EMAAR MALLS

Prospectus

OFFER TO SELL SHARES IN A PUBLIC SUBSCRIPTION IN THE UAE ONLY

No action has been taken or will be taken in any jurisdiction that would permit a public subscription of the Offer Shares or the possession, circulation or distribution of this Prospectus or any other material relating to the Company or the Offer Shares, in any country or jurisdiction where action for that purpose is required. Accordingly, the Offer Shares may not be offered or sold, directly or indirectly, nor may this Prospectus or any other offering material or advertisement or other document or information in connection with the Offer Shares be distributed or published, in or from any country or jurisdiction except under circumstances that will result in compliance with any applicable rules and regulations of any such country or jurisdiction.

Prospectus for sale of 2,000,000,000 shares in a company's share capital

EMAAR MALLS GROUP PJSC
in favour of the Founders in a public subscription following a book building process of the security

(under incorporation as a Joint Stock Company in the United Arab Emirates)

Offer Period

The offer period for the Individual Tranche (as described in this Prospectus) starts on 14 September 2014 and will close on 24 September 2014.
The offer period for the Qualified Institutional Tranche (as described in this Prospectus) starts on 14 September 2014 and will close on 26 September 2014.

The sale of 2,000,000,000 ordinary shares in a public subscription at an offer price range of AED 2.50 to AED 2.90 per Share (the "Offer Price Range"). The Final Offer Price will be announced after the closing of the subscription. Please refer to the description of "Final Offer Price" in this Prospectus which sets out a description of how the Final Offer Price is calculated.

The sale of 2,000,000,000 ordinary Shares of the total issued ordinary shares (the "**Shares**") of Emaar Malls Group PJSC ("**Company**"), a public joint stock company under incorporation in the United Arab Emirates ("**UAE**") and in the process of being converted from a limited liability company into a public joint stock company, which are being offered for sale by its shareholders, Emaar Properties PJSC ("**Emaar Properties**") and its wholly owned subsidiary, Emirates Property Holdings Limited, (together, the "**Selling Founders**" or "**Founders**"). Prior to this Offering, there has been no public market for the Shares. Following the closing of the subscription and the completion of the incorporation process, the Company will list its Shares on the Dubai Financial Market (the "**DFM**").

Method of sale of the Offered Shares in a public subscription:

The Offered Shares will be sold in a public offering through the application of a book building process, where a ledger of subscription orders, made only by the Qualified Institutional Subcribers, being corporate bodies including banks, financial institutions, investment funds and other companies and establishments will be kept.

In creating the subscription orders ledger, the shares subscribed by the Qualified Institutional Subscribers, being banks, financial institutions, investment funds and other specialised companies and establishments, will constitute the majority of the shares used in calculating the final share price of each Share. In order for the subscription to succeed, the subscription percentage of Qualified Institutional Subscribers must not be less than 60% and the subscription percentage of individuals must not be more than 40% of the number of Offered Shares. The Offer will be cancelled in case the aforesaid percentage is not achieved. The Selling Founders commit to cooperate with the Receiving Banks to refund the amounts received from Subscribers for the subscription including the proceeds accrued on such amounts between the date of receipt and the date of refund to the Subscribers, provided that the refund is made within 5 working days from the Closing Date of the subscription.

The shares of the Qualified Institutional Investors from banks, financial institutions, investment funds and/or other specialized companies must represent the majority of the shares used to calculate the Final Offer Price.

The Founders may not, whether directly or indirectly or through their subsidiaries, subscribe for the shares being offered for sale. This restriction also applies to the Joint Global Coordinators, the Joint Bookrunners and all parties participating in the subscription process, excluding the Underwriters in carrying out their obligations with regard to the Offered Shares. The Joint Global Coordinators and Joint Bookrunners are also permitted to subscribe for shares as part of the Offer on behalf of their clients.

A list of further definitions and abbreviations is provided on in the "Definitions and Abbreviations" Section of this Prospectus.

1—The Individual Tranche of the Offering is determined under this Prospectus and is restricted to the following persons: Natural persons (except for any person who is resident in the United States within the meaning of the US Securities Act 1933, as amended) who hold a NIN and bank account number;

2—In accordance with Article 80 of Federal Law No. 8 for the year 1984 with regard to the Companies Law and its amendments, the Emirates Investment Authority shall have the right to subscribe in the shares of any joint stock company incorporated in the UAE that offers its shares in a public subscription for not more than (5%) five per cent. of the shares that are offered for subscription;

3—The Qualified Institutional Tranche of the Offering is determined by an offer under the Qualified Institutional Tranche Document and is restricted to Qualified Institutional Investors (each being a juridical person who has been approved by the Company, the Founders, the Joint Global Coordinators and the Joint Bookrunners and who are one of the following: (i) in the United States and a QIB, (ii) a person outside the United States for whom a subscription can be made in reliance on Regulation S, or (iii) a person in the Dubai International Financial Center for whom a subscription can be made pursuant to an exemption from registration under the Market Rules Module of the DFSA Rulebook).

4—Subcribers who are shareholders of Emaar Properties as at the Record Date have certain preferential rights to subscribe in the Offer Shares (please refer to the section headed "Tranches" in Section 1 of this Prospectus).

Every Subscriber must hold a NIN and bank account number in order to be eligible to apply for Offer Shares.

Subscribers may submit a subscription application for only one Tranche. In the event a Subscriber applies for subscription in more than one Tranche, then the Founders may disregard one or both of such applications.

The approval of the Authority (the "**Securities and Commodities Authority**") has been obtained for the sale of the Shares in a public subscription. The Shares have not been registered with any other regulatory authority in any other jurisdiction.

The Arabic version of this Prospectus has been approved by the Authority in accordance with the provisions of the Commercial Companies Law Number 8 of 1984, as amended, and its executive resolutions.

Subscribers are also directed to the IPO website at www.emaar.com, where further information including the Qualified Institutional Tranche Document (in English only) is available for inspection or requested to call the following number: 800364476.

Investment in the Offer Shares involves a high degree of risk. Prospective subscribers should carefully read the "Investment Risks" Section of this Prospectus to inform themselves about factors that should be considered before investing in the Offer Shares.

Name of Participants in the sale of the Shares in a public subscription

Financial Adviser

Rothschild (Middle East) Limited
Level 7
Precinct Building 6, DIFC
P.O. Box 506570
Dubai, United Arab Emirates

Joint Bookrunners

EFG-Hermes UAE Limited
Gate Building West Wing, 6th Floor,
DIFC, P.O. Box 30727
Dubai, United Arab Emirates

Emirates Financial Services PSC
P.O. Box 2336
Dubai, United Arab Emirates

HSBC Bank Middle East Limited
2nd Floor, Building No.5
Emaar Square, Sheikh Zayed Road
Dubai, United Arab Emirates

National Bank of Abu Dhabi PJSC
One NBAD Tower
Sheikh Khalifa Street
P.O. Box 4
Abu Dhabi, United Arab Emirates

Lead Receiving Banks

National Bank of Abu Dhabi PJSC
One NBAD Tower
Sheikh Khalifa Street
P.O. Box 4
Abu Dhabi, United Arab Emirates

Emirates NBD Bank PJSC
P.O. Box 777
Dubai, United Arab Emirates

Receiving Banks

First Gulf Bank PJSC
P.O. Box 6316
Abu Dhabi, United Arab Emirates

Mashreq Bank PJSC
P.O. Box 125
Dubai, United Arab Emirates

Union National Bank PJSC
Salam Street
P.O. Box 3865
Abu Dhabi, United Arab Emirates

Finance House PJSC
Orgowan Tower, Zayed First Street, Khalidia
P.O. Box 7878
Abu Dhabi, United Arab Emirates

Dubai Islamic Bank PJSC
P.O. Box 1080
Dubai, United Arab Emirates

Emirates Islamic Bank PJSC
P.O. Box 6564
Dubai, United Arab Emirates

IPO Subscription Legal Counsel

Legal advisor to the Company as to UAE law

Al Tamimi & Company
6th Floor, Building 4 East,
Dubai International Financial Centre,
P.O. Box 9275,
Dubai, United Arab Emirates

Legal advisor to the Company as to English and US law

Linklaters LLP
9th Floor, Currency House
Dubai International Financial Centre
P.O. Box 506516
Dubai, United Arab Emirates

Legal advisor to the Joint Bookrunners and Joint Global Co-ordinators as to UAE, English and US law

Allen & Overy LLP
Level 2
Gate Village Building No. 8
Dubai International Financial Centre
P.O. Box 506678
Dubai, United Arab Emirates

Reporting Accountants

Ernst & Young Middle East—Dubai Branch.
P.O. Box 9267
28th Floor
Al Attar Business Tower
Dubai, United Arab Emirates

IPO Subscription Auditors

Ernst & Young Middle East—Dubai Branch.
P.O. Box 9267
28th Floor
Al Attar Business Tower
Dubai, United Arab Emirates

Investor Relations Officer

Heba El Beleidy
Emaar Malls Group PJSC (under incorporation)
Tel: 043673326
P.O. Box 9440
Dubai, United Arab Emirates

This Prospectus is dated 14 September 2014.

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IMPORTANT NOTICE

(To be carefully read by all Subscribers)

- This Prospectus and the Articles of Association are primarily intended to furnish Subscribers with essential information that could help them to subscribe in the Offer Shares. Prior to making an application for subscription, each Subscriber must carefully examine and consider all data included in this Prospectus as well as the Articles of Association to determine whether it is appropriate to invest in these shares or not. Each Subscriber must also consult with his financial and legal advisor on the investment in the Offer Shares. Any person reading this Prospectus must note that words and phrases stating that information is estimated and reliant on future assumptions indicates that it is uncertain data and such future estimations cannot be entirely reliable. This Prospectus is subject to revision since it is not possible to ascertain future circumstances which can result in a material difference between the actual and expected results.
- Subscription in the Offer Shares may entail considerable risks. Therefore, the Subscriber must not invest any funds in this Offering unless he is able to bear the loss of his investment (kindly refer to the "Investment Risks" Section of this Prospectus).
- This Prospectus contains data submitted according to the issuance and disclosure rules issued by the Authority in the UAE. The Selling Founders and nominated board members of the Company whose names are set out in this Prospectus shall be severally and jointly liable for the accuracy of information and data contained herein and they must ensure to the best of their knowledge and belief, and upon carrying out due diligence and conducting possible and reasonable investigations, that there have been no omissions of other material facts or information that would mislead or affect the investment decision of Subscribers.
- The information contained in this Prospectus shall not be subject to revision or addition without securing the approval of the Authority and informing the public of such revisions or additions by publishing them in two daily newspapers in accordance with the rules issued by the Authority. The Founders reserve the right to withdraw the Offer Shares at any time and at their sole discretion with the prior written approval of the Authority.
- The Offer Shares under this Prospectus are being offered for the purpose of subscription in the United Arab Emirates. If the Offer Shares are offered in another country, the Company shall offer the Offer Shares in a manner that is compliant with the applicable laws and rules and acceptable to the relevant authorities in the relevant jurisdiction.
- This Prospectus is not intended to constitute a financial promotion, offer, sale or delivery of shares or other securities under the Dubai International Financial Centre ("**DIFC**") Markets Law (DIFC Law No. 12 of 2004, as amended) ("**Markets Law**") or under the Markets Rules ("**Markets Rules**") of the Dubai Financial Services Authority ("**DFSA**"). The Offering has not been approved or licensed by the DFSA, and does not constitute an offer of securities in the DIFC in accordance with the Markets Law or the Markets Rules.
- This Prospectus was approved by the Authority. The Authority's adoption of this Prospectus shall neither be deemed as an approval of the subscription feasibility nor a recommendation of investment, but it means only that the minimum requirements for a public subscription according to the issuance rules and making information disclosures required for the prospectuses and issued by the Authority have been met. The Authority shall not be held liable for the accuracy, completeness or sufficiency of the information contained in this Prospectus, nor shall be held liable for any damage or loss suffered by any person due to reliance upon this Prospectus or any part thereof.
- This Prospectus was issued on 14 September 2014.

PRESENTATION OF FINANCIAL AND OTHER INFORMATION

Historical financial information

The Company's historical financial information as of and for the three years ended 31 December 2011, 2012 and 2013 and as of 30 June 2014 and for the six month periods ended 30 June 2013 and 2014 (the "**Historical Financial Information**"), have been included in this Prospectus. The Historical Financial Information has been prepared in accordance with International Financial Reporting Standards ("**IFRS**") as issued by the International Accounting Standards Practices Board and applicable requirements of UAE laws, save as described under Note 2.1 to the Historical Financial Information. The Historical Financial Information for the six month period ended 30 June 2013 is unaudited.

Currency presentation

Unless otherwise indicated, all references in this document to:

- "UAE dirham" or "AED" are to the lawful currency of the United Arab Emirates; and
- "US dollars" or "USD" are to the lawful currency of the United States of America.

Rounding

Certain data in this document, including financial, statistical, and operating information, has been rounded. As a result of the rounding, the total of the data presented in this document may vary slightly from the actual arithmetic totals. Percentages in tables have been rounded and accordingly may not add up to 100%.

FORWARD-LOOKING STATEMENTS

This document includes forward-looking statements. These forward-looking statements involve known and unknown risks and uncertainties, many of which are beyond our control and all of which are based on our current beliefs and expectations about future events. Forward-looking statements are sometimes identified by the use of forward-looking terminology such as "believe", "expects", "may", "will", "could", "should", "shall", "risk", "intends", "estimates", "aims", "plans", "predicts", "continues", "assumes", "positioned" or "anticipates" or the negative thereof, other variations thereon or comparable terminology. These forward-looking statements include all matters that are not historical facts. They appear in a number of places throughout this document and include statements regarding intentions, beliefs and current expectations concerning, among other things, our results of operations, financial condition, liquidity, prospects, growth, strategies, and dividend policy and the industry in which we operate. In particular, the statements under the headings regarding our strategy and other future events or prospects and in the "Investment Risks" and "Key Details of the Company" section include forward-looking statements.

These forward-looking statements and other statements contained in this document relate to matters that are not historical facts and involve predictions. No assurance can be given that such future results will be achieved: actual events or results may differ materially as a result of risks and uncertainties that we face. Such risks and uncertainties could cause actual results to vary materially from the future results indicated, expressed, or implied in such forward-looking statements. Please refer to the "Investment Risks" section for further confirmation in this regard.

The forward-looking statements contained in this document speak only as of the date of this document. The Company and HSBC Bank Middle East Limited, National Bank of Abu Dhabi PJSC, Emirates Financial Service PSC and EFG Hermes UAE Limited (together, the "**Joint Bookrunners**") and the Financial Adviser expressly disclaim any obligation or undertaking to update these forward-looking statements contained in the document to reflect any change in their expectations or any change in events, conditions, or circumstances on which such statements are based unless required to do so by applicable law.

IMPORTANT INFORMATION

This Prospectus does not constitute or form part of any offer or invitation to sell or issue, or any solicitation of any offer to purchase or subscribe for, any securities other than the securities to which it relates or any offer or invitation to sell or issue, or any solicitation of any offer to purchase or subscribe for, such securities by any person in any circumstances in which such offer or solicitation is unlawful.

Recipients of this Prospectus are authorised solely to use this Prospectus for the purpose of considering the acquisition of the Offer Shares, and may not reproduce or distribute this Prospectus, in whole or in part, and may not use any information herein for any purpose other than considering investment subscription in the Offer Shares. Such recipients of this Prospectus agree to the foregoing by accepting delivery of this Prospectus.

Prior to making any decision as to whether to invest in the Offer Shares, prospective Subscribers should read this Prospectus in its entirety (and, in particular, the section headed "Investment Risks" when considering making an investment in the Company) as well as the Memorandum of Association and Articles of Association of the Company. In making an investment decision, each Subscriber must rely on their own examination, analysis and enquiry of the Company and the terms of the Offering, including the merits and risks involved. The Subscribers also acknowledge that: (i) they have not relied on the Joint Global Coordinators (as defined below), the Joint Bookrunners or the Financial Adviser (each as defined below) or any person affiliated with the Joint Global Coordinators, the Joint Bookrunners or the Financial Adviser in connection with any investigation of the accuracy of any information contained in this Prospectus or their subscription decision; and (ii) they have relied only on the information contained in this document. No person has been authorised to give any information or make any representations other than those contained in this Prospectus and, if given or made, such information or representations must not be relied on as having been so authorised by the Company, the Founders, the Joint Global Coordinators, the Joint Bookrunners or the Financial Adviser. Neither the delivery of this Prospectus nor any subscription or sale made under it shall, under any circumstances, create any implication that there has been no change in the affairs of the Company since the date of this document or that the information in it is correct as of any subsequent time.

None of the Company, the Joint Global Coordinators, the Joint Bookrunners, the Lead Receiving Banks or the Financial Adviser or any of their respective representatives, is making any representation to any prospective subscriber of the Offer Shares regarding the legality of a subscription in the Offer Shares by such prospective subscriber under the laws applicable to such prospective subscriber. The contents of the Prospectus should not be construed as legal, financial or tax advice. Each prospective subscriber should consult his, her or its own legal, business, financial or tax adviser for legal, business, financial or tax advice and related aspects of a purchase of the Offer Shares.

No person has been authorised to give any information or make any representation other than those contained in this document and, if given or made, such information or representation must not be relied upon as having been so authorised. Neither the delivery of this document nor any subscription or sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the Company since the date of this document or that the information in this document is correct as of any time subsequent to the date hereof.

The participants in this Offering do not accept any responsibility for the accuracy or completeness of any information reported by the press or other media, nor the fairness or appropriateness of any forecasts, views or opinions expressed by the press or other media regarding the Offering or the Company. The Participants make no representation as to the appropriateness, accuracy, completeness or reliability of any such information or publication.

Merrill Lynch International ("**BofA Merrill Lynch**"), J.P. Morgan Securities plc ("**J.P. Morgan**") and Morgan Stanley & Co. International plc ("**Morgan Stanley**") have been appointed as joint global coordinators and joint bookrunners (together the "**Joint Global Coordinators**"). The Joint Global Coordinators, the Joint Bookrunners and Rothschild (Middle East) Limited (the "**Financial Adviser**") are acting exclusively for the Company and no one else in connection with the Offering, will not regard any other person (whether or not a recipient of this document) as a client in relation to the Offering and will not be responsible to anyone other than the Company for providing the protections afforded to their respective clients nor for giving advice in relation to the Offering or any transaction or arrangement referred to in this document. The Joint Global Coordinators, the Joint Bookrunners and the Financial Adviser and any of their respective affiliates may have engaged in transactions with, and provided various investment banking, financial advisory and other services for, the Company for which they would have received customary fees. The Joint Global Coordinators are not participating in receiving the subscription funds or managing the public offering of the Offer Shares in the UAE.

The banks licensed by the UAE Central Bank will manage the public subscription process in the UAE and the foreign banks that are not licensed by the Central Bank of the United Arab Emirates will not participate in the management of the public subscription process in the UAE.

Apart from the responsibilities and liabilities, if any, which may be imposed on any of the Joint Global Coordinators, the Joint Bookrunners or the Financial Adviser under the regulatory regime of any jurisdiction where the exclusion of liability under the relevant regulatory regime would be illegal, void or unenforceable, none of the Joint Global Coordinators, the Joint Bookrunners or the Financial Adviser accepts any responsibility whatsoever for, or makes any representation or warranty, express or implied, as to the accuracy, completeness or verification of the contents of this document or for any other statement made or purported to be made by it, or on its behalf, in connection with the Company, the Offer Shares or the Offering and nothing in this Prospectus will be relied upon as a promise or representation in this respect, whether or not to the past or future. Each of the Joint Global Coordinators, the Joint Bookrunners and the Financial Adviser accordingly disclaims all and any responsibility or liability, whether arising in tort, contract or otherwise (save as referred to above), which it might otherwise have in respect of this Prospectus or any such statement.

Definitions and Abbreviations

AED or UAE Dirham	The lawful currency of the United Arab Emirates.
Articles of Association	The articles of association of the Company.
Authority	The Securities and Commodities Authority of the United Arab Emirates.
Board	The board of directors of the Company.
Closing Date	24 September 2014 is the closing date of the Individual Tranche and 26 September 2014 for the closing of the Qualified Institutional Tranche.
Companies Law	The UAE Commercial Companies Law No. 8 of 1984, as amended.
Company	Emaar Malls Group PJSC (under incorporation), which is being converted from a limited liability company to a public joint stock company in Dubai pursuant to the applicable laws of the UAE.
DFM	Dubai Financial Market in the UAE.
EBITDA	Earnings before interest, tax, depreciation and amortization.
Final Offer Price	The final Offer Price of the Offer Shares which will be determined, following a bookbuilding process for the Qualified Institutional Tranche, through discussions with the Joint Global Coordinators and Joint Bookrunners. The shares of the qualified investors, being banks, financial institutions, investment funds and/or other specialized companies, must represent the majority of the shares used to calculate the Final Offer Price of the Offer Shares. Following closing of the Individual Tranche, the Company will publish an announcement setting out the Final Offer Price (the "**Offer Price Announcement**"), which will be published in two Arabic local daily newspapers and one English newspaper in the UAE and on the website (www.emaar.com).
Financial year	The financial year of the Company will start on 1 January and end on 31 December of each year.
GCC	Gulf Cooperation Council countries comprising the United Arab Emirates, Kingdom of Saudi Arabia, Oman, Qatar, Kuwait and Bahrain.
IFRS	International Financial Reporting Standards.
Subscriber	A natural or juridical applicant who applies for subscription in the Offer Shares.
iVESTOR Card	A VISA pre-paid smart card issued for investors registered with DFM and subject to the iVESTOR Card terms and conditions available on the DFM website (www.dfm.ae).
Listing of the Shares	Following the closing of the subscription, the allocation to Subscribers and the finalization of the incorporation of the Company after being converted from a limited liability company to a public joint stock company with the relevant authorities in the UAE, the Company will list all of its Shares on the DFM. Trading in the Shares on the DFM will be effected through the DFM share registry.

Maximum Investment	No maximum subscription in Offer Shares has been set. However, the Articles of Association prohibits any single shareholder from holding more than 5% of the Shares in the Company other than the Selling Founders. The Founders may not subscribe in the Offer Shares whether directly or indirectly or through their subsidiaries. This restriction also applies to the Joint Global Coordinators, the Joint Bookrunners and all parties participating in the subscription process, excluding the Underwriters in carrying out their obligations with regard to the Offered Shares. The Joint Global Coordinators and Joint Bookrunners are also permitted to subscribe for Offered Shares on behalf of their clients.
Minimum Investment	The minimum subscription in Offer Shares for the Individual Tranche has been set at AED 10,000, with any additional investment to be made in increments of at least AED 1,000 (see the Section "Subscription Amount" for further details).
NIN	The National Investor Number provided on registration as a new investor in DFM.
Offering	The public subscription in 2,000,000,000 shares of the total share capital of the Company which are being offered for sale by the Selling Founders pursuant to the Individual Tranche and the Qualified Institutional Tranche (each, a "**Tranche**").
Offer Price	The Offer Shares are being offered at a price range of AED 2.50 to AED 2.90 per share. The price at which the Offer Shares will be acquired by the Subscribers will be the Final Offer Price.
Offer Period	The subscription period for the Individual Tranche starts on 14 September 2014 and will close on 24 September 2014. The subscription period for the Qualified Institutional Tranche starts on 14 September 2014 and will close on 26 September 2014.
Offer Shares	2,000,000,000 ordinary Shares which will be sold by the Selling Founders in a public subscription process.
Ownership Restrictions	Non-UAE nationals may not hold more than 49% of the Shares in the Company.
QIB	"Qualified Institutional Buyer" as defined in Rule 144A.
Qualified Institutional Investor	Any juridical persons including the banks, financial institutions, investment funds and other companies and institutions who have been approved by the Company, the Founders, the Joint Global Coordinators and Joint Bookrunners who is one of the following (i) in the United States and a QIB, (ii) a person outside the United States for whom an offer can be made in reliance on Regulation S, or (iii) a person in the Dubai International Financial Center for whom an offer can be made pursuant to an exemption from registration under the Market Rules Module of the DFSA's Rulebook.

