | 3,160,000,000                     |
| 2. | Emirates Property Holdings Limited | British Virgin Islands | 1%                                     | 1%                                    | 40,000,000                        |

**Sixth:**  
Brief of General Assembly Resolutions two years preceding the submission of the listing application form

The Company has not convened any general assembly meetings in the previous years.

**Seventh:**  
Substantial contracts of the company and its subsidiaries

The Company also entered into a master transfer agreement with the Parent, dated 29 September 2017 (the "Master Transfer Agreement"), in relation to the transfer of the Parent's UAE real estate development business (the "Business") to the Company.

In accordance with the terms of the Master Transfer Agreement, the Parent transferred to the Company (or procured the transfer by applicable members of its group to the Company of) all assets and liabilities relating to the Business, including, without limitation, certain plots of land, contracts, joint venture arrangements, intellectual property rights, and employees, in each case with effect from 1 September 2017.





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To the extent that any assets of the Business have not validly been transferred to the Company under the terms of the Master Transfer Agreement (or any other documents entered into pursuant thereto), the Parent agrees to (or agrees to procure that any relevant member of its group shall) continue to hold such asset for the benefit of the Company and manage such asset in accordance with the directions of the Company until such time as it has validly transferred to the Company.

In consideration for the transfer of the Business by the Parent, the Company issued 4,000,000,000 (four billion) shares worth AED 1 (one) each in its share capital to the Parent on 17 October 2017 and assumed the liabilities of the Business with effect from 1 September 2017.

In addition to setting out the terms of the transfer of the Business, the Master Transfer Agreement also sets out terms agreed between the Company and the Parent in relation to the development of the projects that form part of the Business, the ownership of units within such projects on completion of development and the ongoing allocation of development costs and infrastructure costs.

The Master Transfer Agreement includes indemnities from the Company to the Parent against any liabilities assumed by the Purchaser under the terms of the Master Transfer Agreement and against any losses suffered by the Parent arising from the conduct of the Business by the Company following 1 September 2017.

Furthermore, on 16 October 2017, the Company entered into an agreement with Emaar Properties (the "Relationship Agreement") that will come into force on Admission. The principal purpose of the Relationship Agreement is to ensure that the Company is capable at all times of carrying on its business independently of Emaar Properties.

The Relationship Agreement shall stay in effect until the earlier of: (i) Emaar Properties ceasing to own an interest, directly or indirectly, of at least 10 percent in the Company, at which point the rights and obligations of Emaar Properties under the Relationship Agreement shall terminate; and (ii) the Shares ceasing to be listed on the DFM; and (iii) the mutual agreement of the Company and Emaar Properties to terminate the Relationship Agreement (in whole or in part), subject to the prior approval of a majority of independent non-executive directors (or if there are two independent non-executive directors or fewer, then the approval of both or the sole independent non-executive director).

Under the terms of the Relationship Agreement, Emaar Properties agrees to conduct all transactions, relationships, arrangements and agreements with the Company on arm's length and on normal commercial terms. Emaar Properties undertakes to exercise its voting rights in the Company to ensure that: (i) the Board consists at all times of seven members; (ii) the majority of the members of the Board shall be non-executive directors; (iii) at least one-third of the members of the Board shall, at all times, be independent non-executive directors; and (iv)







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to the extent reasonably practicable, each member of the senior management of the Company as at Admission shall remain in a leadership position within the Company for a period of eight years following Admission. Emaar Properties will not seek to employ any of the senior management of the Company.

Emaar Properties agrees to provide certain shared services to the Company for a period of three years following Admission. In consideration for the provision of such services, the Company shall pay an annual management services fee to Emaar Properties equal to 3 percent of the Company's total annual revenue. The Company shall have an option to acquire any future development assets owned by Emaar Properties or any of its affiliates, whether alone or as part of a joint venture with a third party, whether such assets are identified at Admission or afterwards.