Qualified Institutional Tranche	The offer of Offer Shares to Qualified Institutional Subscribers made under the Qualified Institutional Tranche Document. This Tranche is restricted to Qualified Institutional Subcribers (being any juridical persons from the banks, financial institutions, investment funds and other companies and institutions who have been approved by the Company, the Selling Founders the Joint Global Coordinators and Joint Bookrunners and who are one of the following: (i) in the United States and a QIB; (ii) a person outside the United States to whom an offer can be made in reliance on Regulation S; or (iii) a person in the Dubai International Financial Center to whom an offer can be made pursuant to an exemption from registration under the Market Rules Module of the DFSA's Rulebook.
Qualified Institutional Tranche Document	The offer document for the Qualified Institutional Tranche which is available at www.emaar.com.
Receiving Banks	The group of banks led by the Lead Receiving Banks (National Bank of Abu Dhabi PJSC and Emirates NBD Bank PJSC), comprising those banks and the other participating receiving banks (Mashreq Bank PJSC, Dubai Islamic Bank PJSC, First Gulf Bank PJSC Emirates Islamic Bank PJSC, Finance House PJSC and Union National Bank PJSC).
Individual Subcriber	A natural person who holds a NIN and has a bank account number.
Record Date	10 September 2014.
Regulation S	Regulation S under the US Securities Act.
Rule 144A	Rule 144A under the US Securities Act.
Individual Tranche	The Offering of the Offer Shares to any natural person who holds a NIN, has a bank account number and who has not and will not participate in the Qualified Institutional Tranche in accordance with this Prospectus.
Shares	The shares in the Company.
US Securities Act	The US Securities Act of 1933, as amended.

First: Subscription Terms and Conditions

Key details of shares offered for sale to the public

- **Name of the Company:** Emaar Malls Group PJSC.
- **Share capital:** The share capital amounts to AED 13,014,300,000 (thirteen billion fourteen million and three hundred thousand UAE dirhams) divided into 13,014,300,000 (thirteen billion fourteen million and three hundred thousand) at a value of AED 1 (one UAE dirham) per Share, of which 13,014,000,000 Shares are in-kind shares and 300,000 are fully paid-up cash shares.
- **Percentage, number and type of the Offer Shares:** 2,000,000,000 Shares, all of which are ordinary shares.
- **Offer Price range per Share:** AED 2.50 to AED 2.90.
- **Total value of the Offer Shares (based on the highest subscription price set out above):** Up to AED 5,800,000,000.
- **Eligibility of the qualified categories of Subscriber to apply for the acquisition of the Offer Shares:**

  Individual Tranche: The Individual Tranche of the Offering is open to Subscribers as described on the cover page of this Prospectus. All Subscribers must hold a NIN and a bank account number.

  Qualified Institutional Tranche: The Qualified Institutional Tranche of the Offering will be open to Subscribers as described in the covering page and the "Definitions and Abbreviations" Section of this Prospectus. All Subscribers must hold a NIN.
- **Public subscription in the Offer Shares is prohibited as follows:** Public subscription is prohibited to any Subscriber whose investment is restricted by the laws of the jurisdiction where the Subscriber resides or by the laws of the jurisdiction to which the Subscriber belongs. It is the Subscriber's responsibility to determine whether the Subscriber application for, and subscription in the Offer Shares conforms to the laws of the applicable jurisdiction(s).
- **Minimum investment:** The minimum subscription in Offer Shares other than pursuant to Qualified Institutional Tranche has been set at AED 10,000, with any additional investment to be made in AED 1,000 increments .
- **Maximum investment:** No maximum subscription in Offer Shares has been set. However, the Articles of Association prohibit any single shareholder from holding more than 5% of the Shares in the Company (other than the Selling Founders or any of their subsidiaries).
- **Lock-up period:** The Shares held by the Founders following completion of the Offering shall be subject to a lock-up which starts on the date of Listing the Shares and ends 180 days thereafter. A Founder will not be allowed to sell or transfer Shares during such period, except to another Founder.
- **UAE Ownership:** The Founders expect to continue to own at least 51% of the Shares in the Company which would ensure that the Company continues to be in compliance with the UAE ownership requirements.
- **Summary of the Valuation Report:** Jones Lang LaSalle (PJSC under incorporation) (an international company listed on the New York Stock Exchange, having an office in Dubai and specialized in providing expert services in the real estate industry including the valuation of real estate assets) has carried out a valuation of the real estate assets of the Company as at 30 June 2014, which amounts to AED 39.8 billion. The value of these assets does not consider any loan or financing taken for these assets and the cash balance of the Company. Therefore, if the loan or financing amount taken for these assets and the cash available with the Company amounts is considered (the net amount being AED 6.56 billion as at 4th September 2014), the valuation of the real estate assets of the Company will be AED 33.2 billion. This summary of the valuation of the report report is considered an inseparable part of the full valuation report and they should be read together. The full report is available to all Subscribers on the following website: www.emaar.com.

  Instructions and Purpose of Valuation: JLL was instructed to provide its opinion of the market value of the freehold interest in the various properties for inclusion in the prospectus to be published by Emaar Malls Group LLC in connection with the proposed initial public offering of shares and the listing of its shares on the DFM.

Valuation Standards: JLL's opinions of value and the valuation report were prepared in accordance with the RICS Valuation—Professional Standards (January 2014) ("**Standards**") which comply with the International Valuation Standards.

Subject of Valuation: The portfolio comprises various retail properties together with ancillary uses located in Dubai, United Arab Emirates, as detailed in the Property Schedules of the full valuation report ("**Properties**").

Basis of Valuation: We have provided our opinion of the market value of the Properties, defined by the Standards as: "the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion."

Date of Valuation: 30 June 2014.

Aggregate Market Value: AED 39,789,940,000 (Thirty Nine billion Seven hundred Eighty Nine million and Nine hundred Forty thousand UAE Dirhams).

The aggregate market value reported above is the sum of the market value of each Property valued individually and does not necessarily represent the market value of the Properties if sold as a single portfolio. In line with local market practice, no allowance has been made in our valuations for a seller's costs of realisation, purchaser's costs of acquisition or for any tax liability.

Further Information on the Individual Tranche and the Qualified Institutional Tranche

1. Subscription Applications

Each Subscriber may submit one subscription application only in his or her personal name (unless he or she is acting as a representative for another Subscriber). In case a Subscriber submits more than one application in his or her personal name, the Receiving Banks and Joint Bookrunners reserve the right to disqualify all or some of the Subscription Applications submitted by this Subscriber and not allot any Offer Shares to such Subscriber.

Subscribers must complete all of the relevant fields in the subscription application along with all required documents and submit it to any Receiving Bank together with the subscription amount during the Offer Period.

The completed subscription application should be clear and fully legible. If it does not satisfy this condition, the Receiving Bank shall refuse to accept the subscription application from the Subscriber until the Subscriber satisfies all the required information or documentation before the close of the subscription.

Subscription for Offer Shares would deem the Subscriber to have accepted the Memorandum and Articles of Association of the Company and complied with all the resolutions issued by the Company's general assembly. Any conditions added to the subscription application shall be deemed null and void. No photocopies of subscription applications shall be accepted. The subscription application should only be fully completed after reviewing the Prospectus and the Company's Memorandum and Articles of Association. The subscription application then needs to be submitted to any of the Receiving Banks' branches mentioned herein. The Subscribers or their representatives shall affirm the accuracy of the information contained in the application in the presence of a bank representative of the receiving bank to which the subscription application was made. Each subscription application shall be clearly signed or certified by the Subscriber or his representative.

The Receiving Banks are entitled to reject subscription applications submitted by any Subscriber if the application is not complete or is not correct with regard to the amount paid or submitted documents, or if the subscription amount is paid using a method that is not a permitted method of payment (for example, it is not permitted to pay an amount in cash), or if the subscription amount on the application or the subscription amount presented with the application do not match with the minimum required investment or the increments set for each Tranche.

Subscription Applications for the Qualified Institutional Tranche

It will be possible for Subscribers who fall within the Qualified Institutional Tranche to subscribe by submitting a Subscription Application to one of the branches of National Bank of Abu Dhabi PJSC and Emirates NBD Bank PJSC.

Documents Accompanying Subscription Applications

Subscribers shall submit the following documents along with their Subscription applications:

For individuals who are UAE or GCC nationals or nationals of any other country:

- The original and a copy of a valid passport or Emirates identity card for verification; and
- In case the signatory is different from the Subscriber:
  a. the duly notarized power of attorney held by that signatory or a certified copy from any UAE-regulated persons/bodies, such as a notary public, or as otherwise duly regulated in the country;
  b. the original passport of the authorised signatory for verification of signature and a copy of the original passport; and
  c. the original and a copy passport or valid identity card of the Subscriber for verification of signature and a copy of the original passport.

In case the signatory is a guardian of a minor, the following will be submitted:

a. Original and copy of the guardian's passport for verification of signature;

b. Original and copy of the minor's passport; and

c. If the guardian is appointed by the court, original and copy of the guardianship deed attested by the court and other competent authorities (e.g. notary public).

For juridical persons including banks, financial institutions, investment funds and other companies and establishments:

- UAE registered judicial persons:
  a. The original and a copy of a trade license or commercial registration for verification or a certified copy from any UAE-regulated persons/bodies such as a notary public or as otherwise regulated in the country;
  b. The original and a copy of the document that authorises the signatory to sign on behalf of the subscriber, to submit the application, and to accept the terms and conditions stipulated in the Prospectus and in the subscription form; and
  c. The original and a copy of the passport of the authorised signatory.
- Foreign juridical persons: the documents will differ according to the nature of the corporate body and its domicile. Accordingly, please consult with the Joint Bookrunners to obtain the list of required documents.

2. Method of subscription and payment

Method of payment for Individual Tranche: The subscription application must be submitted by a Subscriber to any of the Receiving Banks listed in this Prospectus and the Subscriber's bank account number must be provided, together with the payment for the amount it wishes to use to subscribe in the Offer Shares which is to be paid in one of the following ways:

- Certified bank cheque (manager's cheque) drawn on a bank licensed and operating in the UAE, in favor of "Emaar Malls Group PJSC IPO";
- Debiting a Subscriber's account with a Receiving Bank; or
- Electronic Subscriptions (please refer to the Section on "Electronic Subscription" below).

On the date of completion of conversion of the Company into a public joint stock company and completion of listing the Company on the DFM, the relevant amount of the proceeds for the acquisition of the Offer Shares will be paid to, as appropriate, the Selling Founders.

The subscription amount may not be paid or accepted by a Receiving Bank using any of the following methods:

- In cash;

- Cheques (not certified); or
- Any other mode of payment other than mentioned above.

Method of payment for Qualified Institutional Tranche: Each Subscriber for this tranche must submit the subscription application to one of the Receiving Banks and pay the whole subscription amount to the Receiving Bank upon submitting the subscription application through one of the payment methods mentioned above. However, after the 24th of September 2014, such Subscribers may only pay through its bank account (as mentioned above) to enable the Receiving Banks to receive, review and carry out the necessary procedures with regard to their application.

Electronic Subscription

The DFM will make its official website www.dfm.ae available to Subscribers with a NIN registered on the DFM website and holding a valid iVESTOR Card for them to submit their electronic subcriptions to the Receiving Banks. The Receiving Banks may also have their own electronic channels (on-line internet banking applications, mobile banking applications, ATMs, etc.,) interfaced with the DFM IPO system. By submitting the electronic subscription application the customer is accepting the Offering terms and conditions on behalf of the Subscriber and is authorising the iVESTOR Card issuing bank and the Receiving Bank to pay the total subscription amount by debiting the amount from the respective iVESTOR Card or the bank account of the customer and transferring the same to the account in favour of "Emaar Malls Group PJSC IPO" held at the Receiving Banks, as detailed in the subscription application. The submission of an electronic application will be deemed to be sufficient for the purposes of fulfilling the identification requirements and accordingly, the supporting documentation in relations to applications set out elsewhere in this document will not apply to electronic applications under this section. Notification of the final allocation of Offer Shares and the refund of proceeds for unallocated Offer Shares (if any) and interest thereon following the closing of the Offer Period and prior to the Listing of the Shares shall be performed solely by, and processed through, each of the Receiving Banks to which the original application for subscription was submitted.

Neither the DFM, the Founders, the Board, the Receiving Banks nor the iVESTOR Card issuing bank shall in anyway be liable for the use of the electronic subscription facility by the customer of the bank or the Subscriber, the debiting of the customer account of the Receiving Banks, nor the debiting of the iVESTOR Card by the iVESTOR Card issuing bank, in respect of all and any losses or damages suffered, directly or indirectly as a result of the electronic subscription facility and/or the iVESTOR Card.

With regard to electronic submission of Application via ATM or Internet Banking, the customers accessing the ATM with their debit card and the internet banking with their password as is customary with electronic banking transactions will be deemed sufficient for the purpose of identification and the documentation requirement will not be applicable.

Subscription Amounts

Subscribers in the Individual Tranche must submit applications to purchase Offer Shares in the amount of AED 10,000 or more, with any investment over AED 10,000 to be made in increments of AED 1,000.

Final Offer Price

The Offer Price at which the Subscribers will purchase Offer Shares will be at the Final Offer Price. The Final Offer Price (which must be within the Offer Price Range) will be established and communicated by the relevant Receiving Bank to each of its applicants, following the closing of the Qualified Institutional Tranche. The shares of the Qualified Institutional Subscribers, being banks, financial institutions, investment funds and/or other specialized companies, must represent the majority of the shares used to calculate the Final Offer Price of the Offer Shares.

Qualified Institutional Subcribers will be invited to bid for shares within the Offer Price Range (price sensitive orders), indicating subscription amounts that vary in size within the price range. The Joint Global Coordinators and the Joint Bookrunners will use the demand established by these orders to determine and recommend the Final Offer Price for all participants in the Offering.

Subscribers must complete the application form relevant to their Tranche, providing all required details. Subscribers who do not provide a valid NIN and bank account number will not be eligible for subscription and will not be allocated any Offer Shares.

Subscribers may only apply in one Tranche. In the event a person applies in more than one Tranche, then the Founders may disregard one or both of such applications.

Neither the Company nor the Joint Bookrunners, nor the Founders, nor the Receiving Banks shall assume liability for any applications paid by any method other than those described above.

The Receiving Bank through which the subscription is made will issue to the Subscriber an acknowledgement of receipt which the Subscriber has to keep until the Subscriber receives the allotment notice. One copy of the subscription application after being submitted, signed, and stamped by the Receiving Bank shall be considered as an acknowledgement for receipt of the subscription application. This receipt shall include the data of the Subscriber, address, amount paid, details of the payment method, and date of investment. The acknowledgement in the case of Electronic Applications via online internet banking and ATM would provide basic information of the Application such as NIN, subscription amount, date, customer bank account details. The mere acknowledgement of the subscription application by the Receiving Banks either through receiving bank counters or via electronic channels shall not amount to acceptance of the application and may be rejected subsequently.

The application for subscription may be rejected for the following reasons:

i) if the managers' cheque is returned for any reason;

ii) if the amount in the bank account mentioned in the application is insufficient to pay for the subscription amount mentioned in the application or the Receiving Bank is unable to apply the amount towards the application whether due to signature mismatch or any other reasons;

iii) if the NIN is subsequently found to be invalid;

iv) if the application is found to be duplicated (any acceptance of such duplicate application is solely at the discretion of the Founders);

v) if the application is found to be not in accordance with the terms of the Offering; and/or

vi) an applicant in the Individual Tranche has also applied for the Qualified Institutional Tranche or vice versa.

The Receiving Banks, the Founders, the Company and the Joint Bookrunners may reject the application for any of the above reasons at any time until allocation of the Offer Shares and have no obligation to inform the applicant of such rejection before the completion of the allocation of shares.

If the address of the Subscriber is not filled in correctly, the Joint Bookrunners, the Receiving Banks and the Founders take no responsibility for non-receipt of such allotment notice.

- **Offer Period:** Commences on 14 September 2014 and closes on 24 September 2014 for the Individual Tranche. Commences on 14 September 2014 and closes on 26 September 2014 for the Qualified Institutional Tranche.
- **Receiving Banks:** National Bank of Abu Dhabi PJSC and Emirates NBD Bank PJSC (as Lead Receiving Banks) and the following are other participating Receiving Banks:, Mashreq Bank PJSC, Dubai Islamic Bank PJSC, First Gulf Bank PJSC, Union National Bank PJSC, Finance House PJSC, Union National Bank PJSC and Emirates Islamic Bank PJSC.
- **Method of allocation of Offer Shares to different categories of Subscribers** Should the total size of investments exceed the number of Offer Shares, then the Founders will allot the Offer Shares according to the allotment policy specified below and will refund to Subscribers the excess subscription amounts and interest thereon.
- **Notice of Allocation:** A notice to successful Subscribers in the Individual Tranche will be sent by way of SMS initially confirming to successful Subscribers that their applications were successful and that they have been allocated Offer Shares. They will also be notified by SMS of the number of Offer Shares allocated to them. This will be followed by a notice setting out each Subscriber's Share allocation, which will be sent by registered mail to each Subscriber.

- **Method of refunding surplus amounts to Subscribers:** By no later than 1 October 2014 (being within five (5) working days) of the Closing Date, the Offer Shares shall be allocated to Subscribers, the surplus subscription amounts and any interest resulting thereon shall be refunded to Subscribers who did not receive Offer Shares, and the subscription amounts and any interest resulting thereon shall be refunded to the Subscribers' whose applications have been rejected for any of the above reasons. The surplus amount and any accrued interest thereon are returned to the same Subscriber's account through which the payment of the original application amount was made. In the event payment of the subscription amount is made by certified bank cheque, these amounts shall be returned by sending a cheque with the value of such amounts to the Subscriber at the address mentioned in the subscription application.

  The difference between the subscription amount accepted by the Founders for that Subscriber, if any, and the subscription amount paid by the Subscriber will be refunded to Subscribers pursuant to the terms of this Prospectus.

- **Listing and trading of Shares:** Subsequent to the allocation of Offer Shares and the finalisation of the incorporation of the Company, the Company will list all of its Shares on the DFM. Trading in the Shares will be effected on an electronic basis, through the DFM's share registry.

- **Voting rights:** All Shares are of the same class and shall carry equal voting rights and shall rank *pari passu* in all other rights and obligations. Each Share confers on its holder the right to cast one vote on all Founders' resolutions.

- **Restrictions on Shares:** No shareholder (except the Founders) may at any time following the adoption of the Articles of Association hold Shares, in the Company exceeding in aggregate (5%) five per cent. of the share capital of the Company. This restriction does not apply to the Founders.

There are certain risks that are specific to subscribing in this Offering. Those risks have been discussed in a Section headed "Investment Risks" of this Prospectus and must be taken into account before deciding to subscribe in Offer Shares.

3. Preferential rights of the Emirates Investment Authority

The Emirates Investment Authority shall have the right to purchase up to (5%) five per cent. of the Offer Shares, and the percentage of subscription for which the Emirates Investment Authority will purchase shall be allocated in full before the commencement of allocation, given that the allocation volume shall be reduced as may be determined by the Founders' committee. If the Emirates Investment Authority does not exercise its preferential rights then its reserved portion shall be available to Subscribers for subscription.

4. Timetable for investment and listing

The dates set out below outline the expected timetable for the Offering. However, the Company reserves the right to change any of the dates/times, or to shorten or extend the specified time periods upon obtaining the approval of the appropriate authorities and publishing such change in daily newspapers. The number of days allocated to subscribe in the Offer Shares must not be less than (10) ten days in accordance with the provisions of UAE Commercial Companies Law.

(a)	Commencement date for Offering	14 September 2014
(b)	Closing Date of Individual Tranche	24 September 2014
(c)	Closing Date of Qualified Institutional Tranche	26 September 2014
(d)	Announcement of the Final Offer Price	29 September 2014
(e)	Allocation of Individual Tranche and Qualified Institutional Tranche	29 September 2014
(f)	Notice sent by SMS confirming who has been a successful Subscriber	29 September 2014
(g)	Commencement of dispatch of registered mail relating to alloted shares.	29 September 2014
(h)	Convene the Constitutive General Assembly at 8.00am at The Address Hotel, The Dubai Mall	30 September 2014
(i)	Refunds of investment surplus to the Subscribers	No later than 1 October 2014
(j)	Expected date of listing of the Shares on the DFM	2 October 2014

5. Conversion of the Company

All Individual Subcribers and Qualified Institutional Subcribers should note that the notice for convening the constitutive general assembly of the Company ("**Constitutive General Assembly**") is served pursuant to this Prospectus. Please see the Fourth Section (*Notice of Constitutive General Assembly*). The Constitutive General Assembly meeting will take place at 8.00 am on Tuesday 30 September 2014 at Diamond Ballroom, The Address Hotel, The Dubai Mall.

All Individual Subscribers and Qualified Institutional Subscriber to which Shares have been allocated are invited pursuant to the notice to attend the Constitutive General Assembly on the date set out in the notice (please see notice in Section 4 of this Prospectus) on production of a valid official identification document (including passport or Emirates ID card)). Any successful Subscribers attending and voting at that meeting shall have a number of votes equivalent to the number of Offer Shares that are allocated to that successful Subscriber, following allocation.

6. Tranches

The Offering of the Offer Shares of the Company are divided as follows:

The Individual Tranche:

Up to 600,000,000 shares (representing up to 30% of the Offer Shares).

Eligibility: Any natural person holding a NIN and a bank account number and who has not participated in the subscription of the Qualified Institutional Tranche.

Minimum application size: AED 10,000, with any additional investment in AED 1,000 increments.

Allotment policy: Offer Shares will be allocated to individual Subscribers pro rata to their subscription amount in a manner that is compliant with the preferential allocation right for shareholders of Emaar Properties as described below. Applications will be scaled-back on the same basis if the Individual Tranche is over-subscribed. Any fractional entitlements resulting from the pro rata distribution of the Offer Shares will be rounded down to the nearest whole number. Shares will be allocated in accordance with the aforementioned allotment policy, based on the Final Offer Price.

The Qualified Institutional Tranche:

Up to 1,400,000,000 Shares (representing up to 70% of the Offer Shares).

Eligibility: Qualified Institutional Subscribers (being any juridical persons from the banks, financial institutions, investment funds and other companies and institutions who have been approved by the Company, the Founders, the Joint Global Coordinators and the Joint Bookrunners who is one of the following (i) in the United States and a QIB, (ii) a person outside the United States for whom a subscription can be made in reliance on Regulation S, or (iii) a person in the Dubai International Financial Center for whom a subscription can be made pursuant to an exemption from registration under the Market Rules Module of the DFSA's Rulebook).

Allotment policy: Allocations within the Qualified Institutional Tranche will be determined by the Company, the Founders and Emaar Properties in consultation with the Joint Global Coordinators and the Joint Bookrunners. It is therefore possible that Subscribers who have submitted applications for this tranche may not be allocated any Shares or that they are allocated a number of Shares lower than the number of Shares mentioned in their subscription application.

Preferential rights to 10% of the total Offer Shares for Subscribers who are shareholders of Emaar Properties at the Record Date:

Ten per cent (10%) of the total Offer Shares (the "**Reserved Shares**") will be made available for allocation to existing shareholders of Emaar Properties in priority to other applicants. Such persons will be identified by the cross-checking of applicant NINs against NINs of the shareholders of Emaar Properties. Such persons shall be accorded preferential rights to the Reserved Shares pro rata to their percentage holdings in Emaar Properties as at the close of trading on 10 September 2014[1]. The balance of any application for Offer Shares in excess of the pro rata entitlement to the Reserved Shares will be treated separately as a general application in the applicable Tranche on the basis of the size of the remaining unfilled order. If less than all applicants entitled to Reserved Shares take up their preferential rights, then the remaining Reserved Shares will become generally available.

Persons who acquire shares in Emaar Properties after 10 September 2014 will not be entitled to any preferential allocation in the Reserved Shares.

Preferential allocation rights to 5% of total Offer Shares for the Emirates Investment Authority:

Shares (representing 5% of the Offering) are reserved for the Emirates Investment Authority, in accordance with Article 80 of UAE Federal Law no. 8 for the year 1984 with regard to Commercial Companies and its amendments. Shares allocated to the Emirates Investment Authority under these preferential rights regime will be deducted from the total size of the Qualified Institutional Tranche. If the Emirates Investment Authority does not exercise its preferential rights then its reserved portion shall be available to Subscribers for subscription.

Important notes:

The Company reserves the right to allocate Offer Shares to the Qualified Institutional Tranche in any way as it deems necessary to guarantee conformity with the provisions of the Companies Law, the Company's Articles of Association and the Prospectus. As such, the Subscribers who have submitted a subscription application for the Qualified Institutional Tranche may not receive any Shares or they may receive a number of Shares lower than the number of Shares they requested in their subscription application. The Company retains the right to offer additional Shares for subscription to be considered as part of either of the above mentioned tranches subject to obtaining the required approvals, including the approval of the Authority.

Subscribers will be notified of whether they have been successful in their application for Offer Shares by means of an SMS.

Upon listing of the Shares on the DFM, the Shares will be registered on an electronic system as applicable to the DFM. The information contained in this electronic system will be binding and irrevocable, unless otherwise specified in the applicable rules and procedures governing the DFM.

Subject to the approval of the Authority, the Company reserves the right to alter the percentage of the Offer Shares which is to be made available to either the Individual Tranche, which shall not be reduced to less than 20% of the Offer Shares or the Qualified Institutional Tranche, which shall not be reduced to less than 60% of the Offer Shares.

[1] For the purposes of explanation, the pro-rata entitlement of an existing individual Emaar Properties shareholder will be determined by comparing the number of shares in Emaar Properties which they hold against the total number of shares in Emaar Properties as at the Record Date.

Second: Key Details of the Company

1. Overview of the Company:

(a) Name of the Company: Emaar Malls Group PJSC (under incorporation)

(b) Objects of the Company:

Retail development and management; ownership and operation of shopping malls and all related services and activities; facilities management services; fish and live animal trading and breeding of marine species and animals; development, management and ownership of aquarium parks; development, management and ownership of ski domes and skating rinks; management and ownership of electronic game arcades and kids amusement arcades and advertisement designing and producing.

(c) Head office and branches: PO Box 9440, Dubai, United Arab Emirates.

(d) Details of trade register and date of engaging in the activity: Licence No. 87614719. Date of Engaging in activity—December 2005.

(e) Term of the Company: 99 years.

(f) Financial year: 1 January to 31 December.

(g) Overview on the incorporation and business of the Company, including previous activities, history, progress, objects, ownership and the related financial aspects, in addition to the subsidiaries, if any, and the company's strategy and vision for future growth and prosperity:

Overview of the Company:

We are the leading owner and operator of shopping malls in Dubai, UAE. Our portfolio of properties comprises four shopping malls and 30 community shopping centres and other retail properties, which together had a total GLA ("**gross leasable area**") of approximately 5.9 million sq ft. as at 30 June 2013 and a GLA occupancy rate of 95% in the six months ended 30 June 2014. Our properties include some of the most iconic malls, entertainment and community integrated retail centres in the Middle East, including The Dubai Mall, our flagship asset, which has been the most visited shopping and entertainment mall worldwide in each of the last three years. Our properties were developed as an integral part of the master plan developments of our controlling shareholder, Emaar Properties, and, therefore, are strategically located in key areas of Dubai that benefit from favourable socio-economic demographics and increasing tourism.

We manage and operate our business principally through four divisions: Super-Regional Malls, Regional Malls, Community Integrated Retail and Specialty Retail.

- *The Super-Regional Malls division.* This division comprises The Dubai Mall. The Dubai Mall is a regional and global retail and fashion destination located in the prestigious Dubai Downtown area. It has more than 1,000 main units, of which 26 are anchor tenants, including Bloomingdale's and Galeries Lafayette. Among its tenants are more than 80 international luxury fashion brands conveniently located in Fashion Avenue, The Dubai Mall's destination shopping area for international luxury fashion brands. The Dubai Mall's retail units also include more than 40 high-end jewellery and watch brands, and more than 400 apparel and accessories stores and electronics retailers. It has more than 170 food and beverage outlets located throughout the mall and in two large food courts, including over 25 casual dining restaurants located on the Waterfront Promenade, which enjoy views of the Dubai Fountain and Burj Khalifa, the world's tallest building.

  The Dubai Mall was the most visited shopping and entertainment mall worldwide in 2011, 2012 and 2013. In 2013, the mall attracted 75 million visitors, an increase of 16% compared to 2012, surpassing significantly the number of visitors in the same year at other leading malls worldwide, such as Les Quatre Temps (46 million), Mall of America (40 million), Bullring Birmingham (40 million) and the Trafford Centre Manchester (30 million). In 2013, The Dubai Mall accounted for approximately 50% by value of all luxury goods sold in Dubai, and continues to strengthen its position as the fashion capital of the Middle East and MENA region. It is the largest shopping mall in the world by total built-up area (approximately 12.1 million sq. ft.), the sixth largest in the world by GLA (approximately 3.7 million sq ft.). The GLA occupancy rate for The Dubai Mall was 99% and annual rental income was AED 1,991 million in 2013.

Together with Emaar Properties we are currently undertaking a major expansion of Fashion Avenue (one of the top performing precincts which host a large variety of luxury and premium brands). This project is expected to add approximately 600 thousand sq ft. of GLA to Fashion Avenue, which can accommodate more than 200 units for some of the world's top luxury brands, further enhancing the fashion portfolio of The Dubai Mall. It is expected to be completed in 2016.

- *The Regional Malls division.* This division comprises the Dubai Marina Mall. The Dubai Marina Mall is a fully integrated retail, leisure and entertainment development, benefitting from a primary catchment area of over 120 thousand residents, a waterfront location and proximity to two of our Community Integrated Retail properties, the Marina Walk and the Marina Promenade, as well as other waterfront landmarks, which enhance the "lifestyle" shopping experience. The Dubai Marina Mall has 147 main units. The GLA occupancy rate of the Dubai Marina Mall was 98% and annual rental income was AED 118 million in 2013.
- *The Community Integrated Retail division.* This division comprises 30 community shopping centres and other retail properties in various residential communities developed by Emaar Properties. The principal properties included within this division are:
    - the Downtown Dubai community integrated retail development, which includes a number of community integrated retail properties;
    - Dubai Marina retail development, including the Marina Walk, Marina Promenade and other retail properties;
    - shopping centers in other Emaar residential communities, such as Arabian Ranches and The Greens; and
    - community shopping centres currently under construction, such as Arabian Ranches II and Springs Village.

  Our community integrated retail properties feature, among other things, supermarkets, restaurants, fitness clubs, day-care facilities and clinics, and cater to the day to day needs of residents in the surrounding areas. In aggregate, these properties have approximately 350 retail units including 162 food and beverage units. The GLA occupancy rate of our community integrated retail properties was 73% and annual rental income was AED 150 million in 2013.
- *The Specialty Retail division.* This division comprises Souk Al Bahar and the Gold & Diamond Park. The GLA occupancy rate of the Specialty Retail division was 85% and annual rental income was AED 127 million in 2013.
    - Souk Al Bahar is a shopping, entertainment and fully licensed dining destination focused on fine dining and Arabic-themed shopping. Located next to The Dubai Mall and the Dubai Fountain in the heart of Downtown Dubai, Souk Al Bahar has 77 main units, comprising 34 food and beverage outlets and 43 retail stores.
    - Gold & Diamond Park is one of Dubai's leading wholesale and retail destinations for gold and diamond jewellery. Gold & Diamond Park has approximately 450 main units, comprising 104 manufacturing spaces, 93 retail outlets and 201 offices.

In addition to the properties described above, we will also seek to leverage our strong relationship with Emaar Properties to potentially acquire additional retail properties. We have entered into the Relationship Agreement with Emaar Properties, pursuant to which we have the contractual right, but not the obligation, to acquire additional portfolio assets currently in the development pipeline of Emaar Properties, including any retail assets developed by Emaar Properties in the GCC during the next ten years, so long as Emaar Properties retains a shareholding of 30% or more in the Company.

The Company has entered into a Technical Services Agreement with Emaar Properties. Under this agreement Emaar Properties will provide services to the Company in return for the payment of a fee.

In addition to the above, on the date of this Prospectus the Company has four registered trademarks. Further, the Company has applied for the registration of the following three trademarks with the Trade Mark Registry at the Ministry of Economy and is awaiting completion of such registration: The Dubai Mall, Souk Al Bahar and the Dubai Marina Mall. We also own the following domain names: (www.thedubaimall.com), (www.dubaimarinamall.com) and (goldanddiamondpark.com).

Competitive Strengths

Our competitive strengths include the following:

- Dubai is one of the most attractive global economies and provides an excellent platform for continued growth in our business;
- Our business benefits from Dubai's high growth consumer oriented retail market that is forecast to grow at a CGR of 11.1% between 2013 and 2017 (Business Monitor International, UAE Retail Report Q1 2014);
- Our key assets are iconic global retail and leisure destinations integrated within Dubai's best known attractions. The Dubai Mall has been the most visited shopping and entertainment mall worldwide for each of the last three years;
- Our management has developed a best-in-class shopping mall portfolio and a track-record of creating significant shareholder value, with double-digit annual revenue growth during the last five years;
- We have a strong, reputable and committed major shareholder and an excellent working relationship with the Government;
- We have unique access to attractive growth opportunities. We expect that the growth of our business will be driven by the following factors: increases in rental income from existing assets due to an expected general rise in turnover related rents from anticipated growth of retail activity in Dubai and through our active asset management approach, development and expansion projects currently under development, development and expansion projects currently under evaluation, and the establishment of joint ventures;
- Our strong balance sheet and prudent investment policy allows us to capitalise on growth opportunities.

Company Strategy

Deliver long-term growth through active tenant portfolio management

Our active tenant portfolio management strategy includes a comprehensive understanding of our tenants' needs in order to tailor marketing campaigns to encourage revenue growth. We will continue to seek to be the first shopping mall to bring leading global retail brands to the GCC region, such as Bloomingdale's and Galeries Lafayette at The Dubai Mall.

The Dubai Mall's high occupancy rate demonstrates a high level of demand for retail space, especially within our Super-Regional Malls division and our strong bargaining power, which has allowed us to increase rents within our properties. We will continue our active tenant portfolio management to successfully negotiate favourable lease terms. We anticipate maintaining anchor tenants on ten to 20 year tenancy agreements and non-anchor tenants on three to five year lease contracts. We aim to further increase our strong collection rates by mitigating lease payment risk through the use of post dated cheques covering aggregate contractual base rent plus service charges, chilled water charges and a promotional and marketing contribution for the relevant unit for the term of the lease and an additional security deposit covering the first three months of contractual base rent for all tenants. We will also continue to manage lease payment risk by maintaining a diversified tenant mix across a significant number of tenants and a variety of tenant categories, with key anchor tenants being comprised largely of well-known regional and international brands, by continuing to refine our rigorous tenant screening procedures, and by pro-actively managing underperforming tenants by implementing shorter lease terms for these tenants to incentivise performance and decrease risk.

Maximise returns from our existing portfolio through active asset management and expansions as well as development of new assets

Although we are already the leading owner and operator of shopping malls in Dubai, we believe that the fundamentals of Dubai's economy, together with expected population, tourism and GDP growth in our catchment area, mean that there is an opportunity for us to further strengthen our market leading position.

We currently have the following development pipeline:

- *Fashion Avenue:* Expansion of the Fashion Avenue area in The Dubai Mall which can accommodate over 200 units for some of the world's top luxury brands. The construction commenced in January 2014 and is expected to be completed in March 2016.
- *Springs Village:* Redevelopment of the existing mall in Springs Village expected completion in 2015.
- *Arabian Ranches II:* Development of a new community shopping centre adjacent to the existing Arabian Ranches development with expected completion by the end of 2014.

In addition, we, together with Emaar Properties, are evaluating projects which would be developed by Emaar Properties. These projects comprise:

- *The Boulevard Expansion:* Conversion of a portion of the existing parking space of The Dubai Mall into retail space and constructing a connection to the retail space in the adjacent Fountain Views development, which, if undertaken, would add 400 thousand sq ft. of additional retail space to The Dubai Mall.
- *The Zabeel Expansion:* Expansion of The Dubai Mall in the adjacent Zabeel area on land which has been made available by the Government. If undertaken, the expansion could add 400 thousand sq ft. of new retail space and 4,000 car parking spaces. The expansion of parking facilities could be completed as early as 2015.
- *Al Reem: Development of the Al Reem community shopping* centre with an approximately 65 thousand sq ft. of GLA.

Fund growth opportunities and dividend distributions while maintaining the capital structure

We operate within prudent leverage limits for a company in our sector. We have been assigned investment grade credit ratings from both Moody's (Baa2) and Standard & Poor's (BBB−) and we are committed to maintaining investment grade credit ratings and a balanced maturity profile on our debt. We utilise a diverse mix of funding sources to support our liquidity profile, including bank loans and debt capital markets financing. We have recently proven our ability to obtain financing on attractive terms through the New Facility(as defined below) and the Sukuk.

Improve brand awareness to increase footfall and support tenant sales growth

We aim to improve brand awareness through continued efforts with key Dubai stakeholders, high-profile event marketing and effective consumer engagement. We have an ongoing association with Emirates Airline and have launched a number of high-profile marketing events and brand building activities with Emirates Airline, including the opening of the A380 flight simulator in The Dubai Mall. As part of our strategy going forward, we will seek to continue to build upon our relationship with Emirates Airline, luxury groups (such as Comité Colbert) and tourism agencies to increase brand awareness of Dubai, the Company and our properties.

We also aim to build brand awareness through the promotion of fashion, science, cultural, art and entertainment events, such as the Vogue Fashion Dubai Experience, to promote new designers and showcase seasonal collections of the world's top design houses, the Emirates Classic Car Festival and high-end watch and jewellery exhibitions. We will also look to engage consumers by continuing our successful social media campaign around The Dubai Mall (with over 1.4 million Facebook fans and over 140 thousand followers on Twitter as at 30 June 2014) by becoming the most visible mall on social media in the world, and will look to establish a loyalty programme that will further link customers of The Dubai Mall and our other properties to our brand and participating retailers.

Recent Developments

On 20 July 2014, we registered an increase in share capital with the Dubai Economic Department in Dubai amounting to AED 13,014,000,000 consisting of 13,014,000 Shares of AED1,000 each through an addendum to our memorandum of association. This share capital increase related to the issuance of additional shares in the Company to its shareholders against transfer of titles of plots of land related to The Dubai Mall, the Dubai Marina Mall and Souk Al Bahar. This is based on a valuation carried out by an independent valuer on the real estate of Emaar Properties dated 31/12/2013. The Company complied with the customary procedures in this respect and submitted a request to increase the capital, this is in addition to a letter from the auditors of the Company addressed to the Department of Economic Development in Dubai, confirming the valuation carried out by the Company through an independent valuer.

On 2 September, 2014, we drew down an additional AED 918 million under the New Facility and used the proceeds together with available cash to fully repay the outstanding balance of the shareholder loan. In August 2014 we paid AED 800 million out of retained earnings as a cash dividend to our shareholders.

Other than what has been mentioned in this Section of the Prospectus, the Section entitled "General Overview on the Company" and the audited financial information as at 30 June 2014, which include some further developments on the Company, there are no further developments to mention and the Company continues to carry out its activities in the normal course.

(h) Major banks dealing with the Company:

- Dubai Islamic Bank PJSC
- First Gulf Bank PJSC
- Mashreq Bank PJSC
- National Bank of Abu Dhabi PJSC
- Noor Islamic Bank PJSC

(i) Details of current Management:

Name	Capacity	Nationality
Ahmad Thani Rashed Al Matrooshi	Manager	Emirati

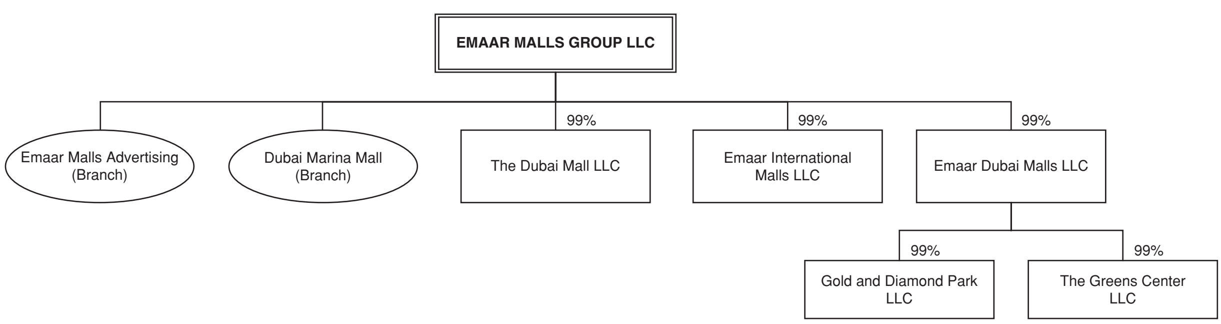
A new Board shall be formed after the completion the Offering in light of the Company's new capital structure.

(j) Details of new Board members:

Name	Capacity	Nationality
H.E. Mohamed Ali Rashed Al Abbar	Chairman of the Board (Executive)	Emirati
Ahmad Thani Rashed Al Matrooshi	Director (Non-Executive)	Emirati
Abdullah Saeed Bin Majed Belyoahah	Director (Non-Executive)	Emirati
Abdul Rahman Hareb Al Hareb	Director (Non-Executive)	Emirati
Helal Saeed Al Marri	Director (Non-Executive and Independent)	Emirati
Mohamed Hadi Ahmed Al Hussaini	Director (Non-Executive and Independent)	Emirati
Mohamed Mourad	Director (Non-Executive and Independent)	Lebanese
Richard Akers	Director (Non-Executive and Independent)	British

2. Details of the Company's investments in subsidiaries and other investments:

Emaar Malls Group LLC Structure



* Emirates Property Holdings Limited (BVI) owns 1% of (i) Emaar Malls Group LLC, (ii) The Dubai Mall LLC, (iii) Gold and Diamond Park LLC, (iv) The Greens Center LLC and (v) Emaar Retail LLC.

** Ocean Park Management Limited (BVI) owns 1% of (i) Emaar Dubai Malls LLC and (ii) Emaar International Malls.

3. Statement of capital development

The Company was established as a limited liability company in 2005 between Emaar Properties PJSC and Emirates Property Holdings Limited. The capital of the Company at incorporation amounted to AED 300,000 (three hundred thousand dirhams) distributed between Emaar Properties PJSC and Emirates Holdings Limited respectively at 99% and 1%.

On 20 June 2014 the partners of the Company increased the capital of the Company by way of an in-kind contribution by the first partner, Emaar Properties PJSC, representing AED 13,014,000,000 so that after such increase the capital stands at AED 13,014,300,000 and the shareholding of Emaar Properties PJSC after the increases stands at 99.9% and the shareholding of Emirates Holdings Limited after the increase stands at 0.01%.

The capital of the Company has been fixed at AED 13,014,300,000 (Thirteen billion fourteen million and three hundred thousand dirhams) divided into 13,014,300,000 shares with a value of AED 1.00 for each share, of which 13,014,000,000 represent shares in kind and 300,000 represent shares in cash which are fully paid. All the shares are equal in respect of all rights.

The following table illustrates the Company's ownership structure and distribution of share capital between shareholders before and after Offering:

Before Offering

Name of founder	Nationality of the Founder	Type of Shares	No. of Shares owned	Total value of Shares owned (based on the nominal value)	% of ownership in total share capital
Emaar Properties PJSC/ Emirates Property Holdings Limited	UAE/BVI	Ordinary	13,014,300,000	13,014,300,000	100%

After Offering

Name of founder	Nationality of the Founder	Type of Shares	No. of Shares owned	Total value of Shares owned (based on the nominal value)	% of ownership in total share capital
Selling Founders (Emaar Properties PJSC/ Emirates Property Holdings Limited)	UAE/BVI	Ordinary	11,014,300,000	11,014,300,000	84.6%
Subscribing Shareholders at completion of the Offering . . .		Ordinary	2,000,000,000	2,000,000,000	15.4%

(a) Company's capital structure upon completion of Offering:

Upon the completion of the Offering, the Company's paid-up Share capital shall be AED13,014,300,000, divided into 13,014,300,000 Shares with a nominal value of AED1.00 per Share.

The Founders invested in 11,014,300,000 of the Company's Shares as set out above. The Company has presented its plan to the Authority for the Founders to offer 2,000,000,000 of the total share capital.

- No. of Founders' Shares: 11,014,300,000 Shares
- No. of total Subscribers' Shares (note that this covers all tranches of Offer Shares set out in this Prospectus): 2,000,000,000 Shares
- Total: 13,014,300,000 Shares

4. Status of actions and disputes with the Company over the past three years

There are no outstanding material governmental, legal or arbitration proceedings or disputes (including any such proceedings or disputes which are pending or threatened or of which we are aware).