The price payable by the Company for a relevant development asset (the "Purchase Price") shall be determined by the agreement of the Company and Emaar Properties as to the Fair Market Value (as defined in the Relationship Agreement) of the relevant asset, failing which the Purchase Price should be determined by taking the average of two independent property valuations carried out by two internationally reputable property valuation firms (which are jointly appointed by the Company and Emaar Properties), provided that the Purchase Price shall not be lower than any purchase cost incurred by Emaar Properties. The Purchase Price and the overall terms of the acquisition shall require the approval of the Board of the Company (including the approval of the majority of the independent non-executive directors).

The Relationship Agreement will not impose restrictions on the Company's activities; the Company will be free to acquire assets at any stage of development from third parties, and to develop assets itself.

Emaar Properties shall make available to the Company a revolving credit facility of up to US\$300,000,000 in accordance with the terms of the Relationship Agreement (the "Credit Facility"). The Company shall use the Credit Facility for the purposes of meeting its cashflow requirements from time to time. The rate of interest payable by the Company to Emaar Properties for each loan granted by Emaar Properties under the Credit Facility (each a "Loan") is: (i) in respect of any Loan with a term of three years or shorter, 3-month LIBOR plus 1.4 percent per annum; or (ii) in respect of any Loan with a term longer than three years, 3-month LIBOR plus 2 percent per annum.

The Board believes that the terms of the Relationship Agreement will enable the Company to carry on its business independently from the Selling Shareholder and its affiliates, and to ensure that all transactions and relationships between the Company and the Selling Shareholder are, and will be, at arm's length and on a normal commercial basis.

**Eighth:**  
Company's assets,  
and current  
investments / projects  
within and outside

**Projects**

Our assets comprise wholly owned projects under development (with the exception of Downtown Views 2 (Zabeel Second land plot) for which we have signed a sale agreement but do not currently hold registered title to the land until