5. Statement of the number and type of employees of the Company and of its subsidiaries:

From an accounting perspective, the Company has approximately 561 employees, which includes 99 employees at the head office, 370 employees at the Dubai Mall, 35 employees at the Gold and Diamond Park and Souk Al Bahar and 5 employees at the community centers.

6. Accounting policies adopted at the Company: With the exception of what was mentioned under Note 2.1 of the attached financial information, the Company prepares its accounts in accordance with IFRS as issued by the International Accounting Standards Board and applicable requirements of UAE laws.

7. Statement of Company's loans, credit facilities and indebtedness and the most significant conditions thereof:

The Company entered into a new Islamic finance facility with a syndicate of banks on 21 May 2014 (**New Facility**) which consists of an AED facility with a commitment amount of AED 1,836,500,000 and a USD facility with a commitment amount of USD 1,000,000,000. The New Facility is unsecured. The Company drew down USD 1,000,000,000 (USD 733.3 million in respect of the US dollar tranche and AED 979.5 million in respect of the AED tranche) under the New Facility on 28 May 2014 and used the proceeds to repay a conventional and Islamic finance facility with a syndicate of banks which the Company entered into on 7 December 2011 (**Previous Facility**) and to partially repay the shareholder loan. As of 30 June 2014, AED 3,673 million (USD 1,000 million) was outstanding under the New Facility. On 2 September, 2014, we drew down an additional AED 918 million under the New Facility to repay the outstanding balance of the shareholder loan.

The New Facility contains several financial covenants to be complied with by the Company as follows: (i) the Company must ensure that the value of The Dubai Mall shall not at any time be less than two times of the aggregate value of the principal amounts outstanding under the New Facility and any outstanding amount under any Sukuk issued by the Company and its subsidiaries (together the **Group**) (after 21 May 2014); (ii) the Company must also ensure that the value of the total financial indebtedness of the Group is not greater than six times of the consolidated EBITDA of the Group ; and (iii) the Company shall further ensure the consolidated EBITDA of the Group is not less than two times of the value of the Group's financing cost on its outstanding debts (such as profit payable on any Islamic facility and interest payable on any conventional facility).

Subject to certain exceptions, the New Facility imposes several restrictions on the Company's conduct of business, including the ability to incur new debt, dispose assets, provide security to a third party, undertake mergers and acquisitions.

If there is a default under the New Facility or if a default under the New Facility would result from the proposed distribution, the Company and any of its subsidiaries may not declare, make or pay any dividend, charge, fee or other distribution by whatever means.

Failure to meet any of the covenants or obligations described above or a default under any other term of the New Facility may result in the available finance under the New Facility being cancelled and all amounts due and outstanding being payable.

In connection with the New Facility, the Company is also obligated under a separate agreement to direct amounts it receives from revenue, insurance and disposals into accounts held with one of the banking syndicate members to reserve and allocate funds for the meeting of its obligations under the New Facility.

8. Statement of current pledges and encumbrances on the Company's assets:

No security or encumbrance has been granted by the Company in connection with the New Facility. All security granted by the Company in connection with the Previous Facility was released on 29 May 2014.

9. Founders Committee: A representative of Emaar Properties PJSC and a representative of Emirates Property Holdings Limited.

The Founders elected a committee (the "**Founders Committee**") to undertake all steps and procedures necessary in their behalf and on behalf of the Company to complete all the procedures required with regard to the Offering including dealing with the competent authorities.

The Founders Committee is composed the following two individuals:

- Mr. Ahmad Thani Rashed Al Matrooshi, representing Emaar Properties PJSC—head of the committee.
- Mr. Ahmed Goma Mohamed Mattar Al Falasi, representing Emirates Property Holdings Limited—member.

10. Investment Risks:

Investing in and holding the Offer Shares involves financial risk. Prospective investors in the Offer Shares should carefully review all of the information contained in this Prospectus and should pay particular attention to the following risks associated with an investment in us and the Offer Shares which should be considered together with all other information contained in this Prospectus. If one or more of the following risks were to arise, our business, financial condition, results of operations, prospects or the price of the Offer Shares could be materially and adversely affected and investors could lose all or part of their investment. The risks set out below may not be exhaustive and do not necessarily comprise all of the risks associated with an investment in us and the Offer Shares. Additional risks and uncertainties not currently known to us or which we currently deem immaterial may arise or become material in the future and may have a material adverse effect on our business, results of operations, financial condition, prospects or the price of the Offer Shares.

Risks Relating to Our Business and Industry

All of our properties are located in Dubai, and our financial performance is almost entirely dependent upon trading at The Dubai Mall.

All of our properties are located in Dubai. In addition, we generated 83%, 84%, 83% and 82% of our rental income in 2011, 2012, 2013 and the first six months of 2014, respectively, from The Dubai Mall and as such, any event that negatively affects the occupancy rate, rental yields or the performance of The Dubai Mall would ultimately have an adverse effect on our financial performance. As a result, our results of operations are, and will continue to be, significantly affected by financial, economic and political developments in or affecting Dubai and the UAE more generally, and the impact of such developments on the demand for units in our properties, the rental rates we are able to agree with our tenants for those units and on the footfall through our properties, in each case, particularly with respect to The Dubai Mall. Poor economic conditions generally result in decreased consumer spending, and have in the past resulted, and may in the future result, in our tenants seeking to renegotiate the terms of their leases in their favour. We have in the past applied, and may elect in the future to apply, downward rent adjustments to retain and attract certain tenants and maintain occupancy levels at our properties.

The value and operating results of our properties is dependent in part on the economic conditions that affect the Dubai economy and the conditions in the Dubai commercial and retail real estate markets.

The Dubai commercial and retail real estate markets are affected by macroeconomic events that are beyond our control, including the impact of adverse changes in global and local economic conditions, real estate market conditions generally, changes in interest rates, consumer spending, inflation rates, real estate taxes and other operating expenses, and the availability and cost of financing. The global financial crisis had a material adverse effect on Dubai and, in particular, on its real estate market. Although the Dubai economy has since resumed its growth, and the Dubai commercial and retail real estate markets have experienced a strong recovery, there can be no assurance that the current economic growth or performance of the commercial and retail real estate markets in Dubai will be sustained. Consequently, there can be no assurance as to the future value of our property portfolio.

Our results of operations depend on tourism in Dubai.

We estimate that approximately 40% of the visitors to The Dubai Mall in 2013 were tourists, including from countries such as China, Saudi Arabia, Russia and India. Accordingly, a decline in the attractiveness of The Dubai Mall as well as certain of our other properties to international visitors, and a decline in tourism generally, would have a material adverse effect on our total footfall levels. If our footfall were to decrease significantly, our tenants' trading performance may be adversely affected, and our occupancy rates and/or rental income could decline.

Our ability to attract international visitors to our properties is subject to a number of factors, including:

- the continued attractiveness of Dubai as a tourist destination;
- the continued attractiveness of our properties and, in particular, of The Dubai Mall, its features and adjacent landmarks, as compared to competing destinations in Dubai, the GCC region or elsewhere in the world;
- the effectiveness of our marketing campaigns and initiatives, as well as those of the Government of Dubai, targeting international visitors, including our partnerships with Emirates Airline as well as hotels in Dubai;
- the levels of discretionary spending available to international visitors;
- fluctuations in global exchange rates;
- the extent to which other cities in the region choose to undertake significant development with the aim of capturing a larger share of tourist traffic; and
- factors that may adversely affect tourist visits to the region as a whole or more generally, such as political or social instability, global economic conditions, terrorist attacks or natural catastrophes.

If any of these or other factors result in a significant reduction in the number of international visitors to our properties, our business, results of operations, financial condition and prospects would be materially and adversely affected.

We may be unsuccessful in executing our business strategy.

The successful implementation of our strategy will entail actively managing our properties, undertaking development or asset enhancement initiatives, securing tenants for our properties, raising funds in the capital or credit markets, and the co-operation of our partners who invest with us, our tenants, and other counterparties. If we choose to develop properties on our own, or if we choose to purchase properties developed by Emaar Properties from it pursuant to the terms of the Relationship Agreement, our ability to do so will depend significantly on the ability of us or Emaar Properties, as the case may be, to complete the planned developments on time and within budget and on the availability of external financing to us or cash on hand for us to complete these developments or acquisitions. The addition of new properties to our portfolio will also increase our operating costs and we may not be able to lease out these new properties in a profitable manner. Our ability to successfully implement our strategy is also dependent on various other factors, including but not limited to, the competition we face in our business, which may affect our ability to secure tenants on terms acceptable to us, and our ability to retain our key employees. There can be no assurance that we will be able to implement all of our business strategies as planned, and our failure to do so may materially adversely affect our business, results of operations, financial condition and prospects.

We face competition from other retail real estate assets in Dubai and elsewhere in the GCC.

Any oversupply of competing shopping centres in Dubai or the GCC region (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) may adversely affect our rental income.

Commercial mall operators compete to attract tenants based upon rental rates, operating costs, location, condition and features of the property. If competing properties have lower rents, lower operating costs, more favourable locations or better facilities, our ability to attract tenants and the rental rates that we can charge for units in our properties may be adversely affected. Newly developed or existing competing properties in Dubai or the GCC region or globally do, and may in the future, offer unique or attractive features that draw visitors away from The Dubai Mall and our other properties.

While we may renovate, refurbish or expand our properties to enhance their attractiveness to visitors and remain competitive, our 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 our properties may decline significantly, our tenants' trading performance may be adversely affected, and our occupancy rates and/or rental income may decline, any of which could have a material adverse effect on our business, results of operations, financial condition and prospects.

The revenues from our properties depend on anchor tenants and other major retail, entertainment and leisure tenants to attract shoppers.

Shopping malls are typically anchored by department stores and other large nationally and internationally recognised brands. Furthermore, our business depends on our relationships with major retail groups that franchise prominent or luxury brands and lease multiple units in our properties. Our business and results of operations could therefore be adversely affected if an anchor tenant or any of the major retail groups fail to comply with their contractual obligations, seek concessions in order to continue operations, or cease or reduce their operations. In addition, anchor tenants and these retail groups often have significant bargaining power when negotiating rent and other lease terms.

Should a conflict or a breakdown in commercial relations arise between us and one of our anchor tenants or retail groups, we may face delays in receiving rental payments or have difficulty in negotiating extensions to leases for many or all of the affected units. If any of the anchor tenants or retail groups that lease multiple units in our properties chooses to or is forced to close some or all of their units at the same time, we may not find suitable replacement tenants in a timely manner (or at all) and we may have to incur substantial costs towards re-fitting the affected units for suitable replacement tenants. Retail groups or our anchor tenants may also experience financial difficulties or be subject to business restructurings or reorganisations or changes in corporate strategy. Any of these factors could affect their ability or willingness to continue operations in our properties. Closures of anchor stores or of multiple stores of a large retail group may result in decreased footfall in our properties, which could lead to decreased sales at other stores in our properties, which may lead to a loss of the affected tenants. If the sales turnover of stores operating in our properties were to decline significantly due to these closures, our rental income and/or occupancy rates could decline. To the extent that there is vacant space in our malls, rental rates could decline for all of our tenants, which could have a material adverse effect on our business, results of operations, financial conditions and prospects.

We may be unable to lease or re-lease space in our properties on favourable terms or at all.

Our results of operations depend on our ability to continue to strategically lease space in our properties, including re-leasing space in properties where leases are expiring, optimising our tenant mix and leasing properties on more economically favourable terms. None of our leases contain automatic renewal or renewal upon notice provisions. Accordingly, we must agree on the terms of a new lease with existing tenants when their leases expire to retain these tenants. In addition, if a tenant disputes a proposed increase in rent upon renewal of its lease and we are unable to find a replacement tenant, our ability to raise the rent may be constrained by the applicable statutory cap on rent increases in Dubai. There can also be no assurance that the demand for units in our properties will remain high. If any of our tenants choose not to renew their leases, we may not find suitable replacement tenants and any new leases could be on terms less favourable than those contained in the expiring leases. In addition, a loss of certain tenants may adversely affect our ability to optimise the tenant mix at our properties. The occurrence of the foregoing factors could adversely affect footfall levels, rental income and/or occupancy rates at the affected properties, which could have a material adverse effect on our business, results of operations, financial condition and prospects.

Our results of operations and cash flows are dependent on our tenants' ability to meet their financial obligations.

Our results of operations and cash flows are dependent on our tenants' liquidity, solvency and financial performance and their ability to meet their financial obligations. Many of the tenants in our properties were exposed to declining consumer spending as a consequence of the global financial crisis, local economic conditions and other factors. Although consumer spending levels globally and in the UAE have recently recovered, there can be no assurance that this recovery will be sustained. Decreased consumer spending may affect our tenants' sales and their ability to make lease payments, and result in growing delinquencies in payment of rent and other charges due from our tenants. Furthermore, many of our tenants are legal entities organised in Dubai as local franchises of international retail groups which may not have access to the same financial resources as, and could have lower credit profiles than, their respective franchisors.

As such, adverse developments in our tenants' financial health and credit standing may have a material adverse effect on our business, results of operations, financial conditions and prospects.

Our operating expenses and maintenance capital expenditures may be higher than expected, and all of these costs may not be recoverable.

We are required to incur operational and maintenance capital expenditures to maintain our properties. Our operating expenditure could increase as a result of a number of factors, including but not limited to, 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 our tenants. In particular, in the first six months of 2014, our cost recovery ratio (which we define as the ratio of revenue from service charges and promotional and marketing contributions paid by our tenants to the sum of our total operating expenses (less lake and fountain expenses) and sales and marketing expenses excluding reversals, if any (this usually occurs if the Company underestimates the costs or commits an error when estimating an amount) was 69% for all of our properties. Although we usually have the contractual right to raise the chilled water charges and service charges payable by our tenants under the terms of their leases, our ability to introduce across-the-board increases is limited. In addition, if we are required to make unanticipated operational or maintenance capital expenditures that we are unable to recover from our tenants, or if we fail to make such expenditures, with the result that the value or marketability of our properties is negatively impacted, this could have a material adverse effect on our business, results of operations, financial condition and prospects.

We are exposed to development and construction risks.

We are currently in the process of expanding the Fashion Avenue district of The Dubai Mall, which is expected to add approximately 600 thousand sq ft. of GLA to The Dubai Mall and which we expect to complete by March 2016. We are also constructing Arabian Ranches II, an additional community shopping mall at the Arabian Ranches development, which is expected to have a total GLA of 130 thousand sq ft. and which we expect to complete by the end of 2014. In addition, we are finalising the extension of the Springs Village Centre, which will add GLA of approximately 245 thousand square feet which is expected to be complete by the end of 2015. The successful execution of these projects is subject to risks, which include delays in construction and cost overruns whether due to variations to original design plans or for any other reason, a shortage and/or increase in the cost of construction and building materials, equipment or labour as a result of rising commodity prices or inflation or otherwise, unforeseen engineering problems, defective materials or building methods, default by or financial difficulties faced by contractors and other third party service and goods providers, disputes between counterparties to a construction or construction related contract, work stoppages, strikes and accidents. In addition, the expansion of the shopping area at The Dubai Mall may not be matched by a timely or sufficient development of access infrastructure or parking facilities, which may adversely affect our ability to continue to grow footfall at the mall and recoup our investment in its expansion in a timely manner.

We expect to undertake additional development or expansion initiatives in our properties in the future. Any of these future development initiatives may be subject to additional risks and uncertainties, depending on the scale and complexity of the project. We cannot assure you that any or all of our current or future development projects will be completed within the anticipated time frame or budget, if at all, whether as a result of the factors specified above or for any other reason. The inability to complete a major development project within the anticipated time frame and budget could have a material adverse effect on our business, results of operations, financial condition and prospects.

Renovation, asset enhancement works, physical damage or latent building or equipment defects to our properties may disrupt the operations of our properties and collection of rental income or otherwise adversely affect our business.

The quality and design of our properties affect the demand for space in, and the rental rates of, our properties, as well as their ability to attract footfall. While our properties are relatively new and have a number of unique or prominent attractions, they will need to undergo renovation or asset enhancement works from time to time to retain their attractiveness to tenants as well as shoppers.

A default by one of our contractors with respect to any liability relating to workmanship or structural defects may adversely affect our reputation.

We intend to subcontract our planned expansion and future development work on our existing properties to third-party contractors. If a significant number of our tenants encounter workmanship or structural defects and these are not addressed in a timely manner or at all, our reputation may be negatively affected, which may in turn materially adversely affect our business, results of operations, financial condition and prospects.

The terms of our indebtedness contain restrictions that may limit our flexibility in operating our business.

On 21 May 2014, we entered into the New Facility with a syndicate of banks to refinance our outstanding indebtedness under the Previous Facility agreement that we entered into on 7 December 2011. The terms of our New Facility contain covenants that limit our ability to engage in specified types of transactions. These include covenants that require us to, among other things, maintain certain maximum ratios of total borrowing to the value of The Dubai Mall and of total borrowings to EBITDA and a minimum ratio of EBITDA to net finance charges, as well as negative covenants that limit our ability to, among other things, incur additional financial indebtedness, guarantee or maintain guarantees in respect of the financial indebtedness of any other person, grant security or create any security interests over our assets, dispose of assets, make substantial changes to the nature of our business, enter into mergers, amalgamations and other similar transactions, acquire businesses or undertakings other than any mall or retail units or interests related thereto, make loans to third parties, pay dividends if there is a default continuing under the New Facility or if a default would result from such payment, make payments in respect of certain subordinated obligations or to enter into transactions other than on arms' length terms and for full market value. We are also required, under the terms of the New Facility, to comply with applicable laws and maintain authorisations as required by law where a failure to do so would have a material adverse effect, as well as to maintain insurances over The Dubai Mall. In addition to the covenants under the New Facility, the terms and conditions of the USD 750 million trust certificates issued on 18 June 2014 by EMG Sukuk Limited (the "**Sukuk Bond**") contain covenants limiting our ability to create or permit to subsist certain security interests, dispose of more than 50% of our total assets or, if we or the Sukuk Bond cease to have an investment grade credit rating, incur or guarantee additional financial indebtedness. Any of these covenants and restrictions, and the covenants and restrictions included in the terms of any other indebtedness that we may enter into in the future, may prevent us from engaging in transactions that we may otherwise find desirable.

We are currently in compliance with our obligations under the New Facility and the Sukuk Bond, and are not currently aware of any circumstances which indicate that we may breach any of these obligations in the future. However, there can be no assurance that we will continue to comply with these obligations in the future, as our ability to comply with these obligations depends on a number of factors, some of which are outside of our control. Further, there can be no assurance that in circumstances where a breach of the relevant obligations occurs, we would be able to obtain a waiver from our lenders for such a breach, restructure or amend the terms of our financing agreements or obtain alternative financing on acceptable terms or at all. Furthermore, both the Sukuk Bond and the New Facility contain cross-default and cross-acceleration provisions. A failure to comply with the relevant obligations or to meet our debt obligations under our financing agreements may therefore result in an acceleration of our outstanding indebtedness, which would have a material adverse effect on our results of operations, financial conditions and prospects.

Real estate valuation is inherently subjective and uncertain.

Property assets are inherently difficult to value due to the individual nature of each property and the characteristics of the local, regional and national real estate markets, which change over time and may be affected by various factors and the valuation methods used. This uncertainty may be heightened with respect to the valuation of our assets, as the market for large retail real estate developments in Dubai is relatively illiquid, and there are few, if any, properties that are directly comparable to our unique assets. Our judgement and the judgement of the independent appraisers who perform valuations on our behalf significantly affect the determination of the market value of our properties. As a result, valuations are dated as at a certain historic date, are subject to substantial uncertainty and are made based on assumptions which may not be correct.

Our properties could be exposed to catastrophic events or acts of terrorism.

Our business operations could be adversely affected or disrupted by events outside of our control, including but not limited to acts of god and acts of terrorism.

We may not have adequate insurance.

We maintain insurance policies where practicable, covering both our assets and employees in line with general business practices in the retail industry, with policy specifications and insured limits which we believe are reasonable. There are, however, certain types of losses, such as from wars, product recall, avian flu, and nationalisation that generally are not insured because they are either uninsurable or not economically insurable and our properties could suffer physical damage from fire or other causes, resulting in losses (including loss of rent) that may not be fully compensated by insurance. Should an uninsured loss or a loss in excess of insured limits occur or should our insurers fail to fulfil their obligations for the sum insured, we could be required to incur unrecoverable costs to rectify the loss, pay compensation and/or lose capital invested in the affected property, as well as lose anticipated future revenue from that property. We would also remain liable for any debt or mortgage, indebtedness or other financial obligations related to the relevant property.

We are required to comply with applicable laws and regulations and to maintain licences and permits to operate our businesses, and our failure to do so could adversely affect our results of operations and prospects.

Our 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 our licences and/or increased regulatory scrutiny, and liability for damages. It could also trigger a default under one or more of our financing arrangements or result in contracts to which we are a party being deemed unenforceable. For the most serious violations, we could be required to suspend our operations until we obtain requisite approvals, certifications, permits or licences or otherwise bring our operations into compliance. In addition, any adverse publicity resulting from any such non-compliance, particularly as regards the safety of the leisure and entertainment venues located in our properties, could have a material adverse effect on our reputation, business and prospects.

We may incur unanticipated costs related to compliance with health and safety and environmental laws.

We are required to comply with health and safety standards in accordance with applicable laws and regulations in Dubai. If we or our contractors fail to comply with the relevant standards, we may be liable for penalties and our business or reputation could be materially and adversely affected.

We are also required to comply with applicable environmental laws in Dubai and to take certain steps to ensure our contractors' compliance with these laws. While we have no reason to believe that we are not in compliance with all material environmental laws, there can be no assurance that we will not in the future be subject to potential environmental liability. If an environmental liability arises in relation to any of our properties and it is not remedied, is not capable of being remedied, or is required to be remedied at our expense, this may have a material adverse effect on the relevant property and on our business, results of operations and financial condition, either because of the cost implications or because of disruption to operations at the relevant property. In addition, amendments to existing laws and regulations relating to safety standards and the environment may impose more onerous requirements on us and may necessitate further capital expenditure by us or subject us to other obligations or liabilities, which could have a material adverse effect on our business, results of operations, financial condition and prospects.

Inflation may adversely affect our financial condition and results of operations.

Annual consumer price inflation in the UAE was 0.9%, 0.7%, 1.1% and 1.4% in 2011, 2012, 2013, and the six months ended 30 June 2014, respectively. Should inflation increase in the future, our business, results of operations, financial conditions and prospects could be adversely affected.

We rely on certain key personnel.

We depend on our senior management for the implementation of our business strategy and day-to-day operations. Accordingly, we face risks related to our ability to continue to attract, retain and motivate our senior management and other skilled personnel in our company. If key personnel leave, it will take time to find appropriately qualified candidates to replace them. In addition, if we are unable to retain key members of our senior management team in particular and cannot hire new qualified personnel in a timely manner, this could have a material adverse effect on the management of our properties.

Erosion of trademarks and other intellectual property could materially adversely affect our business.

We rely on brand recognition and the goodwill associated with our businesses. In particular, the names, "The Dubai Mall," "Dubai Marina Mall" and "Gold & Diamond Park" and associated goodwill, brand, trading names and trademarks are critical to our continued success. Substantial erosion in the value of these brands and other brands on which we rely, whether due to property related issues, customer complaints, adverse publicity, legal action, third-party infringements or other factors, could materially adversely affect our business, results of operations, financial condition and prospects.

We are subject to third-party litigation risk by visitors, contractors and tenants of our properties which could result in significant liabilities and damage our reputation.

As a landlord, owner and manager of properties, we are exposed to the risk of litigation or claims by visitors, contractors and tenants of our retail properties. If we are required to bear all or a portion of the costs arising out of litigation or dispute as a result of a lack of, or inadequate, insurance proceeds, this may have a material adverse effect on our business, results of operations, financial condition and prospects.

We outsource certain services to third party contractors.

We outsource various services to third-party contractors. If our relationship with a contractor deteriorates, or if a contractor becomes insolvent or is otherwise unable to satisfy its contractual obligations, we would have to appoint new contractors. There can be no assurance that a successor contractor could be found with the requisite approvals, licences, resources and willingness to perform the services.

Future changes in the AED/U.S. dollar exchange rate

All of our rental income is denominated in UAE Dirhams, while our indebtedness under the New Facility and the Sukuk Bond is denominated in US dollars. Accordingly, any changes in the process for determination of the AED/USD exchange rate, whether due to changes in the economic environment in Dubai, changes in Government policy, or otherwise, that cause an appreciation of the US dollar against the UAE Dirham could have a material impact on our financial results.

We engage in transactions with Emaar Properties and other related parties.

Several direct or indirect subsidiaries of Emaar Properties and related parties lease units in our properties. These related party tenants include Emaar Retail, Symphony LLC, Retail is Detail LLC, RSH Middle East LLC, At The Top LLC and Hospitality Group LLC. In addition to leasing a number of retail units in our malls, Emaar Retail, in particular, operates The Dubai Aquarium and Underwater Zoo, Dubai Ice Rink, SEGA Republic, Reel Cinemas and Kidzania, which are the landmark entertainment venues and features of The Dubai Mall. In addition, a number of units in our properties are and in the future may be leased by employees of Emaar Properties or employees of other affiliated companies or the family members of such employees.

Leases with Emaar Retail and other related party tenants have in the past been entered into on an arm's length basis pursuant to market terms. However, there can be no assurance that we will be able to enter into transactions on market terms with our related parties in the future.

In September 2014 we entered into Technical Services Agreement with Emaar Properties. Nevertheless, there can be no assurance that we will be able to achieve market terms in such transactions, particularly in circumstances where no unrelated third parties are able to offer us comparable services. In the event such related-party transactions shift excessive benefits to our related parties, the transactions we enter into could have a material adverse effect our business, financial condition and results of operations.

Risks Relating to the UAE and to the MENA Region

Continued instability and unrest in the MENA region may adversely affect the UAE economy.

Our operations are located entirely within the UAE, which is generally viewed as being both politically and socially stable. However, continuing instability and unrest in the MENA region may significantly affect the regional economies and the economy of the UAE and, in particular, Dubai, including both the respective financial markets and real economies. These impacts could occur through a lower flow of foreign direct investment into the region, capital outflows or increased volatility in the regional financial markets. Although the UAE has not been directly impacted by the unrest in the broader region to date, it is unclear what impact this unrest may have on the UAE in the future. Our business, financial condition and results of operations may be materially adversely affected if and to the extent this regional volatility leads to an outflow of expatriate residents or capital, a reduction in tourism to Dubai or potential instability or change of Government in the UAE.

Dubai and the UAE may introduce new laws and regulations that adversely affect the way in which we are able to conduct our businesses.

Changes in investment policies or in the prevailing political climate in the UAE could result in the introduction of changes to Government regulations with respect to:

- price controls;
- export and import controls;
- income and other taxes;
- foreign ownership restrictions;
- foreign exchange and currency controls; and
- labour and welfare benefit policies.

Furthermore, Dubai's legal system for addressing rent disputes is new and largely untested. Any rent disputes in Dubai are, in the first instance, referred to the Rental Dispute Settlement Centre, which began to operate in November 2013. We may therefore face greater uncertainty of outcomes of any rent disputes with our tenants.

There can be no assurance that any future changes to current laws would not increase our costs or otherwise materially adversely affect the way in which we conduct our business.

Risks Relating to the Offering and to the Shares

After the Offering, certain shareholders will continue to be able to exercise significant influence over us, our management and our operations.

As at the date of this Prospectus, the Founders hold 100% of our issued share capital. Immediately following the Offering, the Founders will hold approximately up to 85% of our share capital. As a result, the Founders will be able to exercise control over our management and operations and over our shareholders' meetings, such as in relation to the payment of dividends and the appointment of the majority of the Directors to our Board of Directors and other matters. There can be no assurance that the interests of the Founders will coincide with the interests of purchasers of the Shares.

Furthermore, the Founders' significant Share ownership may: (i) delay or deter a change of control of the Company (including deterring a third party from making a takeover offer for the Company); and (iii) affect the liquidity of the Shares, each of which could have a material adverse effect on the market price of the Shares. In addition, Emaar Properties, which will remain our controlling shareholder following the completion of the Offering, is engaged in the investment in, and the development and management of, among other things, a large portfolio of properties, including retail properties. As a result, there may be circumstances where our investments compete directly with the other retail properties that Emaar Properties operates (by itself or with a joint venture partner), and it may take decisions with respect to those properties that are adverse to the interests of our other shareholders.

Substantial sales of Shares by the Founders could depress the price of the Shares.

Sales of a substantial number of Shares by the Founders following the completion of the Offering may significantly reduce the price of the Shares of the Company in the financial market. Each of the Founders have agreed in the Underwriting Agreement to certain restrictions on its ability to sell, transfer and otherwise deal in its Shares for a period of 180 days from the Closing Date.

The Offering may not result in an active or liquid market for the Shares.

Prior to the Offering, there has been no public trading market for the Shares. We cannot guarantee that an active trading market will develop or be sustained following the completion of the Offering, or that the market price of the Shares will not decline thereafter below the Offer Price. The trading price of the Shares may be subject to wide fluctuations in response to many factors as well as stock market fluctuations and general economic conditions or changes in political sentiment that may adversely affect the market price of the Shares, regardless of our actual performance or conditions in Dubai.

We may not pay cash dividends on the Shares. Consequently, you may not receive any return on investment unless you sell your Shares for a price greater than that which you paid for them.

While we intend to pay dividends in respect of the Shares, there can be no assurance that we will do so. Any decision to declare and pay dividends in the future will be made at the discretion of our Board of Directors and will depend on, among other things, applicable law and regulations, our results of operations, financial condition, cash requirements, contractual restrictions (including, in particular, those contained in the New Facility), our future projects and plans and other factors that our Board of Directors may deem relevant. As a result, you may not receive any return on an investment in the Shares unless you sell your Shares for a price greater than that which you paid for them.

11. Reasons for the Offering

The Offering is being conducted, among other reasons, to allow the Founders to sell part of their shareholding, while providing increased trading liquidity in the Shares and raising the Company's international profile.

All expenses of the Offering, which total approximately AED 130 million (including underwriting fees), will be paid by the Founders, except that the Company will be responsible for the fees for listing on the Dubai Financial Market which are approximately AED 100,000.

Third: Financial Information about the Company

1 Selected Financial Information and Operating Data :

The selected financial information set forth below shows our historical financial information and other unaudited operating information as at and for the years ended 31 December 2011, 2012 and 2013 and as at 30 June 2014 and for the six-month periods ended 30 June 2013 and 2014. Historical financial information for the six-month period ended 30 June 2013 is unaudited.

The financial information set forth below under the captions "Income Statement Data", "Statement of Financial Position Data" and "Statement of Cash Flows Data" has been derived from, and should be read in conjunction with, the Historical Financial Information included elsewhere in this Prospectus.

EBITDA, adjusted EBITDA, EBITDA margin and adjusted EBITDA margin are non-IFRS measures and were calculated by us based on data derived from our historical financial information.

Income Statement Data

	Year ended 31 December			**Six months ended 30 June**	
	2011	**2012**	**2013**	**2013**	**2014**
	(AED millions)				
Revenue					
Rental income	1,521	1,944	2,386	1,106	1,250
Other income	4	5	10	3	8
Total revenue	1,525	1,950	2,395	1,109	1,258
Expenses					
Other operating expenses	354	362	437	199	180
Sales and marketing expenses	25	39	64	17	17
Depreciation of property, plant and equipment	19	17	58	23	37
Depreciation of investment properties	297	297	249	119	126
General and administrative expenses	108	102	155	75	63
Finance costs	458	401	333	177	218
Total expenses	**1,261**	**1,219**	**1,296**	**611**	**641**
Profit for the year/period	**263**	**731**	**1,099**	**498**	**617**

Statement of Financial Position Data

	31 December			30 June
	2011	2012	2013	2014
	(AED Millions)			
Non-current assets				
Property, plant and equipment	231	424	303	313
Investment properties	7,353	7,255	7,330	20,363
Investment in subsidiaries	0.4	0.4	0.4	—
Total non-current assets	**7,584**	**7,680**	**7,633**	**20,677**
Current assets				
Inventories	7	9	15	15
Trade receivables	233	238	194	94
Advances and prepayments	21	44	35	46
Due from related parties	128	121	172	220
Bank balances and cash	33	670	1,363	1,483
Total current assets	**422**	**1,083**	**1,778**	**1,857**
Total assets	**8,006**	**8,763**	**9,412**	**22,534**
Equity				
Share capital	0.3	0.3	0.3	0.3
Proposed share capital increase(1)	—	—	—	13,014
Statutory reserve	0.15	0.15	0.15	0.15
Retained earnings	1,163	1,894	2,993	856
Hedging reserve	—	(45)	(35)	(7)
TOTAL EQUITY	**1,164**	**1,849**	**2,959**	**13,863**
Non-current liabilities				
Employees' end of service benefits	7	8	11	13
Islamic finance facility—long term portion	722	3,443	3,275	3,631
Sukuk	—	—	—	2,733
Due to related parties	5,243	2,330	1,826	—
Retentions payable after 12 months	—	—	—	4
Total non-current liabilities	**5,972**	**5,781**	**5,112**	**6,381**
Current liabilities				
Due to related parties	—	—	—	1,119
Islamic finance facility—short term portion	—	90	180	—
Accounts payable and accruals	192	277	336	290
Advances and security deposits	333	395	449	469
Retentions payable within 12 months	—	—	—	3
Deferred income	346	371	376	408
Total current liabilities	**870**	**1,132**	**1,341**	**2,290**
TOTAL LIABILITIES	**6,843**	**6,913**	**6,453**	**8,671**
TOTAL EQUITY AND LIABILITIES	**8,006**	**8,763**	**9,412**	**22,534**

Note:

(1) In the six months ended 30 June 2014, we proposed to issue additional shares to existing shareholders against transfer of titles of plots of land related to The Dubai Mall, the Dubai Marina Mall and Souk Al Bahar. On 20 July 2014, we registered the increase in share capital with Government authorities amounting to AED 13,014 million, consisting of 13,014,000 shares of AED 1,000 each through an addendum to the Company's Memorandum of Association.

Statement of Cash Flows Data

	Year ended 31 December			Six months ended 30 June	
	2011	2012	2013	2013	2014
	(AED millions)				
Net cash from operating activities	1,249	1,303	1,876	1,090	1,075
Net cash used in investing activities	(353)	(651)	(1,191)	(508)	(408)
Net cash used in financing activities	(1,090)	(264)	(928)	(919)	(767)
Increase (decrease) in cash and cash equivalents	**(194)**	**388**	**(242)**	**(337)**	**(100)**
Cash and cash equivalents at the beginning of the year/period	**204**	**10**	**399**	**399**	**157**
Cash and cash equivalents at the end of the year/period	**10**	**399**	**157**	**62**	**57**

Other Financial Information

	Year ended 31 December			Six months ended 30 June	
	2011	2012	2013	2013	2014
EBITDA (AED millions)					
Super-Regional Malls Division	918	1,244	1,494	713	833
Regional Malls Division	53	81	79	37	49
Community Integrated Retail Division	58	81	107	45	71
Specialty Retail Division	49	72	93	43	49
Others(1)	(40)	(32)	(34)	(22)	(3)
Total EBITDA(2)	1,037	1,446	1,739	817	999
EBITDA margin(3) (%)					
Super-Regional Malls Division	72%	76%	75%	77%	81%
Regional Malls Division	64%	75%	66%	69%	69%
Community Integrated Retail Division	65%	77%	72%	73%	80%
Specialty Retail Division	59%	73%	73%	72%	75%
Total EBITDA margin	68%	74%	73%	74%	79%
Adjusted EBITDA (*AED millions*)(4)	—	—	—	—	943
Adjusted EBITDA margin *(%)*(5)	—	—	—	—	75%

Notes:

(1) Others refers to Emaar Malls Group head office expenses, which are not allocated to the divisions.

(2) Earnings before interest, tax, depreciation and amortisation. The table below sets forth a reconciliation of total EBITDA to net profit:

	Year ended 31 December			Six months ended 30 June	
	2011	2012	2013	2013	2014
	(AED millions)				
Net profit	263	731	1,099	498	617
Add:					
Finance costs	458	401	333	177	218
Depreciation of property, plant and equipment	19	17	58	23	37
Depreciation of investment properties	297	297	249	119	126
EBITDA	**1,037**	**1,446**	**1,739**	**817**	**999**

(3) EBITDA as a percentage of total revenues.

(4) The table below sets forth a reconciliation of Adjusted EBITDA to EBITDA for the six months ended 30 June 2014:

EBITDA	**999**
Less:	
Write back of operating and general and administrative expenses	45
Bad debt provision written back	10
Adjusted EBITDA	**943**

(5) Adjusted EBITDA as a percentage of total revenues.

Certain Operating Data

	Year ended 31 December			**Six months ended 30 June**	
	2011	**2012**	**2013**	**2013**	**2014**
GLA ('000 sq ft.) as at period end					
Super-Regional Malls Division	3,526	3,560	3,549	3,545	3,551
Regional Malls Division	313	312	353	368	373
Community Integrated Retail Division	531	607	715	640	724
Specialty Retail Division	661	679	679	677	679
Total GLA for all properties	5,031	5,158	5,295	5,230	5,327
Average rent per sq ft. (AED)					
Super-Regional Malls Division	349	432	490	463	502
Regional Malls Division	275	332	330	300	354
Community Integrated Retail Division	205	246	251	248	278
Specialty Retail Division	187	178	190	187	194
Average rent per sq ft. for all properties	**316**	**381**	**419**	**399**	**430**
GLA occupancy rate (%)					
Super-Regional Malls Division	93%	92%	99%	99%	99%
Regional Malls Division	86%	93%	98%	98%	95%
Community Integrated Retail Division	68%	64%	73%	73%	81%
Specialty Retail Division	67%	74%	85%	83%	87%
Average GLA occupancy rate for all properties	**86%**	**89%**	**93%**	**93%**	**95%**
Footfall (millions)					
Super-Regional Malls Division	54	65	75	38	40
Regional Malls Division	4	5	6	3	3
Community Integrated Retail Division	12	13	15	8	8
Specialty Retail Division	6	6	8	4	4
Total footfall for all properties	**76**	**89**	**104**	**53**	**56**

2 Dividend policy

Our ability to pay dividends is dependent on a number of factors, including the availability of distributable reserves and our capital expenditure plans and other cash requirements in future periods, and there is no assurance that we will pay dividends, or if a dividend is paid, what the amount of such dividend will be.

Subject to the foregoing, we anticipate distributing 50% to 70% of our funds from operations (ie EBITDA less net interest expense) in the form of dividends to all the shareholders of the Company (Emaar Malls Group PJSC), following consideration by the Board of the cash management requirements with regards to operating expenses including interest for the year ahead and planned development capital expenditure. In addition, the Board would also consider market conditions, the then current operating environment and its outlook for the business. Any level or payment of dividends depends on future profits and the business plan of the Company, amongst other factors, at the discretion of the Board.

Fourth: Notice of Constitutive General Assembly

The notice set out below is relevant for all Subscribers which have been allocated Shares. It calls for convening the Constitutive General Assembly meeting at the date, time and place set out in the notice. All Subscribers are entitled to attend and vote at such meeting. Any voting rights of any Subscriber attending the General Assembly meeting shall correspond to the number of Shares such Subscriber receives following the allotment process.

Notice of Constitutive General Assembly meeting

Dear Sir or Madam,

Thank you for applying to purchase shares in Emaar Malls Group PJSC (a public joint stock company, under incorporation in the Emirate of Dubai, United Arab Emirates) ("**Company**").

This is to notify you that in accordance with Article (88) of the UAE Commercial Companies Law No. 8 of 1984 and its amendments, the Founders of the Company are pleased to invite you to attend the first meeting of the constitutive general assembly which will be held at Diamond Ballroom, the Address Hotel - The Dubai Mall at 8:00 am on Tuesday 30 September 2014.

If the required quorum for the first meeting is not present, a second meeting will be held at the same venue on Wednesday 1 October 2014 at 8:00 am.

If the required quorum is not present for the second meeting, a third meeting will be held at the same venue on Thursday 2 October 2014 at 8:00 am.

The constitutive general assembly shall be quorate with the attendance of shareholders or their representatives holding three quarters of the Shares of the Company. The assembly will be headed by the person elected by the assembly from amongst the Founders.

The agenda of the constitutive general assembly is as follows:

1. Reviewing and ratifying the Founders committee report in respect of the incorporation of the Company and its related expenses.
2. Ratifying the Memorandum of Association and Articles of Association of the Company.
3. Approving the appointment of the first Board of Directors for three years as per article 23 of the Articles of Association of the Company.
4. Ratifying the appointment of the Company's auditor.
5. Announcing the incorporation of the Company.

Each individual Subscriber and each Qualified Institutional Investor which has been allocated Shares may attend the meeting in person or through an authorized representative. In the event a representative of the shareholder will attend, he/she must bring along a written proxy authorising his/her attendance on behalf of that shareholder (attached is a sample proxy). It should be noted that if the proxy holder is not a shareholder, then the proxy needs to be notarized and the proxy holder should not be one of the Company's Board members; and the proxy holder should not be representing Shares for more than one shareholder of a value that exceeds 5% of the share capital of the Company .

Any change in the dates above, will be announced through the local newspapers.

Should you attend in person, kindly bring your proof of identification (identification card, passport). If you are attending through an authorised representative, a certified copy of your passport and the original passport of your representative are required and the notarized power of attorney.

Yours faithfully,

Founding Committee

Form of Proxy

Proxy for attending and voting at the Constitutive General Assembly meeting of Emaar Malls Group PJSC (under incorporation)

We/I, the undersigned , herby appoint and authorise pursuant to this proxy Mr./ Ms. (The "**Attorney**") to attend the Constitutive General Assembly meeting of Emaar Malls Group PJSC (Under Incorporation) on my/our behalf . The Attorney shall have the right to vote on all matters discussed in the meeting whether the meeting was held on its original date or postponed to any other date. The Attorney shall also have the right to sign all decisions and documents in this regard.

Signature:

____

Messers:

Date:

Fifth: Other Details

1. Mechanism for adopting a governance system in the Company

The Board is committed to standards of corporate governance that are in line with international best practice. As at the date of this Prospectus, and on and following listing of the Shares on DFM, the Board complies and intends to continue complying with the corporate governance requirements applicable to public joint stock companies listed on the DFM as set out in the Governance Rules and Corporate Discipline Standards issued on 29 October 2009 pursuant to Ministerial Decree no. 518 (the "**Governance Rules**"). The Company will report to its shareholders and to the Authority on its compliance with the Governance Rules, in accordance with the provisions thereof.

As envisaged by the Governance Rules, the Board has established two permanent committees: an Audit Committee and a Nomination and Remuneration Committee. If the need should arise, the Board may set up additional committees as appropriate. The Chairman is not permitted to be a member of either the Audit Committee or the Nomination and Remuneration Committee.

The Governance Rules require that the majority of the Board must be comprised of non-executive directors, and that at least one third of the Board must be independent in accordance with the criteria set out in the Governance Rules. As of the date of this Prospectus, the Board consists of non-executive Directors (other than the Chairman) (the "**Non-Executive Directors**"). The Company regards all of the Non-Executive Directors, other than Abdullah Saeed Bin Majed Belyoaha, Ahmad Thani Rashed Al Matrooshi and Abdul Rahman Hareb Rashed Al Hareb, as "independent members of the Board" within the meaning of the Governance Rules and free from any business or other relationship that could materially interfere with the exercise of their independent judgment.

The Governance Rules further require that the Board meet at least once every two months.

2. Company's proposed management structure

The Board consists of eight Directors (as mentioned above in this Prospectus) of which there is one executive member, being the Chairman, and the rest of the Directors and non-executive Directors.

- **Executive management**

Nasser Rafi—*Chief Executive Officer*

Mr. Rafi has been with Emaar for nine years and is currently the CEO of Emaar Malls **Group**. Mr. Rafi is responsible for the strategic growth of Emaar Malls **Group**, focusing on improving tenant mix policies, growing visitor footfall and increasing retail revenues in Emaar Malls **Group's** existing mall portfolio. Mr. Rafi is also responsible for overall design, development planning and global marketing strategy.

Mr. Rafi has also spearheaded the Company's internal control policies and procedures, the formulation and review of key controls, IT systems, business processes and management reporting, all of which have significantly improved the overall productivity and operational efficiency of Emaar Malls.

In his previous role as the Managing Director of Hamptons International—Middle East, Mr. Rafi has a proven track record in identifying market trends and implementing effective sales strategies. He was also involved in establishing the brand identity of Hamptons, developing new consumer segments, evolving a diversified business portfolio and strengthening Hampton's range of value-added services.

Mr. Rafi has a Master of Science in Computer Science in the field of Artificial Intelligence (AI) from Eastern Washington University USA, has extensive experience in Enterprise Resource Planning systems and is a strategic advisor for C-level executives in the area of Technology and Business Intelligence Solutions.

Yazan Mohamed Al Nasser—*Chief Financial Officer*

Mr. Yazan has been with Emaar for nine years and is currently CFO of the Emaar Malls. Mr. Yazan is responsible for establishing the internal control policies and procedures, the formulation and review of key financial controls, IT systems, business processes and management reporting, the appraisal of management and investment opportunities and supporting the CEOs of the respective groups in strategic management decisions.

Prior to his role, he was Director of Internal Audit for Emaar Properties and Senior Internal Auditor for Majid Al Futtaim. Yazan was also a Senior Internal Auditor for United Nations (UNRWA).

Mr. Yazan has a Bachelor's Degree in Economics and Administrative Sciences from Yarmouk University in Jordan. He is also a Certified Fraud Examiner certification, Certified Internal Control Auditor certification and Certified Risk and Information System control.