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| UAE                                | <p>the final instalment of the purchase price is made), projects undertaken with JV partners and our land bank.</p> <p>As at 30 September 2017 we had a gross asset value ("GAV") of AED35.6 billion (including 100 per cent. of our joint ventures). The table below sets out our GAV by project.</p> <p style="text-align: center;"><b>As at 30 September 2017</b></p> <table border="1"> <thead> <tr> <th></th> <th style="text-align: right;">GAV<br/>(AED bn)</th> <th style="text-align: right;">%<br/>GAV</th> <th style="text-align: right;">of Share<br/>GAV<br/>(AED bn)</th> <th style="text-align: right;">of % Share<br/>GAV</th> </tr> </thead> <tbody> <tr> <td colspan="5"><b>Wholly-owned projects</b></td> </tr> <tr> <td>Downtown Dubai.....</td> <td style="text-align: right;">12.1</td> <td style="text-align: right;">34.1</td> <td style="text-align: right;">12.1</td> <td style="text-align: right;">47.7</td> </tr> <tr> <td>Emirates Living.....</td> <td style="text-align: right;">0.6</td> <td style="text-align: right;">1.6</td> <td style="text-align: right;">0.6</td> <td style="text-align: right;">2.3</td> </tr> <tr> <td>Dubai Marina.....</td> <td style="text-align: right;">0.6</td> <td style="text-align: right;">1.8</td> <td style="text-align: right;">0.6</td> <td style="text-align: right;">2.6</td> </tr> <tr> <td>Arabian Ranches.....</td> <td style="text-align: right;">1.7</td> <td style="text-align: right;">4.8</td> <td style="text-align: right;">1.7</td> <td style="text-align: right;">6.8</td> </tr> <tr> <td>Rasal Khaimah.....</td> <td style="text-align: right;">0.2</td> <td style="text-align: right;">0.5</td> <td style="text-align: right;">0.2</td> <td style="text-align: right;">0.7</td> </tr> <tr> <td>Dubai Harbour.....</td> <td style="text-align: right;">0.4</td> <td style="text-align: right;">1.1</td> <td style="text-align: right;">0.4</td> <td style="text-align: right;">1.5</td> </tr> <tr> <td colspan="5"><b>Joint Ventures</b></td> </tr> <tr> <td>Dubai Hills Estate.....</td> <td style="text-align: right;">11.0</td> <td style="text-align: right;">31.0</td> <td style="text-align: right;">5.5</td> <td style="text-align: right;">21.7</td> </tr> <tr> <td>Zabeel Square.....</td> <td style="text-align: right;">0.5</td> <td style="text-align: right;">1.3</td> <td style="text-align: right;">0.2</td> <td style="text-align: right;">0.9</td> </tr> <tr> <td>Emaar South.....</td> <td style="text-align: right;">0.5</td> <td style="text-align: right;">1.4</td> <td style="text-align: right;">0.2</td> <td style="text-align: right;">1.0</td> </tr> <tr> <td colspan="5"><b>Joint Development Agreement</b></td> </tr> <tr> <td>Dubai Creek Harbour.....</td> <td style="text-align: right;">8.3</td> <td style="text-align: right;">23.4</td> <td style="text-align: right;">4.2</td> <td style="text-align: right;">16.4</td> </tr> <tr> <td><b>Total</b>.....</td> <td style="text-align: right;"><b>35.6</b></td> <td></td> <td style="text-align: right;"><b>25.4</b></td> <td></td> </tr> </tbody> </table> <p>Our share of the GAV amounted to AED 25.4 billion at 30 September 2017.</p> <p><b>Wholly owned projects under development</b></p> <p>The following discussion summarises the principal features of each of our wholly owned development projects:</p> <p><b>Downtown Dubai</b></p> <p>Downtown Dubai is our 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</p> |          | GAV<br>(AED bn)             | %<br>GAV          | of Share<br>GAV<br>(AED bn) | of % Share<br>GAV | <b>Wholly-owned projects</b> |  |  |  |  | Downtown Dubai..... | 12.1 | 34.1 | 12.1 | 47.7 | Emirates Living..... | 0.6 | 1.6 | 0.6 | 2.3 | Dubai Marina..... | 0.6 | 1.8 | 0.6 | 2.6 | Arabian Ranches..... | 1.7 | 4.8 | 1.7 | 6.8 | Rasal Khaimah..... | 0.2 | 0.5 | 0.2 | 0.7 | Dubai Harbour..... | 0.4 | 1.1 | 0.4 | 1.5 | <b>Joint Ventures</b> |  |  |  |  | Dubai Hills Estate..... | 11.0 | 31.0 | 5.5 | 21.7 | Zabeel Square..... | 0.5 | 1.3 | 0.2 | 0.9 | Emaar South..... | 0.5 | 1.4 | 0.2 | 1.0 | <b>Joint Development Agreement</b> |  |  |  |  | Dubai Creek Harbour..... | 8.3 | 23.4 | 4.2 | 16.4 | <b>Total</b> ..... | <b>35.6</b> |  | <b>25.4</b> |  |
|------------------------------------|--|----------|-----------------------------|-------------------|-----------------------------|-------------------|------------------------------|--|--|--|--|---------------------|------|------|------|------|----------------------|-----|-----|-----|-----|-------------------|-----|-----|-----|-----|----------------------|-----|-----|-----|-----|--------------------|-----|-----|-----|-----|--------------------|-----|-----|-----|-----|-----------------------|--|--|--|--|-------------------------|------|------|-----|------|--------------------|-----|-----|-----|-----|------------------|-----|-----|-----|-----|------------------------------------|--|--|--|--|--------------------------|-----|------|-----|------|--------------------|-------------|--|-------------|--|
|                                    | GAV<br>(AED bn)  | %<br>GAV | of Share<br>GAV<br>(AED bn) | of % Share<br>GAV |                             |                   |                              |  |  |  |  |                     |      |      |      |      |                      |     |     |     |     |                   |     |     |     |     |                      |     |     |     |     |                    |     |     |     |     |                    |     |     |     |     |                       |  |  |  |  |                         |      |      |     |      |                    |     |     |     |     |                  |     |     |     |     |                                    |  |  |  |  |                          |     |      |     |      |                    |             |  |             |  |
| <b>Wholly-owned projects</b>       |  |          |                             |                   |                             |                   |                              |  |  |  |  |                     |      |      |      |      |                      |     |     |     |     |                   |     |     |     |     |                      |     |     |     |     |                    |     |     |     |     |                    |     |     |     |     |                       |  |  |  |  |                         |      |      |     |      |                    |     |     |     |     |                  |     |     |     |     |                                    |  |  |  |  |                          |     |      |     |      |                    |             |  |             |  |
| Downtown Dubai.....                | 12.1   | 34.1     | 12.1                        | 47.7              |                             |                   |                              |  |  |  |  |                     |      |      |      |      |                      |     |     |     |     |                   |     |     |     |     |                      |     |     |     |     |                    |     |     |     |     |                    |     |     |     |     |                       |  |  |  |  |                         |      |      |     |      |                    |     |     |     |     |                  |     |     |     |     |                                    |  |  |  |  |                          |     |      |     |      |                    |             |  |             |  |
| Emirates Living.....               | 0.6  | 1.6      | 0.6                         | 2.3               |                             |                   |                              |  |  |  |  |                     |      |      |      |      |                      |     |     |     |     |                   |     |     |     |     |                      |     |     |     |     |                    |     |     |     |     |                    |     |     |     |     |                       |  |  |  |  |                         |      |      |     |      |                    |     |     |     |     |                  |     |     |     |     |                                    |  |  |  |  |                          |     |      |     |      |                    |             |  |             |  |