Sally Yacoub—*Senior Director and Head of Leasing*

Ms. Yacoub is currently the Senior Director and Head of Leasing reporting directly to the CEO. Her function includes managing a leasing portfolio of approximately 5.9 million sq ft. of GLA in the properties of Emaar Malls in Dubai, working with consultants, architects and designers on the development of retail projects (including souks, community centres, water front and street retail) with regard to the overall layout of new projects, store sizes, zones and locations of anchor tenants.

Ms. Yacoub is also responsible for the setting up of leasing strategy and plans, developing the appropriate retail and tenants mix, conducting market research and monitoring of brands and performance in the region. She holds a degree from McGill University, Montreal-Quebec in Public Relations Management.

Natalie Bogdanova—*Senior Director, Business Development & Operations*

Natalie started her career in Asset Management and Leasing at the Dubai World Trade Centre before moving to Emaar Properties Group in January 2003. Natalie took charge of The Dubai Mall as a GM in June 2009. In 2013, Natalie was elevated to Senior Director of Business Development & Operations with focus on upcoming mall expansions, including The Dubai Mall. In her new role Natalie continues to manage The Dubai Mall, which is currently expanding by adding 1 million sq ft. to its high-profile Fashion Avenue, in addition to managing key global Marketing campaigns and strategic partnerships that aim to further strengthen The Dubai Mall position and brand visibility.

Natalie holds a BA in International Business from Bournemouth University and a HND in Marketing from Dubai Polytechnic.

Steven Cleaver—*General Manager, The Dubai Mall*

Steven has over 20 years of experience in international retail and mall management and development in the UK, China, Ireland, Saudi Arabia, Eastern Europe and the UAE. Significant large scale experience of retail flagship and new country start-up, mall development, management and strategic planning.

Prior to his move into mall management he spent nearly 10 years with a prominent UK retailer B&Q in a number of senior roles including international opening project manager for flagship developments in China and Ireland.

Robert Williams—*General Manager, Dubai Marina Mall*

Robert joined Emaar Malls Group in September 2013 and has more than 24 years experience in the shopping centre industry. Robert was previously General Manager of Mega Shopping Mall in Almaty (Kazakhstan) for 7 years and General Manager of GUM Shopping Mall in Moscow for 2 years. Robert has a MA 1st Hons in Hospitality Management from the University of Wolverhampton (UK) and a BA 1st Hons in Business Administration, Management & Operations from the University of Gloucestershire (UK).

Mohamed Taher Badri—*General Manager, Gold & Diamond Park*

Mohamed is currently the General Manager of the Gold & Diamond Park as well as General Manager of Souk Al Bahar, Downtown Boulevard and Community Retail. Mohamed deals with all the aspects related to the Management, Operations, Administration & HR, Marketing & PR and Finance of the Malls he directly manages.

Mohamed holds an MBA from the American University of Beirut, Lebanon and a Bachelor of Commerce from the University of Poona, India.

Juzer Furniturewala—*Director, Information Technology*

Mr Juzer is a long standing employee of Emaar having joined in January 2003. He holds a Master's Degree in Finance Management, Bachelor's Degree of Engineering in Production, as well as a number of other information technology related qualifications. Mr Juzer has over 25 years of work experience in the areas of ERP implementation, IT systems, development of customised IT applications, planning and production.

Fouad Jardak—*Legal Director*

Mr Fouad joined Emaar in 2011 and is responsible for the legal function at Emaar Malls Group. He is an attorney at law, registered with the Bar of Beirut since 1997. He has 17 years of experience working in various law firms and as in-house director for a large retail group. He has a Bachelor's Degree in Law and is also well versed in corporate and commercial law.

- **Conditions of eligibility, election, removal and proposed names of the Company's first Board formation:** Board members will be elected by an Ordinary General Assembly Meeting by secret ballot. However, the first appointment of the Directors was made by the Founders.

3. Board Committees

In line with the Corporate Governance Rules, the Board will be assisted by two Board-level committees: Audit and Risk Committee and Nomination and Remuneration Committee.

- **Audit and Risk Committee**

  The Audit and Risk Committee assists the Board in discharging its responsibilities with regard to financial reporting, external and internal audits and controls, including reviewing and monitoring the integrity of the Company's annual and interim financial statements, reviewing and monitoring the extent of the non-audit work undertaken by external auditors, advising on the appointment of external auditors, overseeing the Company's relationship with its external auditors, reviewing the effectiveness of the external audit process, and reviewing the effectiveness of the Company's internal control review function. The ultimate responsibility for reviewing and approving the annual report and accounts remains with the Board. The Audit Committee will give due consideration to the applicable laws and regulations of the UAE, the Authority and the DFM, including the provisions of the Governance Rules.

  The Governance Rules require that the Audit Committee must be comprised of at least three members who are non-executive Directors and that the majority of members must be independent. In addition, at least one member is required to have recent and relevant audit and accounting experience. The Audit Committee will be chaired by one of the independent members and will include other members elected by the Board. The Committee will meet not less than four times a year.

  The Audit Committee has taken appropriate steps to ensure that the Company's Auditors are independent of the Company as required by the Governance Rules and has obtained written confirmation from the Company's Auditors that they comply with guidelines on independence issued by the relevant accountancy and auditing bodies.

- **Nomination and Remuneration Committee**

  The Nomination and Remuneration Committee assists the Board in discharging its responsibilities relating to the composition and make-up of the Board and any committees of the Board. It is responsible for evaluating the balance of skills, knowledge and experience and the size, structure and composition of the Board and committees of the Board and, in particular, for monitoring the independent status of the independent Non-Executive Directors. It is also responsible for periodically reviewing the Board's structure and identifying potential candidates to be appointed as Directors or committee members as the need may arise. In addition, the Nomination and Remuneration Committee assists the Board in determining its responsibilities in relation to remuneration, including making recommendations to the Board on the Company's policy on executive remuneration, setting the over-arching principles, parameters and governance framework of the Group's remuneration policy and determining the individual remuneration and benefits package of each of the Company's Executive Directors and senior management.

  The Governance Rules require the Nomination and Remuneration Committee to be comprised of at least three non-executive Directors, of whom at least two must be independent. The chairman of the

Nomination and Remuneration Committee must be chosen from amongst the independent committee members. The Nomination Committee will be chaired by of the independent Board members, and its other members will be nominated by the Board. The Nomination Committee will meet not less than twice a year.

4. Shareholders' rights and responsibilities

The Shareholders key rights as per the Companies Law and the Articles of Association are as follows:

- The right to dividends' distributions determined by the General Assembly.
- The right to priority in secondary offerings and to obtain his shareholding upon liquidation.
- The right to attend the general meeting and receive a copy of the Company's financial statements.
- The right to request the nullity of any resolutions passed at the General Assembly and to prosecute the board members.
- The right to be nominated to the board membership.
- The right to appoint the auditors of the Company and determine their remuneration.
- The limitation of liability of the shareholder to the payment of the purchased share value or the portion of unpaid nominal value of the shares, but not for the Company's debts except within the limits of the nominal value of his shares.

5. Memorandum of Association and Articles of Association

The full text of the Memorandum of Association and Articles of Association of the Company are annexed to the Prospectus.

6. Legal Matters

The following summary is qualified by the relevant provisions of the Company's Memorandum of Association and the Articles of Association and the Companies Law.

- **Conversion**

  The Company will be converted from a limited liability company to a public joint stock company prior to listing. The Company's Memorandum of Association and Articles of Association referred to in the Prospectus are the Memorandum of Association and the Articles of Association which the Company will adopt upon conversion.

- **Articles of Association**

  The Company's Articles of Association describe the rights and obligations associated with the ownership of the Shares in detail.

- **Attending General Assembly and voting rights**

  Each shareholder shall have the right to attend the General Assembly meetings and shall have a number of votes equal to the number of his Shares.

- **Pre-emption rights**

  In case of capital increase, the existing Shareholders shall have a pre-emption right to subscribe for newly issued shares. However, the Company is exempted from Articles 202, 203, 204, 205 and 206 of the Companies Law, whereby the Company may increase its issued capital by issuing new shares without applying the existing shareholders' pre-emptive rights, provided that such capital increase shall be approved by the Extraordinary General Assembly, as shall be recommended by the Board. This exemption is provided in the following circumstances and subject to the following conditions:

  - the newly issued shares shall be subscribed by a strategic investor, whose activities are similar to those of the Company or complement the same, and that such investment shall benefit the business of the Company. This includes the future investments of Emaar Properties PJSC in the Company by way of transferring and assigning new malls to the Company in form of in-kind capital contribution;

  - the conversion of the cash debts payable to the Federal Government, local governments, authorities and public institutions in the State, banks and financial institutions, into to shares in the Company's capital; or
  - in case of employees incentive plans, whereby employees shall be entitled to own shares in the Company.

- **Share Register**

  Upon listing on the DFM, the Shares will be dematerialised and the share register will be maintained by the DFM.

- **Financial Information**

  A shareholder is entitled to request a copy of the annual audited financial statements as the Company.

- **Financial Year**

  The financial year of the Company will start on the 1st of January and end on 31st of December of each year. The first financial year of the Company will start upon incorporation of the Company as a public joint stock company and end on December 31 of the following year.

- **Dividends and Liquidation Proceeds**

  The Company shall pay dividends on shares in compliance with the regulations and decisions issued by the Authority. Eligible shareholders shall have the sole right to the profits due on those Shares. In the event of liquidation of the Company, each shareholder shall be entitled to a part of the Company's assets in accordance with Article 169 of the Companies Law.

- **General Assembly**

  The Board may convene an Ordinary General Assembly whenever it deems necessary. The shareholders may also require the Board to convene a meeting if it is requested by ten shareholders holding not less than 30% (thirty per cent). In any event, the General Assembly must convene at least once a year upon an invitation by the Board within the four (4) months following the end of the financial year at the place and the time specified in the invitation to the meeting.

  Any resolution adopted by the General Assembly without consideration to the Company's interests in favour of a particular group of shareholders, causing damage to them or providing a private benefit to the members of the Board or to third parties, may be revoked.

  The judgment annulling a resolution of an Ordinary General Assembly shall consequently lead to the resolution being considered as non-existent vis a vis all shareholders. The Board must publish the annulment judgment in two local daily newspapers published in the Arabic language.

  Proceedings for annulment are time barred on the expiry of one year from the date of adopting the resolution contested. Initiating the proceedings will not prevent the implementation of the resolution unless the court decides otherwise.

- **Liability of the Board**

  The Board shall be liable towards the Company, the shareholders and third parties for all acts of fraud, abuse of power, violation of the law or the Company's Articles of Association, in addition to mismanagement. The Company shall have the right to initiate proceedings against the members of the Board claiming damages suffered by the shareholders as a result of the Board's faults. A resolution of the General Assembly shall be adopted specifying who shall initiate the proceedings on behalf of the Company.

  Any shareholder may independently initiate proceedings if the Company fails to do so, if the Board's acts have caused a particular damage to the initiating shareholder. However, he must notify the Company of his intention to initiate proceedings beforehand.

- **Exemptions from the Commercial Companies Law**

  The Company has exemptions from certain provisions of the Commercial Companies Law as described in its Articles of Association.

- **Appointment of the Chairman and the Powers of the Chairman**

  The articles provide that the Board of Directors shall elect, from amongst their members, a chairman and a vice-chairman. The chairman shall represent the Company before the courts and shall execute the resolutions adopted by the Board of Directors. In the event that there is an equality of votes by the directors, then the Chairman shall have a casting vote.

7. Independent Accountants

Ernst & Young Middle East Dubai Branch of PO Box 9267, Al Attar Tower, Sheikh Zayed Road, Dubai, UAE, have reported on our historical financial information as of and for the years ended 31 December 2011, 2012 and 2013 and as of 30th June 2014 and for the six month period then ended as stated in their report appearing herein.

8. Material events and contracts concluded by the Company within and before the conversion period

The revenue of the Company is primarily generated from its top 25 anchor tenancy agreements and these make up the material contracts of the business.

Whilst the majority of the tenancy contracts are for a limited period and are not subject to renewal, there are a few exceptions where the tenants have been provided with a renewal option for a successive term. Any tenancy contract which contains a non-renewal clause is contrary to the Article 25 (2) of Law No. 26 of 2007 as amended by Law No. 33 of 2008 in the Emirate of Dubai ("**Tenancy Laws**") which sets out limited grounds for termination of a tenancy contract upon its expiry by the Company namely, (i) sale of the leased premises; or (ii) renovation or comprehensive maintenance is required to be undertaken to the leased premises subject to such activity being supported by a technical report issued or accredited by Dubai Municipality; or (iii) demolition or reconstruction is required to be undertaken to the leased premises, subject to the landlord procuring the necessary licenses; or (iv) for personal usage or for use by next to kin by first degree provided the landlord can prove that no other suitable alternative premise is available to it. If the Company wishes to terminate the tenancy contract upon its expiry, a prior 12 months' written notice through the Notary Public or by registered mail should be served on the tenant notifying the date of termination and the reason for such termination. The tenant has the right to approach the Dubai Rental Dispute Settlement Centre, should the Company refuse to renew the tenancy contract upon its expiry.

In respect of assignment, the tenant is not permitted to assign or sublet the leased premises without the prior written consent of the Company. The Company is however free to assign its interest to any third party without prior consent of the tenant. This is standard practice for tenancy contracts and also in compliance with the applicable laws.

Under the tenancy contract the Company may terminate the contract upon the occurrence of specified events of default by service of a written notice to the defaulting tenant and without the requirement of a court order. This is in accordance with the standard market practice for tenancy agreements and also in compliance with Article 25(1) of the Tenancy Laws and rules of law related to the termination of contracts. While in theory, the Company may terminate the tenancy contract without a court order, either party has the right to approach the Dubai Rental Dispute Settlement Centre which is the competent authority for tenancy disputes for relief.

The tenancy contracts require the tenant to obtain and maintain various types of insurance cover at its own cost and also add the Company as a co-insured to such policies. The requirement to maintain such insurance policies by the tenant is general market practice.

The tenant is required to pay the gross annual rent (that is the basic rent, plus service charge etc.) for the entire tenancy term to the Company by way of post-dated cheques upon the signing of the tenancy agreement. In addition to the gross annual rent, the tenant is required to pay a turnover rent for each tenancy year in arrears within 30 days from the end of the relevant tenancy year; the turnover rent is agreed between the parties and ranges from 4-8% of the tenant's annual gross profit less the basic rent and subject to a minimum total rental of at least the basic rent. This is in compliance with the standard practice for tenancy contracts in general and also in compliance with the applicable laws.

The tenant is responsible for the payment of a service charge to the Company which forms part of the annual rent. Such service charge is utilized by the Company to maintain the common areas and the building in general as set out in a schedule of the tenancy contract. The Company is entitled to revise such service charge during the Company's financial year by serving a notice to the tenant. This is in compliance with the standard practice for tenancy contracts in general and also in compliance with the applicable laws.

The tenancy contracts provide that the tenant is responsible for payment of various utilities such as water, gas, electricity, telecommunication services, etc which are separately metered to the leased premises. In the absence of a separate meter, the tenant shall pay to the Company, a proportionate part of the cost including an administration charge of 15% of such proportionate share. This is a contractual arrangement between the parties to the tenancy contract and is in compliance with the applicable laws.

While majority of the tenancy contracts are for a limited period and are not subject to renewal, the tenancy contract with one of the anchor tenants provides the tenant with an automatic renewal option for a successive term. However should the tenant not wish to renew for a successive term, it would need to notify the Company at least 12 months' prior to the expiry of the tenancy contract.

The tenancy contract with another anchor tenant provides an option to the tenant to surrender the leased premises prior to the expiry of the tenancy contract provided the tenant fulfills all its obligations under the contract and provides the Company with at least six months prior notice. Upon completion of such notice period, the tenant would need to pay a compensation for early termination to the Company, which is an amount equivalent to the gross annual rent for the remaining period of the tenancy term or for 6 months' period, whichever is less, upon service of such written notice for early termination. Another tenancy contract with a third anchor tenant contains a similar clause.

The tenancy contract with a fourth anchor tenant contains a right for the Company to serve a prior 3 months' written notice to the tenant for early termination. Upon completion of such notice period, the tenant would surrender the leased premises back to the Company and has agreed not to pursue any proceedings before the Dubai Rent Committee or DIAC for the purposes of claiming compensation.

Expansion Works

The Company has entered into a letter of acceptance with Dutco Balfour Beatty LLC on 1 July 2014 in relation to the Fashion Avenue Expansion in The Dubai Mall for a value of AED 1,188,000,000. Other agreements pertaining to the Fashion Avenue Expansion and other expansions are in the process of being executed and/or assigned to the Company.

The title to the land for the Fashion Avenue expansion is registered in the name of Emaar Properties, and, pursuant to an agreement between the Company and Emaar Properties, shall be transferred to us for no consideration once the construction of the Fashion Avenue extension has been completed.

Technical Services Agreement

In September 2014, we entered into an agreement with Emaar Properties (the "**Technical Services Agreement**"). Under the Technical Services Agreement, Emaar Properties will provide a number of services to us, including (i) operating and maintaining the Dubai Lake and Fountain, (ii) certain head office services (including in respect corporate finance, group strategy and investor relations), (iii) insurance services , (iii) marketing services including sponsorship, events and media campaigns, (v) security services, (vi) facility management services, (vii) general corporate services including asset management and procurement, (viii) business operations and external relations services, and (ix) customer relationship management services including technical and business support services. As compensation for the provision of these services, we will reimburse an agreed-upon percentage of the related costs incurred by Emaar Properties, ranging from 15-25% for the costs of the management and staff of Emaar Properties' corporate departments that will be involved in the provisions of the services, to 40% for the costs of operating the Dubai Lake and Fountain, 40% for the costs of marketing campaigns and 50% for the staff costs of related to facility management.

The Technical Services Agreement has no fixed termination date, but may be terminated by Emaar Properties giving the Company 90 days written notice of termination.

Relationship Agreement

On 7 September 2014 the Company entered into an agreement with Emaar Properties (the "**Relationship Agreement**") which provides that, until the earlier of (a) 10 years following Admission; (b) the date on which Emaar Properties ceases to hold (directly or indirectly) at least 30% of the issued ordinary share capital of the Company; and (c) the mutual agreement of the Parties to terminate the Relationship

Agreement, subject to the prior approval of a majority of independent non-executive directors of each of the parties, the Group shall have an option to acquire any future retail assets of any size located anywhere in the GCC that are developed and/or 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 "**Development Assets Option**"), save for any entertainment and food and beverage outlet or specialty centre owned and/or developed by Emaar Properties' hospitality division.

The Development Assets Option may be exercised at the sole discretion of the Company, on an asset-by-asset basis, during the period following the date on which the Company is notified by Emaar Properties that signed leases or lease commitments have been obtained in respect of at least 70% of the GLA of the asset in question (the "commencement date") and ending on the date which is 365 days after the later of (i) the commencement date and (ii) the date on which the relevant asset is open to the general public for business. The price payable by the Company (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 the development cost incurred by Emaar Properties, as determined by one of the Big 4 international audit firms that is independent of both Emaar Properties and the Company. 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).

Prior to the exercise of the Development Assets Option and completion of the acquisition of the relevant asset by the Company, the Company has the right to assist and guide Emaar Properties in certain aspects of the development, design and leasing of the proposed retail asset. Any such services shall be provided by the Company on arm's length terms pursuant to separate consultancy or management agreements to be entered into between the relevant member of the Group and Emaar Properties at the relevant time.

Underwriting Agreement

Subscribers in the Qualified Institutional Tranche are not required to pre-fund their applications, except for Subscribers who present their applications through the Receiving Banks (as mentioned above in this Prospectus). This creates a risk that they will not pay for, or purchase, the shares applied for by them. Given this is a subscription for shares offered by the Founders for sale, this settlement risk is borne wholly by the Founders and not by the prospective subscribers. This settlement risk will be addressed by the Company and Founders by way of an underwriting agreement that will be entered into between the Company, the Founders and the Joint Bookrunners ("**Underwriting Agreement**"). This is in line with international practice to which international Subscribers are accustomed. Pursuant to the underwriting agreement, certain of the Joint Bookrunners (the "**Underwriters**") will, following determination of the Final Offer Price and subject to certain other conditions being satisfied, underwrite the purchase of the shares allocated in the international tranche. This will mean that, if any allocated shares in the international tranche are not purchased by international tranche, the Underwriters will be obliged to purchase, and pay for, such shares. The Underwriters will not, however, be obliged to purchase, and pay for, any shares for which no applications from Subscribers are received.

Pursuant to the Underwriting Agreement, the Founders agreed to certain restrictions on their right to sell, transfer or dispose of their shares by any means for a period of 180 days from the date of Listing.

9. Undertakings and acknowledgements in relation to the Prospectus made by the Founders and the members of the Board.

Acknowledgement issued by the Founders' Committee and members of the Board.

The members of the Founders Committee and members of the Board of Emaar Malls Group (a public joint stock company under incorporation), in their joint and several capacity, hereby acknowledge full responsibility with respect to the validity of the data and information contained in the subscription prospectus. Having applied the required due diligence, we confirm that there is no material facts or information the lack of which in the prospectus will make any statement contained therein to be misleading or influential in the investment decision of the Subscribers.

They are committed to the issuance and disclosure rules issued by the Authority and undertook to notify the Authority of any material events or changes that may affect the financial position of the company as of the date of submitting the application to offer the Shares for public subscription to the Authority until the date of starting the subscription process. They also confirm that they applied adequate diligence in concluding agreements that determine the duties and responsibilities of the parties participating in the subscription process according to the best terms available at the contractual date and pursuant to the requirements issued by the Authority.

Upon any change or amendment in the subscription information or conditions, they undertake to notify the Authority immediately; and to obtain the approval of the Authority on the advertisements, publication and promotional campaigns that the company may wish to publish to promote and introduce the subscription.

Upon the completion of the subscription, they undertake to invite to the founding general assembly on the date, time and place mentioned in this Prospectus and to complete the registration and listing of the subscribed Shares with the competent bodies within a period not exceeding the time appointed by the Authority.

Annex 1—Historical Financial Information

The Directors
Emaar Malls Group LLC
Building 3, Level 4
Emaar Square, Downtown Dubai
P.O.Box 191741
Dubai
United Arab Emirates

14 September 2014

Dear Sirs,

Emaar Malls Group LLC

We report on the historical financial information of Emaar Malls Group LLC for the years ended 31 December 2013, 2012 and 2011 and the six month period ended 30 June 2014 included in Annex 1 ("Historical Financial Information"). This financial information has been prepared for inclusion in the prospectus dated 14 September 2014 of Emaar Malls Group PJSC ("Under Incorporation") on the basis of the accounting policies set out in note 2.1. This report is required by the Emirates Securities and Commodities Authority [ESCA] and is given for the purpose of complying with that requirement and for no other purpose.

Save for any responsibility which we may have to those to whom this report is expressly addressed and for any responsibility arising under UAE law to investors purchasing shares in reliance on this report, to the fullest extent permitted by law we do not assume any responsibility and will not accept any liability to any other person for any loss suffered by any such other person as a result of, arising out of, or in connection with this report.

We have not audited or reviewed the financial information for the six month period ended 30 June 2013 and accordingly do not express an opinion thereon.

Responsibilities
The Directors of Emaar Malls Group LLC are responsible for preparing the Historical Financial Information in accordance with the basis of preparation set out in note 2.1 to the Historical Financial information.

It is our responsibility to form an opinion on the Historical Financial Information and to report our opinion to you.

Basis of opinion
We conducted our work in accordance with Standards for Investment Reporting issued by the Auditing Practices Board in the United Kingdom for an investment circular prepared for issue in connection with a securities transaction governed wholly or in part by the laws and regulations of the United Kingdom. Our work included an assessment of evidence relevant to the amounts and disclosures in the Historical Financial Information. It also included an assessment of significant estimates and judgments made by those responsible for the preparation of the historical financial information and whether the accounting policies are appropriate to the entity's circumstances, consistently applied and adequately disclosed.

We planned and performed our work so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the Historical Financial Information is free from material misstatement whether caused by fraud or other irregularity or error.

Our work has not been carried out in accordance with auditing or other standards and practices generally accepted in other jurisdictions and accordingly should not be relied upon as if it had been carried out in accordance with those standards and practices.

Opinion

In our opinion, the Historical Financial Information gives, for the purposes of the prospectus dated 14 September 2014, a true and fair view of the state of affairs of Emaar Malls Group LLC as at the dates stated and of its profits, cash flows and changes in equity for the periods then ended in accordance with the basis of preparation set out in note 2.1 to the Historical Financial Information.

Yours faithfully,

Thodla Hari Gopal
Partner
Registration No: 689
Dubai, United Arab Emirates

INCOME STATEMENT

	Notes	2013 AED'000	2012 AED'000	2011 AED'000	30 June 2014 AED'000	30 June 2013 AED'000 (unaudited)
		Year ended 31 December			*Six month period ended*	
REVENUE						
Rental income		2,385,683	1,944,192	1,520,989	1,250,306	1,105,838
Other income		9,600	5,382	3,606	7,747	2,871
Total revenue		2,395,283	1,949,574	1,524,595	1,258,053	1,108,709
EXPENSES						
Operating expenses		(436,834)	(361,948)	(354,229)	(179,629)	(199,474)
Sales and marketing expenses		(63,752)	(39,432)	(25,340)	(16,588)	(16,580)
Depreciation of property, plant and equipment	6	(57,881)	(17,338)	(18,738)	(37,388)	(23,133)
Depreciation of investment properties	7	(249,130)	(296,808)	(296,607)	(126,412)	(119,082)
General and administrative expenses		(155,378)	(102,383)	(108,292)	(63,156)	(75,403)
Finance costs	4	(332,869)	(400,842)	(458,012)	(217,704)	(177,020)
Total expenses		(1,295,844)	(1,218,751)	(1,261,218)	(640,877)	(610,692)
PROFIT FOR THE YEAR/ PERIOD	5	1,099,439	730,823	263,377	617,176	498,017
Earnings per share (AED):						
- basic	16	3,664,797	2,436,077	877,925	2,057,253	1,660,057
- diluted	16	3,664,797	2,436,077	877,925	47	1,660,057

STATEMENT OF OTHER COMPREHENSIVE INCOME

		Year ended 31 December			*Six month period ended*	
	Notes	*2013 AED'000*	*2012 AED'000*	*2011 AED'000*	*30 June 2014 AED'000*	*30 June 2013 AED'000 (unaudited)*
Profit for the year/ period		1,099,439	730,823	263,377	617,176	498,017
Other comprehensive income/ (loss) to be reclassified to income statement in subsequent periods:						
Other comprehensive income/ (loss):						
Net movement on cash flow hedges		10,234	(45,096)	8,949	27,479	10,643
TOTAL COMPREHENSIVE INCOME FOR THE YEAR/ PERIOD		1,109,673	685,727	272,326	644,655	508,660

STATEMENT OF FINANCIAL POSITION

	Notes	As at 31 December 2013 AED'000	As at 31 December 2012 AED'000	As at 31 December 2011 AED'000	As at 30 June 2014 AED'000
ASSETS					
Non-current assets					
Property, plant and equipment	6	303,207	424,165	231,191	313,294
Investment properties	7	7,329,802	7,255,367	7,352,742	20,363,395
Investment in subsidiaries	8	447	447	447	-
		7,633,456	7,679,979	7,584,380	20,676,689
Current assets					
Inventories		14,524	9,148	7,485	15,299
Trade receivables	9	194,312	238,203	233,031	93,596
Advances and prepayments	10	34,830	44,013	20,677	45,647
Due from related parties	11	171,854	121,355	128,073	219,716
Bank balances and cash	12	1,362,709	669,951	32,842	1,482,934
		1,778,229	1,082,670	422,108	1,857,192
TOTAL ASSETS		9,411,685	8,762,649	8,006,488	22,533,881
EQUITY AND LIABILITIES					
Equity					
Share capital	13	300	300	300	300
Proposed increase in share capital	14	-	-	-	13,014,000
Statutory reserve	15	150	150	150	150
Retained earnings		2,993,342	1,893,903	1,163,080	855,768
Hedging reserve		(34,862)	(45,096)	-	(7,383)
TOTAL EQUITY		2,958,930	1,849,257	1,163,530	13,862,835
Non-current liabilities					
Employees' end of service benefits	17	10,852	8,044	6,919	13,086
Interest bearing loans and borrowings - long term portion	18	3,275,067	3,442,567	722,318	3,631,077
Sukuk	19	-	-	-	2,733,027
Due to related parties	11	1,825,792	2,330,446	5,243,472	-
Retention payable after 12 months		-	-	-	4,010
		5,111,711	5,781,057	5,972,709	6,381,200
Current liabilities					
Due to related parties	11	-	-	-	1,119,155
Interest bearing loans and borrowings - short term portion	18	180,000	90,000	-	-
Accounts payable and accruals	20	335,605	276,582	191,655	290,298
Advances and security deposits		448,942	394,878	332,686	469,079
Retentions payable within 12 months		-	-	-	3,351
Deferred income		376,497	370,875	345,908	407,963
		1,341,044	1,132,335	870,249	2,289,846
TOTAL LIABILITIES		6,452,755	6,913,392	6,842,958	8,671,046
TOTAL EQUITY AND LIABILITIES		9,411,685	8,762,649	8,006,488	22,533,881

STATEMENT OF CASH FLOWS

		Year ended 31 December			*Six month period ended*	
	Notes	*2013 AED'000*	*2012 AED'000*	*2011 AED'000*	*30 June 2014 AED'000*	*30 June 2013 AED'000 (unaudited)*
OPERATING ACTIVITIES						
Profit for the year/ period		1,099,439	730,823	263,377	617,176	498,017
Adjustments for:						
Depreciation of property, plant and equipment	6	57,881	17,338	18,738	37,388	23,133
Depreciation of investment properties	7	249,130	296,808	296,607	126,412	119,082
Provision/ (reversal) for doubtful debts		2,357	(8,673)	41,927	(10,269)	2,300
Provision for employees' end of service benefits	17	3,685	2,159	3,054	2,281	2,395
Finance costs		332,869	400,842	458,012	217,704	177,020
Gain on disposal of property, plant and equipment		(40)	-	-	(65)	(37)
Accruals no longer payable		-	-	-	(45,025)	-
Other income		(9,600)	(5,382)	(2,896)	(7,747)	(2,871)
		1,735,721	1,433,915	1,078,819	937,855	819,039
Working capital changes:						
Inventories		(5,376)	(1,663)	(4,594)	(775)	(2,565)
Trade receivables		41,534	3,501	52,969	110,985	155,179
Due from related parties		(50,545)	3,020	(22,956)	(47,862)	(16,515)
Advances and prepayments		24,999	(22,098)	(5,828)	(11,184)	(11,032)
Accounts payable and accruals		71,101	(200,061)	44,229	27,499	70,541
Advances and security deposits		54,064	62,192	(115,476)	23,650	23,209
Retentions payable					3,848	672
Deferred income		5,622	24,967	222,609	31,466	51,426
		1,877,120	1,303,773	1,249,772	1,075,482	1,089,954
Employees' end of service benefits paid	17	(830)	(924)	(294)	(282)	(189)
Net cash flows from operating activities		1,876,290	1,302,849	1,249,478	1,075,200	1,089,765
INVESTING ACTIVITIES						
Purchase of property, plant and equipment	6	(159,010)	(332,161)	(227,288)	(49,718)	(74,592)
Amounts incurred on investment properties	7	(105,251)	(73,994)	(106,552)	(146,403)	(60,226)
Interest received		6,284	4,144	2,896	7,813	2,587
Proceeds from disposal of property, plant and equipment		1,968	-	-	85	37
Deposits under lien or maturing after three months		(934,952)	(248,622)	(22,500)	(220,139)	(375,934)
Net cash flows used in investing activities		(1,190,961)	(650,633)	(353,444)	(408,362)	(508,128)
FINANCING ACTIVITIES						
Movement in due to related parties, net		(664,250)	(2,913,026)	(679,384)	(744,589)	(779,346)
Proceeds from issuance of Sukuk		-	-	-	2,754,750	-
Dividend paid		-	-	-	(2,754,750)	-
Movement in interest bearing loans and borrowings - net		(90,000)	2,810,248	(338,889)	163,000	(45,000)
Finance cost paid		(173,273)	(160,951)	(71,628)	(185,163)	(94,552)
Net cash flows used in financing activities		(927,523)	(263,729)	(1,089,901)	(766,752)	(918,898)
(DECREASE)/ INCREASE IN CASH AND CASH EQUIVALENTS		(242,194)	388,487	(193,867)	(99,914)	(337,261)
Cash and cash equivalents at 1 January		398,829	10,342	204,209	156,635	398,829
CASH AND CASH EQUIVALENTS AT 31 DECEMBER/ 30 JUNE	12	156,635	398,829	10,342	56,721	61,568

STATEMENT OF CHANGES IN EQUITY

	Share capital AED'000	*Proposed increase in share capital AED'000*	*Statutory reserve AED'000*	*Retained earnings AED'000*	*Hedging reserve AED'000*	*Total AED'000*
As at 1 January 2011	300	-	150	899,703	(8,949)	891,204
Profit for the year	-	-	-	263,377	-	263,377
Other comprehensive income for the year	-	-	-	-	8,949	8,949
Total comprehensive income	-	-	-	263,377	8,949	272,326
As at 31 December 2011	300	-	150	1,163,080	-	1,163,530
Profit for the year	-	-	-	730,823	-	730,823
Other comprehensive income for the year	-	-	-	-	(45,096)	(45,096)
Total comprehensive income	-	-	-	730,823	(45,096)	685,727
As at 31 December 2012	300	-	150	1,893,903	(45,096)	1,849,257
Profit for the year	-	-	-	1,099,439	-	1,099,439
Other comprehensive income for the year	-	-	-	-	10,234	10,234
Total comprehensive income	-	-	-	1,099,439	10,234	1,109,673
As at 31 December 2013	300	-	150	2,993,342	(34,862)	2,958,930

STATEMENT OF CHANGES IN EQUITY

	Share capital AED'000	*Proposed increase in share capital AED'000*	*Statutory reserve AED'000*	*Retained earnings AED'000*	*Hedging reserve AED'000*	*Total AED'000*
As at 1 January 2013	300	-	150	1,893,903	(45,096)	1,849,257
Profit for the period	-	-	-	498,017	-	498, 017
Other comprehensive income for the period	-	-	-	-	10,643	10,643
Total comprehensive income	-	-	-	498,017	10,643	508,660
As at 30 June 2013 (unaudited)	300	-	150	2,391,920	(34,453)	2,357,917
As at 1 January 2014	300	-	150	2,993,342	(34,862)	2,958,930
Dividend paid	-	-	-	(2,754,750)	-	(2,754,750)
Proposed increase in share capital (note 14)	-	13,014,000	-	-	-	13,014,000
Profit for the period	-	-	-	617,176	-	617,176
Other comprehensive income for the period	-	-	-	-	27,479	27,479
Total comprehensive income	-	-	-	617,176	27,479	644,655
As at 30 June 2014	300	13,014,000	150	855,768	(7,383)	13,862,835

1 CORPORATE INFORMATION

Emaar Malls Group L.L.C (the "Company") was registered as a limited liability company in the Emirate of Dubai on 16 November 2005 in accordance with UAE Federal Commercial Companies Law No. 8 of 1984 (as amended).

The Company is a 100% beneficially owned subsidiary of Emaar Properties PJSC (the "Parent Company"), a company incorporated in the United Arab Emirates and listed on the Dubai Financial Market.

The Parent Company has announced their intention to sell at least 15% of the shares in the Company through an Initial Public Offering ("IPO") and subsequently list the Company on the Dubai Financial Market. As part of the proposed IPO, the Company intends to convert to a Public Joint Stock Company ("PJSC") to be known at Emaar Malls Group PJSC upon receipt of the appropriate approval from the Ministry of Economy prior to listing on the Dubai Financial Market. In addition, the operating subsidiaries of the Company have been transferred to the Parent Company with effect from 3 April 2014.

The principal activities of the Company are retail development and management of shopping malls.

The address of the registered office of the Company is P.O. Box 9440, Dubai, United Arab Emirates (UAE).

2.1 BASIS OF PREPARATION

Principal Accounting Policies
The basis of preparation and accounting policies used in preparing the historical financial information for the years ended 31 December 2013, 2012 and 2011 and for the six month period to 30 June 2014 and 2013 are set out below. These accounting policies have been consistently applied in all material respects to all the periods presented.

Basis of preparation
Pursuant to the proposed IPO, the operating subsidiaries of the Company have been transferred to the Parent Company with effect from 3 April 2014. As such prior to 3 April 2014, the Company had control over the operating subsidiaries and consequently is required by IFRS 10, 'Consolidated Financial Statements', to present consolidated financial information. In context of the Company being listed, it has chosen not to consolidate the subsidiaries in the preparation of the historical financial information as this reflects the future structure and is considered to be more meaningful to the users of the historical financial information. Accordingly, the historical financial information, which has been prepared specifically for the purpose of the prospectus, represents only the results and assets and liabilities of the Company for each of the years ended 31 December 2013, 2012 and 2011 and the six month period ended 30 June 2014 and as at those dates. Comparative financial information for six months to 30 June 2013 has also been included, except that the comparative balance sheet is represented by the balance sheet at 31 December 2013.

The historical financial information has been prepared in accordance with the requirements of the United Arab Emirates Securities and Commodities Authority [ESCA] and in accordance with this basis of preparation. The basis of preparation describes how the historical financial information has been prepared in accordance with International Financial Reporting Standards ("IFRSs") except as described below:

- As explained above, the historical financial information is prepared on a standalone basis and therefore does not comply with the requirements of IFRS 10.
- The historical financial information does not constitute a set of general purpose financial statements under paragraph 2 of IAS 1 and consequently there is no explicit and unreserved statement of compliance with IFRSs as contemplated by paragraph 16 of IAS 1.

The historical financial information is presented in United Arab Emirates Dirhams (AED), which is the Company's functional and presentation currency and all values are rounded to the nearest thousands except where otherwise indicated.

The historical financial information has been prepared on a historical cost basis except for derivative financial instruments that have been measured at fair value. Historical cost is based on the fair value of the consideration given in exchange for assets.

The preparation of historical financial information on the basis prepared above requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

2.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

New standards, interpretations and amendments adopted by the Company:
The nature and the effect of changes with respect to adoption of new standards, interpretations and amendments apply for the first time in 2014 are disclosed below:

Investment Entities (Amendments to IFRS 10, IFRS 12 and IAS 27)
These amendments provide an exception to the consolidation requirement for entities that meet the definition of an investment entity under IFRS 10 *Consolidated Financial Statements*. The exception to consolidation requires investment entities to account for subsidiaries at fair value through income statement. These amendments have no impact to the Company.

Offsetting Financial Assets and Financial Liabilities - Amendments to IAS 32
These amendments clarify the meaning of "currently has a legally enforceable right to set-off" and the criteria for non-simultaneous settlement mechanisms of clearing houses to qualify for offsetting. These amendments have no impact on the Company.

Novation of Derivatives and Continuation of Hedge Accounting – Amendments to IAS 39
These amendments provide relief from discontinuing hedge accounting when novation of a derivative designated as a hedging instrument meets certain criteria. These amendments have no impact to the Company.

Recoverable Amount Disclosures for Non-Financial Assets – Amendments to IAS 36
These amendments remove the unintended consequences of IFRS 13 *Fair Value Measurement* on the disclosures required under IAS 36 *Impairment of Assets*. In addition, these amendments require disclosure of the recoverable amounts for the assets or cash-generating units (CGUs) for which an impairment loss has been recognised or reversed during the period. These amendments have no impact on the Company.

IFRIC Interpretation 21 *Levies* (IFRIC 21) - clarifies that an entity recognises a liability for a levy when the activity that triggers payment, as identified by the relevant legislation, occurs.

The Company has not early adopted IFRS 15 *Revenue Recognition* or any other standard, interpretation or amendment that has been issued but is not yet effective.

Reporting period and comparative information
The historical financial information sets out the Company's position as of 31 December 2013, 2012, 2011 and 30 June 2014 and operations and cash flows for the three years then ended and for the six month period ended 30 June 2014 and 2013.

Investment in subsidiaries
Investment in subsidiaries are accounted for at cost, net of impairment losses, if any. The Company determines at each reporting date whether there is any objective evidence that the investments in subsidiaries are impaired.

Revenue recognition
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 Company assesses its revenue arrangements against specific criteria to determine if it is acting as principal or agent. The Company has concluded that it is acting as a principal in all of its revenue arrangements.

Revenue is recognised in the income statement to the extent that it is probable that the economic benefits will flow to the Company and the revenue and costs, if applicable, can be measured reliably, regardless of when the payment is being made. The specific criteria described below must also be met before revenue is recognised:

Rental income from lease of investment property
Rental income from 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.

Revenue recognition for turnover rent
Income from turnover rent is recognised based on the audited turnover reports submitted by the tenants. In the absence of audited reports, management makes its own assessment about the tenants achieving or exceeding the stipulated turnover in the lease contracts based on their historical performance.

2.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenue recognition (continued)
Income from late opening penalties
Income from late opening penalties is recognised on receipt basis.

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.

Borrowing costs
Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in the income statement in the period in which they are incurred.

Current versus non-current classification
The Company presents assets and liabilities in statement of financial position based on current/non-current classification. An asset is current when it is:

- Expected to be realised or intended to sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current. A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

Property, plant and equipment
Property, plant and equipment other than capital work-in-progress are stated at cost less accumulated depreciation and any impairment in value. Capital work-in-progress is not depreciated, and is stated at cost less any impairment value. Depreciation is calculated on a straight-line basis over the estimated useful lives as follows:

Buildings	10 - 45 years
Leasehold improvements	2 - 15 years
Computers and office equipments	3 - 20 years
Motor vehicles	3 - 5 years
Furniture and fixtures	2 - 10 years

No depreciation is charged on land and capital work-in-progress. The useful lives 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.

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 income statement as the expense is incurred.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

2.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Property, plant and equipment (continued)
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 income statement. The recoverable amount is the higher of fair value less costs to sell of property, plant and equipment and the value in use.

Reversal of impairment losses recognised in the prior years are 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. Investment properties under construction (included within capital work in progress) are measured at cost less any impairment in value. Depreciation is charged on a straight-line basis over the estimated useful lives as follows:

Buildings	10 - 45 years
Plant and machinery	3 - 10 years
Fixed furniture and fixtures	4 - 10 years
Movable furniture and fixtures	4 - 10 years

No depreciation is charged on land and capital work in progress.

The useful lives 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.

Transfers are made to (or from) investment property only when there is a change in use. For a transfer from investment property to owner-occupied property, the deemed cost for subsequent accounting is the current carrying value at the date of change in use. If owner-occupied property becomes an investment property, the Company accounts for such property in accordance with the policy stated under property, plant and equipment up to the date of change in use.

The Company 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 their recoverable amount, an impairment loss is recognised in the income statement. The recoverable amount is the higher of investment property's fair value less costs of disposal and the value in use. Fair value less costs of disposal is price that would be received to sell an asset in an orderly transaction between market participants at the measurement date less related costs while 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 recognised in the prior years is recorded when there is an indication that the impairment losses recognised for the investment property no longer exist or have reduced.

Inventories
Inventories mainly represent spares and consumables. Inventories are stated at the lower of cost and net realisable value with allowance for any obsolete or slow moving items.

Costs are those expenses incurred in bringing each product to its present location and condition on a weighted average cost basis. Net realisable value is based on estimated selling price in the ordinary course of business, less any further costs expected to be incurred on disposal.

Derivative financial instruments
The Company enters into derivative financial instruments to manage its exposure to interest rate risk 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 date. The resulting gain or loss is recognised in the income statement immediately, unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in the income statement depends on the nature of the hedge relationship. 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.

2.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Derivative financial instruments (continued)

Hedge accounting

The Company designates certain hedging instruments as either fair value hedges or cash flow hedges. Hedges of interest rate risk and foreign exchange risk on firm commitments are accounted for as cash flow hedges. At the inception of the hedge relationship, the Company documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Company documents whether the hedging instrument is highly effective in offsetting changes in fair values or cash flows of the hedged item. The Company currently only has cash flow hedges.

Cash flow hedges

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges are recognised in the other comprehensive income. The gain or loss relating to the ineffective portion is recognised immediately in the income statement. Amounts previously recognised in other comprehensive income and accumulated in equity are reclassified to the income statement in the periods when the hedged item is recognised in the income statement, in the same line of the income statement as the recognised hedged item. However, when the forecast transaction that is hedged results in the recognition of a non-financial asset or a non-financial liability, the gains and losses previously accumulated in equity are transferred from equity and included in the initial measurement of the cost of the non-financial asset or non-financial liability.

Hedge accounting is discontinued when the Company revokes the hedging relationship, when the hedging instrument expires or is sold, terminated, or exercised, or it no longer qualifies for hedge accounting. Any gain or loss accumulated in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in the income statement. When a forecast transaction is no longer expected to occur, the gain or loss accumulated in equity is recognised immediately in the income statement.

Financial assets

All financial assets are recognised and derecognised on trade date when the purchase or sale of a financial asset is made under a contract whose terms require delivery of the financial asset within the timeframe established by the market concerned. Financial assets are initially measured at cost, plus transaction costs, except for those financial assets classified as at fair value through other comprehensive income or profit or loss, which are initially measured at fair value. All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value.

The fair value of financial instruments that are actively traded in organised financial markets is determined by reference to quoted market bid prices for assets and offer prices for liabilities, at the close of business on the reporting date. If quoted market prices are not available, reference can also be made to broker or dealer price quotations.

The fair value of short term deposits with credit institutions approximates their carrying value. The carrying value is the cost of the deposit and accrued interest. The fair value of fixed interest-bearing deposits is estimated using discounted cash flow techniques. Expected cash flows are discounted at current market rates for similar instruments at the reporting date.

Classification of financial assets

For the purposes of classifying financial assets, an instrument is an ‘equity instrument’ if it is a non-derivative and meets the definition of ‘equity’ for the issuer (under IAS 32: *Financial Instruments: Presentation*) except for certain non-derivative puttable instruments presented as equity by the issuer. All other non-derivative financial assets are ‘debt instruments’.