| Dubai Marina.....                  | 0.6  | 1.8      | 0.6                         | 2.6               |                             |                   |                              |  |  |  |  |                     |      |      |      |      |                      |     |     |     |     |                   |     |     |     |     |                      |     |     |     |     |                    |     |     |     |     |                    |     |     |     |     |                       |  |  |  |  |                         |      |      |     |      |                    |     |     |     |     |                  |     |     |     |     |                                    |  |  |  |  |                          |     |      |     |      |                    |             |  |             |  |
| Arabian Ranches.....               | 1.7  | 4.8      | 1.7                         | 6.8               |                             |                   |                              |  |  |  |  |                     |      |      |      |      |                      |     |     |     |     |                   |     |     |     |     |                      |     |     |     |     |                    |     |     |     |     |                    |     |     |     |     |                       |  |  |  |  |                         |      |      |     |      |                    |     |     |     |     |                  |     |     |     |     |                                    |  |  |  |  |                          |     |      |     |      |                    |             |  |             |  |
| Rasal Khaimah.....                 | 0.2  | 0.5      | 0.2                         | 0.7               |                             |                   |                              |  |  |  |  |                     |      |      |      |      |                      |     |     |     |     |                   |     |     |     |     |                      |     |     |     |     |                    |     |     |     |     |                    |     |     |     |     |                       |  |  |  |  |                         |      |      |     |      |                    |     |     |     |     |                  |     |     |     |     |                                    |  |  |  |  |                          |     |      |     |      |                    |             |  |             |  |
| Dubai Harbour.....                 | 0.4  | 1.1      | 0.4                         | 1.5               |                             |                   |                              |  |  |  |  |                     |      |      |      |      |                      |     |     |     |     |                   |     |     |     |     |                      |     |     |     |     |                    |     |     |     |     |                    |     |     |     |     |                       |  |  |  |  |                         |      |      |     |      |                    |     |     |     |     |                  |     |     |     |     |                                    |  |  |  |  |                          |     |      |     |      |                    |             |  |             |  |
| <b>Joint Ventures</b>              |  |          |                             |                   |                             |                   |                              |  |  |  |  |                     |      |      |      |      |                      |     |     |     |     |                   |     |     |     |     |                      |     |     |     |     |                    |     |     |     |     |                    |     |     |     |     |                       |  |  |  |  |                         |      |      |     |      |                    |     |     |     |     |                  |     |     |     |     |                                    |  |  |  |  |                          |     |      |     |      |                    |             |  |             |  |
| Dubai Hills Estate.....            | 11.0   | 31.0     | 5.5                         | 21.7              |                             |                   |                              |  |  |  |  |                     |      |      |      |      |                      |     |     |     |     |                   |     |     |     |     |                      |     |     |     |     |                    |     |     |     |     |                    |     |     |     |     |                       |  |  |  |  |                         |      |      |     |      |                    |     |     |     |     |                  |     |     |     |     |                                    |  |  |  |  |                          |     |      |     |      |                    |             |  |             |  |
| Zabeel Square.....                 | 0.5  | 1.3      | 0.2                         | 0.9               |                             |                   |                              |  |  |  |  |                     |      |      |      |      |                      |     |     |     |     |                   |     |     |     |     |                      |     |     |     |     |                    |     |     |     |     |                    |     |     |     |     |                       |  |  |  |  |                         |      |      |     |      |                    |     |     |     |     |                  |     |     |     |     |                                    |  |  |  |  |                          |     |      |     |      |                    |             |  |             |  |
| Emaar South.....                   | 0.5  | 1.4      | 0.2                         | 1.0               |                             |                   |                              |  |  |  |  |                     |      |      |      |      |                      |     |     |     |     |                   |     |     |     |     |                      |     |     |     |     |                    |     |     |     |     |                    |     |     |     |     |                       |  |  |  |  |                         |      |      |     |      |                    |     |     |     |     |                  |     |     |     |     |                                    |  |  |  |  |                          |     |      |     |      |                    |             |  |             |  |
| <b>Joint Development Agreement</b> |  |          |                             |                   |                             |                   |                              |  |  |  |  |                     |      |      |      |      |                      |     |     |     |     |                   |     |     |     |     |                      |     |     |     |     |                    |     |     |     |     |                    |     |     |     |     |                       |  |  |  |  |                         |      |      |     |      |                    |     |     |     |     |                  |     |     |     |     |                                    |  |  |  |  |                          |     |      |     |      |                    |             |  |             |  |
| Dubai Creek Harbour.....           | 8.3  | 23.4     | 4.2                         | 16.4              |                             |                   |                              |  |  |  |  |                     |      |      |      |      |                      |     |     |     |     |                   |     |     |     |     |                      |     |     |     |     |                    |     |     |     |     |                    |     |     |     |     |                       |  |  |  |  |                         |      |      |     |      |                    |     |     |     |     |                  |     |     |     |     |                                    |  |  |  |  |                          |     |      |     |      |                    |             |  |             |  |
| <b>Total</b> .....                 | <b>35.6</b>  |          | <b>25.4</b>                 |                   |                             |                   |                              |  |  |  |  |                     |      |      |      |      |                      |     |     |     |     |                   |     |     |     |     |                      |     |     |     |     |                    |     |     |     |     |                    |     |     |     |     |                       |  |  |  |  |                         |      |      |     |      |                    |     |     |     |     |                  |     |     |     |     |                                    |  |  |  |  |                          |     |      |     |      |                    |             |  |             |  |







## Emaar Development PJSC

Capital: AED 4,000,000,000

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world's tallest structure, the Burj Khalifa, which stands at 828 metres, the Dubai Mall (one of the world's largest shopping malls and the world's most visited mall), the Dubai Opera House (which will be Dubai's first dedicated multi-format opera house), Souq Al Bahar (a residential and retail destination), eight luxury hotels (including the first Armani Hotel) 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 and Sheikh Mohammed bin Rashid Boulevard, and a 3.5 km leisure and entertainment strip. An additional three luxury five-star hotels, The Address Boulevard, The Address Sky Views and The Address Fountain Views, are under construction.

### *Emirates Living*

This project has expanded from its original design and now includes seven related communities: Emirates Living, the Greens, the Views, the Lakes, the Meadows, the Springs and the Hills. The Emirates Living development includes four international schools, a four-star hotel, VIDA the Hills, the Montgomerie golf course and a complex of four commercial buildings known as "Emaar Business Park".

### *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, comprising approximately 200 high-rise towers. It is divided into 10 districts, each developed as a distinct community.

### *Arabian Ranches*

Arabian Ranches I is an approximately 71 million square metres master planned lifestyle community. Arabian Ranches I has 4,360 residential units made up of one and two storey single family homes ranging from 1,690 to 7,230 square feet in size. The community includes a golf course, 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".

Following the successful launch of Arabian Ranches I, the development of the Arabian Ranches II, adjacent to Arabian Ranches I, began in September 2012. It will comprise approximately 1,658 residential units made up of three- to six-bedroom independent villas ranging from 1,679 to 4,948 square feet in size, divided into 10 distinct communities.

### *Joint venture projects*

We undertake certain of our projects through joint venture arrangements. We partner with leading GREs that can provide access to premier land and complementary development expertise.

The following discussion summarises the principal features of each of our joint





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venture projects:

### *Dubai Hills Estate*

Dubai Hills Estate is the “city of the future” and the first phase of the Mohammed Bin Rashid City (“MBR City”), a planned mixed-use residential and commercial development within Dubai. Dubai Hills Estate is a master-planned community spread over 118 million square feet, and is located centrally by the junction of Umm Suqeim Road and Al Khail Road. 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.

### *Dubai Creek Harbour*

Dubai Creek Harbour is an integrated lifestyle masterplan 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.

### *Zabeel Square*

Zabeel Square is a joint venture project developed with Meraas to create a mixed-use development near Zabeel Park, Dubai. The total project value is AED4 billion, including BTO/BTL assets. It will contain over 1,700 residential units, 130,000 square feet of retail space and a hotel comprising 180,000 square feet and over 200 keys.

### *Emaar South*

Emaar South is our first development within DWC. 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, braded recreational facilities and a number of mosques.

### *Land bank*

We had, as at 30 September 2017, approximately 170 million square feet GFA in our land bank. We own 14 million square feet GFA, for BTS assets directly (including Dubai Harbour,). We also had access to 156 million square feet GFA through our joint venture relationships, including 47 million, 29 million and 80 million square feet contributed by Meraas Holding, the Dubai Aviation City Corporation and Dubai Holding, respectively. The principal components of our land bank form part of the projects described above.

### *Ras al Khaimah*







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|   | <p>Ras al Khaimah project is an approximately 1.4 million square feet project located at the tip of Al Marjan Island. The total project value is estimated at AED 2 billion, including BTS/BTL assets. It will have 800 residential units, over 12,000 square feet of retail space and a five-star hotel with 220 keys.</p>   |
| <p><b>Ninth:</b><br/>Description of operating performance and cash flows of the company</p>   | <p>Please refer to the financial statements for the Company's financial years 2014, 2015 and 2016 and the financial period ending on 30 September 2017.</p>   |
| <p><b>Tenth:</b><br/>Description of the loans and bank facilities of the Company, or which the Company agreed to bear, including bonds or instruments issued or guaranteed by the Company</p> | <p>The Company has entered into an Islamic murabaha financing agreement with First Abu Dhabi Bank PJSC ("<b>Bank</b>") encompassing a term facility of USD1.2 billion and a revolving facility of USD 100 million ("<b>Facilities</b>"). The Bank is the investment agent, security agent, account bank, mandated lead arranger, book runner and underwriting bank for the Facilities, and, as at the date of this prospectus, it is the sole financier. The Facilities have a five year term.</p> <p>The proceeds of the Facilities can be used by the Company for the payment of dividends, acquisition of land for development, repayment of advances made by Emaar Properties to the Company ("<b>Parent Bridge Advances</b>") and fees and expenses due to the Bank in connection with the Facilities. The Company is required to make regular repayments of the Facilities over the term.</p> <p>The Facilities are guaranteed by Emaar Properties ("<b>Parent</b>") for a limited period. The guarantee may be released on the Company's request provided the Bank receives agreed form written undertakings from the Parent ("<b>Parent Undertaking</b>"). The term sheet for the Facilities indicates the Parent must certify to the Bank that assets of a value equal to at least AED 11 billion have been transferred to the Company. If the audited financial statements for the period to 30 September 2017 do not support this certification the Parent is obliged to make up any shortfall in assets transferred or else the Facilities must be prepaid in full.</p> <p>Rights and revenues from certain specified projects ("<b>Assigned Projects</b>") transferred to the Company by the Parent shall secure repayment of the Facilities. These projects, the underlying assets and rights to proceeds from the corresponding project escrow accounts must be transferred to the Company from the Parent within six months of entering the Facilities. The Company must ensure all revenues and prescribed insurances that are not deposited into the escrow accounts of the Assigned Projects be routed through accounts pledged in favour of the Bank. When proceeds from the project escrow accounts become available to the Company or the Parent (as the case may be) these must also be deposited into the pledged accounts with the Bank. Proceeds received by the Company from revenues, insurances (not used in repair, replacement or reinstatement) and escrow accounts directed into accounts held with the Bank are to be used for the purposes of meeting its repayment and prepayment obligations under the Facilities.</p> <p>Upon certain events the Company must prepay all amounts then outstanding under the Facilities. This includes where the direct or indirect ownership of the Parent in the Company reducing below 51% or the Parent ceasing to control</p> |





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directly or indirectly the Company. Also, where the credit rating of the Parent falls below certain specified thresholds, subject to the parties agreeing an alternative solution, the Facilities may be cancelled and prepaid.

The Company is subject to three financial covenants under the terms of the Facilities: Net debt (being all debt of the Company less its cash and cash equivalent balances) must not exceed its EBITDA by more than four times. EBITDA of the Company must be greater than five times all finance charges payable less any interest receivable. Finally, the cash flows received and projected from the Assigned Projects must be a minimum of 1.5 times the Facilities. If this last financial covenant is breached, the Company may remedy the position by the assignment of revenues of another project or prepayment of the Facilities to meet the mandated threshold.

Subject to certain exceptions, the Facilities impose several restrictions on the Company's conduct of business, including but not limited to, the ability to incur new debt, declare dividends or make any distribution to shareholders from funds secured to the Bank where a default has occurred, dispose of assets, provide security to a third party, undertake mergers and acquisitions or change its business. Specific covenants apply to the Assigned Projects secured to the Bank to ensure the Company owns and is a diligent owner of the assets and that at least half of the units in each project have been sold. The Company may not repay or discharge (and the Parent cannot permit repayment or discharge) of any obligations owed to the Parent and any such liabilities are fully subordinated to the Facilities. Failure to meet any of the covenants or obligations by the Company or the Parent owed to the Bank or committing any default under the Facilities or the associated security, guarantee and finance documentation may result in the Facilities being cancelled, all amounts due and outstanding being payable and the Bank exercising its rights under the security documents and the guarantee from the Parent.

Initially the parties agreed that the following are the Assigned Projects which shall be transferred:

- (a) the development known as Downtown Views to be constructed in Downtown Dubai, Dubai;
- (b) the development known as Downtown Views II to be constructed in Downtown Dubai, Dubai;
- (c) the development known as FORTE to be constructed in Downtown Dubai, Dubai;
- (d) the development known as 42 | 52 to be constructed in Dubai Marina, Dubai;
- (e) the development known as Vida Residences Dubai Marina to be constructed in Dubai Marina, Dubai;
- (f) the development known as Act One | Act Two to be constructed in Downtown Dubai, Dubai;
- (g) the development known as The Address Dubai Opera to be constructed in Downtown Dubai, Dubai;
- (h) the development known as Vida Dubai Mall to be constructed in Downtown Dubai, Dubai; and
- (i) the development known as II PRIMO to be constructed in Downtown Dubai,





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|  | Dubai.<br><br>The Company has agreed to assign the benefit of its interest in the rights to the proceeds from the project escrow accounts as security in favour of the Bank when the Assigned Projects have been transferred to the Company by the Parent. Prior to transfer Emaar Properties has assigned its interest in the rights to the proceeds from the Assigned Projects' escrow accounts to the Bank. All revenues, insurances and proceeds from the project escrow accounts deposited into the accounts of Company held with the Bank are also pledged in favour of the Bank pursuant to a separate pledge agreement. No other security has been granted to the Bank in connection with the Facilities. |
| <b>Eleventh:</b><br>Lawsuits and<br>Arbitration Cases filed<br>by or against the<br>Company or the<br>Company is one of its<br>parties | N/A   |
| <b>Twelfth:</b><br>Insolvency &<br>Bankruptcy<br>Proceedings   | N/A   |