Cash and cash equivalents

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash in hand, bank balances and short-term deposits with an original maturity of three months or less, net of outstanding bank overdrafts.

Trade receivables

Trade receivables are stated at original invoice amount less a provision for any uncollectible amounts. An estimate for doubtful debts is made when collection of the full amount is no longer probable. When a trade receivable is uncollectible, it is written off against provision for doubtful debts. Subsequent recoveries of amounts previously written off are credited to the income statement.

2.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial assets (continued)
Foreign exchange gains and losses
The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. The foreign exchange component forms part of its fair value gain or loss. For financial assets classified as at fair value through profit or loss, the foreign exchange component is recognised in the income statement. For financial assets designated at fair value through other comprehensive income any foreign exchange component is recognised in other comprehensive income. For foreign currency denominated debt instruments classified at amortised cost, the foreign exchange gains and losses are determined based on the amortised cost of the asset and are recognised in the ‘other gains and losses’ line item in the income statement.

Derecognition of financial assets
A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a ‘pass-through’ arrangement; and either:
  - the Company has transferred substantially all the risks and rewards of the asset, or
  - the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its right to receive cash flows from an asset or has entered into a pass -through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognised to the extent of the Company’s continuing involvement in the asset. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment of financial assets
The Company assesses at each reporting date whether there is any objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or a group of financial assets is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset (an incurred ‘loss event’) and that loss event has an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated. Evidence of impairment may include indications that the debtors or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation and where observable data indicates that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

If there is objective evidence that an impairment loss has been incurred, the amount of the loss is measured as the difference between the financial assets carrying amount and the present value of estimated future cash flows. The present value of the estimated future cash flows is discounted at the financial assets original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate.

For financial assets carried at amortised cost, the carrying amount is reduced through the use of an allowance account and the amount of the loss is recognised in the income statement. Interest income on such financial assets continues to be accrued on the reduced carrying amount and is accrued using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss. The interest income is recorded as part of finance income in the income statement. Financial assets together with the associated allowance are written off when there is no realistic prospect of future recovery and all collateral has been realised or has been transferred to the Company. If, in a subsequent year, the amount of the estimated impairment loss increases or decreases because of an event occurring after the impairment was recognised, the previously recognised impairment loss is increased or decreased by adjusting the allowance account. If a future write-off is later recovered, the recovery is credited to other income in the income statement.

2.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial liabilities and equity instruments issued by the Company
Classification as debt or equity
Debt and equity instruments are classified as either financial liabilities or as equity instruments in accordance with the substance of the contractual agreements. The Company determines the classification of its financial liabilities at the initial recognition.

Equity instruments
An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

Loans and borrowings
Term loans are initially recognised at the fair value of the consideration received less directly attributable transaction costs.

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate method. Gains and losses are recognised in the income statement when the liabilities are derecognised as well as through the amortisation process.
Trade and other payables
Liabilities are recognised for amounts to be paid in the future for goods or services received, whether billed by the supplier or not.

Other financial liabilities
Other financial liabilities are initially measured at fair value, net of transaction costs and are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period.

Derecognition of financial liabilities
The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, then the difference in the respective carrying amounts is recognised in the income statement.

End-of-service benefits
The Company provides end-of-service benefits to its employees. The entitlement to these benefits is usually based upon the employees' final salary and length of service, subject to the completion of a minimum service period. The expected costs of these benefits are accrued over the period of employment.

With respect to its UAE national employees, the Company makes contributions to a pension fund established by the UAE General Pension and Social Security Authority calculated as a percentage of the employees' salaries. The Company's obligations are limited to these contributions, which are expensed when due.

Provisions
Provisions are recognised when the Company has a legal or constructive obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and the amount can be reliably estimated. When the Company expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the income statement net of any reimbursement.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation at the end of the reporting period, using a rate that reflects current market assessments of the time value of money and the risks specific to the obligation.

Provisions are reviewed at each statement of financial position date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources embodying economic benefits will be required to settle the obligation, the provision is reversed.

2.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Sukuk
Sukuk is stated at amortised cost using the effective interest rate method. Profit attributable to the sukuk is calculated by applying the prevailing market profit rate, at the time of issue, for similar sukuk instruments and any difference with the profit distributed is added to the carrying amount of the sukuk.

Contingencies
Contingent liabilities are not recognised in the historical financial information. They are disclosed unless the possibility of an outflow of resources embodying economic benefits is remote. A contingent asset is not recognised in the historical financial information but disclosed when an inflow of economic benefits is probable.

Foreign currencies
The Company's historical financial information are presented in UAE Dirhams, which is also the currency in which significant transactions are carried out by the Company.

Transactions in foreign currencies are initially recorded by the Company at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency spot rate of exchange ruling at the reporting date. All differences are taken to the income statement.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on retranslation of non-monetary items is treated in line with the recognition of gain or loss on change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in other comprehensive income or profit or loss is also recognised in other comprehensive income or profit or loss, respectively).

Leases
The determination of whether an arrangement is, or contains, a lease is based on the substance of the arrangement at inception date, whether fulfillment of the arrangement is dependent on the use of a specific asset or assets or the arrangement conveys a right to use the asset, even if that right is not explicitly specified in an arrangement.

Company as a lessee
Leases where the lessor retains substantially all the risks and benefits of ownership of the asset are classified as operating leases. Operating lease payments are recognised as an expense in the income statement on a straight line basis over the period of the lease. Lease incentives, typically rent free period, is recognised in the same manner as operating lease rentals.

Certain leases provide for contingent rents, which are determined as a percentage of gross sales in excess of a specified level. The Company records such rent on an accrual basis, when specified levels have been achieved or when management determine that achieving the specified levels is probable during the year.

Company as a lessor
The Company has entered into leases on its investment property portfolio. The Company has determined, based on an evaluation of the terms and conditions of the arrangements, that it retains all the significant risks and rewards of ownership of these properties and accounts for the contracts as operating leases. Lease income is recognised in the income statement in accordance with the terms of the lease contracts over the lease term on a straight line basis. Contingent rents are recognised as revenue in the period in which they are earned.

Fair values
The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date.

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

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

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

2.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

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

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between Levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

2.3 SIGNIFICANT ACCOUNTING JUDGENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the Company’s historical financial information requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Judgments
In the process of applying the Company's accounting policies, management has made the following judgments, apart from those involving estimations, which have a significant impact on the amounts recognised in the historical financial information.

Revenue recognition for turnover rent
The Company recognises income from turnover rent on the basis of audited turnover reports submitted by the tenants. In the absence of audited reports, management makes its own assessment about the tenants achieving or exceeding the stipulated turnover in the lease contracts based on their historical performance.

Investment properties
The Company has elected to adopt the cost model for investment properties. Accordingly, investment properties are carried at cost less accumulated depreciation and any accumulated impairment losses.

Classification of investment properties
The Company determines whether a property qualifies as investment property in accordance with IAS 40 Investment Property. In making its judgment, the Company considers whether the property generates cash flows largely independently of the other assets held by the Company.

2.3 SIGNIFICANT ACCOUNTING JUDGENTS, ESTIMATES AND ASSUMPTIONS

Judgments (continued)

Operating lease commitments - Company as lessor

The Company has entered into commercial and retail property leases on its investment property portfolio. The Company has determined, based on an evaluation of the terms and conditions of the arrangements, that it retains all the significant risks and rewards of ownership of these properties and so accounts for the contracts as operating leases.

Estimates and assumptions

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

Impairment of trade and other receivables

The Company reviews its receivables to assess for impairment at least on an annual basis. The Company's credit risk is primarily attributable to its trade receivables. In determining whether impairment losses should be reported in the income statement the Company makes judgements as to whether there is any observable data indicating that there is a measurable decrease in the estimated future cash flows. Accordingly, an allowance for impairment is made where there is an identified loss event or condition which, based on previous experience, is evidence of a reduction in the recoverability of the cash flows.

At 31 December 2013 gross trade receivables were AED 252,613 thousands, 31 December 2012: AED 327,681 thousands; 31 December 2011: AED 342,322 thousands and 30 June 2014 AED 141,137 and provision for doubtful debts is AED 58,301 thousands, 31 December 2012: AED 89,478 thousands; 31 December 2011: AED 109,291 thousands and 30 June 2014: AED 47,541 thousands respectively. Any difference in the amounts actually collected in future periods and the amounts expected will be recognised in the income statement.

Fair value of financial instruments

When the fair value of financial assets and financial liabilities recorded in the statement of financial position cannot be derived from active markets, their fair value is determined using valuation techniques including the discounted cash flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. The judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

Useful lives of property, plant and equipment and investment properties

The Company's management determines the estimated useful lives of its property, plant and equipment and investment properties for calculating depreciation. This estimate is determined after considering the expected usage of the asset or physical wear and tear. Management reviews the residual value and useful lives annually and future depreciation charge would be adjusted where the management is of the opinion that the useful lives differ from previous estimates.

Allocation of cost of investment properties

The total costs incurred on the construction of investment properties have been allocated to various components such as structure, plant and machinery and furniture and fixtures based on certain percentages of the total costs as estimated by the cost consultants at the time of completion of the assets. Management is of the opinion that this method is appropriate pending determination of the final costs of the assets and settlement of contractors' claims. On conclusion of the final determination of costs on any outstanding projects, management would reassess the allocation and adjust the allocation prospectively, if necessary.

Valuation of investment properties

The Company hires the services of third party professionally qualified valuers to obtain estimates of the market value of investment properties using recognised valuation techniques for the purposes of their impairment review and disclosures in the historical financial information.

Impairment of non-financial assets

The Company assesses whether there are any indicators of impairment for all non-financial assets at each reporting date. The non-financial assets are tested for impairment when there are indicators that the carrying amounts may not be recoverable. When value in use calculations are undertaken, management estimates the expected future cash flows from the asset or cash-generating unit and chooses a suitable discount rate in order to calculate the present value of those cash flows.

3 SEGMENT INFORMATION

Management monitors the operating results of its business segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit for the year in the historical financial information.

Business segments
For management purposes, the Company is organised into five segments, namely:

Super Regional Malls:
Super regional malls consist of shopping centres that individually holds gross leasable area of more than 800 thousands sq. ft.

Regional Malls:
Regional malls consist of shopping centres that individually holds gross leasable area of more than 400 thousands sq. ft. but less than 800 thousands sq. ft.

Community Integrated Retail:
Community Integrated Retail consist of shopping centres or retail outlets that individually hold gross leasable area of less than 400 thousands sq. ft.

Specialty Retail:
Specialty retail consist of shopping centres that mainly offering specialty stores for fine and casual dining, commercial offices or retail outlets of manufacturers.

Others:
Other segments consist of the corporate head office of the Company and businesses that individually do not meet the criteria for a reportable segment as per IFRS 8 *Operating Segments*. The treasury function for the Malls and Retail segments are managed by the corporate head office.

The following tables include revenue, assets, liabilities, results and other segment information for the years ended 31 December 2013, 2012 and 2011 and the six month period ended 30 June 2014. For the period 30 June 2013 revenue, results and other segment information are presented.

	Super Regional Malls AED'000	*Regional Malls AED'000*	*Community Integrated Retail AED'000*	*Specialty Retail AED'000*	*Others AED'000*	*Total AED'000*
31 December 2013:						
Revenue						
Rental income	1,991,404	117,574	149,538	127,167	-	2,385,683
Results						
Profit for the year	1,134,691	47,557	88,408	66,800	(238,017)	1,099,439
Finance costs	167,715	-	-	-	165,154	332,869
Other Segment information						
Capital expenditure (Property, plant and equipment and investment properties)	175,841	2,812	68,015	16,761	832	264,261
Depreciation (Property, plant and equipment and investment properties)	228,964	30,518	19,919	26,666	944	307,011
Assets and liabilities						
Segment assets	6,037,228	935,256	419,015	463,890	1,556,296	9,411,685
Segment liabilities	4,305,505	72,907	116,724	66,401	1,891,218	6,452,755

3 SEGMENT INFORMATION (continued)

	Super Regional Malls AED'000	*Regional Malls AED'000*	*Community Integrated Retail AED'000*	*Specialty Retail AED'000*	*Others AED'000*	*Total AED'000*
31 December 2012:						
Revenue						
Rental income	1,631,489	108,458	105,515	98,730	-	1,944,192
Results						
Profit for the year	808,223	45,396	65,603	52,637	(241,036)	730,823
Finance costs	192,807	-	-	-	208,035	400,842
Other Segment information						
Capital expenditure (Property, plant and equipment and investment properties)	352,544	3,737	30,236	18,861	777	406,155
Depreciation (Property, plant and equipment and investment properties)	242,667	35,595	15,618	19,456	810	314,146
Assets and liabilities						
Segment assets	6,116,903	967,142	389,861	479,379	809,364	8,762,649
Segment liabilities	4,292,196	60,793	88,162	66,357	2,405,884	6,913,392

	Super Regional Malls AED'000	*Regional Malls AED'000*	*Community Integrated Retail AED'000*	*Specialty Retail AED'000*	*Others AED'000*	*Total AED'000*
31 December 2011:						
Revenue						
Rental income	1,267,441	81,646	89,448	82,454	-	1,520,989
Results						
Profit for the year	288,573	16,773	47,530	28,283	(117,782)	263,377
Finance costs	75,241	-	-	-	382,771	458,012
Other Segment information						
Capital expenditure (Property, plant and equipment and investment properties)	68,785	1,447	222,326	39,680	1,602	333,840
Depreciation (Property, plant and equipment and investment properties)	246,903	36,058	10,277	20,306	1,801	315,345
Assets and liabilities						
Segment assets	5,945,498	983,345	378,280	505,482	193,883	8,006,488
Segment liabilities	1,337,820	49,771	91,742	99,466	5,264,159	6,842,958

3 SEGMENT INFORMATION (continued)

	Super Regional Malls AED'000	*Regional Malls AED'000*	*Community Integrated Retail AED'000*	*Specialty Retail AED'000*	*Others AED'000*	*Total AED'000*
30 June 2014:						
Revenue						
Rental income	1,025,817	70,539	88,782	65,168	-	1,250,306
Results						
Profit for the period	663,665	33,429	60,021	35,227	(175,166)	617,176
Finance costs	-	-	-	-	217,704	217,704
Other segment information						
Capital expenditure (Property, plant and equipment and investment properties)	12,215,035	354,452	39,056	597,505	4,073	13,210,121
Depreciation (Property, plant and equipment and investment properties)	123,123	15,664	11,115	13,441	457	163,800
Assets and liabilities						
Segment assets	18,043,129	1,288,316	567,246	1,230,793	1,404,397	22,533,881
Segment liabilities	872,395	747,693	158,837	112,267	6,779,854	8,671,046
30 June 2013 (unaudited):						
Revenue						
Rental income	930,926	55,110	60,308	59,494	-	1,105,838
Results						
Profit for the period	539,301	22,203	38,331	31,535	(133,353)	498,017
Finance costs	82,421	-	-	-	94,599	177,020
30 June 2013(unaudited):						
Other segment information						
Capital expenditure (Property, plant and equipment and investment properties)	71,134	273	53,890	9,017	503	134,817
Depreciation (Property, plant and equipment and investment properties)	108,344	14,190	7,696	11,518	467	142,215

4 FINANCE COSTS

	Year ended 31 December			*Six month period ended*	
	2013 AED'000	*2012 AED'000*	*2011 AED'000*	*30 June 2014 AED'000*	*30 June 2013 AED'000 (unaudited)*
Interest on amounts due to the Parent Company	152,360	221,312	382,771	50,520	76,849
Interest on loans and borrowings	167,715	173,514	65,438	61,808	93,773
Unamortised loan arrangement fee written off	-	-	-	50,732	-
Loss on early settlement of hedging contracts	-	-	-	49,782	-
Others	12,794	6,016	9,803	4,862	6,398
	332,869	400,842	458,012	217,704	177,020

5 PROFIT FOR THE YEAR/ PERIOD

The profit for the year/ period is stated after charging:

	Year ended 31 December			*Six month period ended*	
	2013 AED'000	*2012 AED'000*	*2011 AED'000*	*30 June 2014 AED'000*	*30 June 2013 AED'000 (unaudited)*
Staff costs	122,099	97,859	89,328	65,232	63,669
Operating leases	2,362	5,518	3,284	-	1,181
Accruals no longer payable	-	-	-	45,025*	-

*This relates to accruals for historic third party service contracts where settlements have been reached with the suppliers and the balance accrual reversed.

6 PROPERTY, PLANT AND EQUIPMENT

31 December 2013	*Buildings AED'000*	*Leasehold improvements AED'000*	*Computers and office equipment AED'000*	*Motor vehicles AED'000*	*Furniture and fixtures AED'000*	*Capital work-in-progress AED'000*	*Total AED'000*
Cost:							
At 1 January 2013	164,946	22,574	7,889	4,827	144,180	174,385	518,801
Additions	13,750	3,042	2,378	514	79,046	60,280	159,010
Adjustments	-	-	-	-	-	(1,845)	(1,845)
Transfer from/ (to) investment properties	-	57	252	-	8,065	(226,721)	(218,347)
Disposals	-	-	(3)	(3,448)	(15,861)	-	(19,312)
At 31 December 2013	178,696	25,673	10,516	1,893	215,430	6,099	438,307
Accumulated depreciation:							
At 1 January 2013	-	3,419	6,272	2,553	82,392	-	94,636
Depreciation charge for the year	7,786	3,827	1,566	258	44,444	-	57,881
Adjustments	-	-	-	-	(33)	-	(33)
Relating to disposals	-	-	(1)	(1,540)	(15,843)	-	(17,384)
At 31 December 2013	7,786	7,246	7,837	1,271	110,960	-	135,100
Net carrying amount:							
At 31 December 2013	170,910	18,427	2,679	622	104,470	6,099	303,207

6 PROPERTY, PLANT AND EQUIPMENT (continued)

31 December 2012	*Buildings AED'000*	*Leasehold improvements AED'000*	*Computers and office equipment AED'000*	*Motor vehicles AED'000*	*Furniture and fixtures AED'000*	*Capital work-in-progress AED'000*	*Total AED'000*
Cost:							
At 1 January 2012	-	45,144	7,401	4,424	86,237	168,415	311,621
Additions	-	57,674	488	326	26,808	246,865	332,161
Transfers	164,946	-	-	-	30,878	(195,824)	-
Transfer (to)/ from investment properties	-	(80,244)	-	77	257	(45,071)	(124,981)
At 31 December 2012	164,946	22,574	7,889	4,827	144,180	174,385	518,801
Accumulated depreciation:							
At 1 January 2012	-	4,771	4,833	1,612	69,214	-	80,430
Depreciation charge for the year	-	2,198	1,439	516	13,185	-	17,338
Adjustments	-	-	-	425	(7)	-	418
Transfer (to)/ from investment properties	-	(3,550)	-	-	-	-	(3,550)
At 31 December 2012	-	3,419	6,272	2,553	82,392	-	94,636
Net carrying amount:							
At 31 December 2012	164,946	19,155	1,617	2,274	61,788	174,385	424,165

6 PROPERTY, PLANT AND EQUIPMENT (continued)

31 December 2011	*Buildings AED'000*	*Leasehold improvements AED'000*	*Computers and office equipment AED'000*	*Motor vehicles AED'000*	*Furniture and fixtures AED'000*	*Capital work-in-progress AED'000*	*Total AED'000*
Cost:							
At 1 January 2011	-	2,294	5,386	1,100	76,142	314	85,236
Additions	-	42,850	2,015	3,393	10,929	168,101	227,288
Disposals	-	-	-	(69)	(834)	-	(903)
At 31 December 2011	-	45,144	7,401	4,424	86,237	168,415	311,621
Accumulated depreciation:							
At 1 January 2011	-	1,850	3,543	941	55,678	-	62,012
Depreciation charge for the year	-	2,921	1,290	328	14,199	-	18,738
Relating to disposals	-	-	-	(11)	(663)	-	(674)
Charged to related parties	-	-	-	354	-	-	354
At 31 December 2011	-	4,771	4,833	1,612	69,214	-	80,430
Net carrying amount:							
At 31 December 2011	-	40,373	2,568	2,812	17,023	168,415	231,191

6 PROPERTY, PLANT AND EQUIPMENT (continued)

30 June 2014	*Buildings AED'000*	*Leasehold improvements AED'000*	*Computers and office equipment AED'000*	*Motor vehicles AED'000*	*Furniture and fixtures AED'000*	*Capital work-in-progress AED'000*	*Total AED'000*
Cost:							
At 1 January 2014	178,696	25,673	10,516	1,893	215,430	6,099	438,307
Additions	127	463	820	-	35,163	13,145	49,718
Adjustments	(2,633)	-	(3)	-	3	-	(2,633)
Transfer from/ (to) investment properties	-	390	-	-	1,182	(1,183)	389
Disposals	-	-	-	(139)	(736)	-	(875)
At 30 June 2014	176,190	26,526	11,333	1,754	251,042	18,061	484,906
Accumulated depreciation:							
At 1 January 2014	7,786	7,246	7,837	1,271	110,960	-	135,100
Depreciation charge for the period	3,911	2,153	946	118	30,260	-	37,388
Relating to disposals	-	-	-	(117)	(648)	-	(765)
Adjustments	(103)	-	-	-	(8)	-	(111)
At 30 June 2014	11,594	9,399	8,783	1,272	140,564	-	171,612
Net carrying amount:							
At 30 June 2014	164,596	17,127	2,550	482	110,478	18,061	313,294

7 INVESTMENT PROPERTIES

31 December 2013	*Buildings*	*Plant and machinery*	*Furniture, fixtures and others*	*Capital work-in progress*	*Total*
	AED'000	*AED'000*	*AED'000*	*AED'000*	*AED'000*
Cost					
At 1 January 2013	7,774,331	436,988	314,667	-	8,525,986
Additions	105,251	-	-	-	105,251
Transfer from property, plant and equipment	156,003	-	-	62,344	218,347
Reclassifications	18,175	3,100	(21,275)	-	-
At 31 December 2013	8,053,760	440,088	293,392	62,344	8,849,584
Accumulated depreciation:					
At 1 January 2013	784,594	181,580	304,445	-	1,270,619
Depreciation charge for the year	205,296	43,771	63	-	249,130
Reclassifications	12,745	285	(13,030)	-	-
Adjustments	33	-	-	-	33
At 31 December 2013	1,002,668	225,636	291,478	-	1,519,782
Net carrying amount:					
At 31 December 2013	7,051,092	214,452	1,914	62,344	7,329,802

31 December 2012	*Buildings*	*Plant and machinery*	*Furniture, fixtures and others*	*Capital work-in progress*	*Total*
	AED'000	*AED'000*	*AED'000*	*AED'000*	*AED'000*
Cost					
At 1 January 2012	7,575,356	436,988	314,667	-	8,327,011
Additions	73,994	-	-	-	73,994
Transfer from property, plant and equipment	124,981	-	-	-	124,981
At 31 December 2012	7,774,331	436,988	314,667	-	8,525,986
Accumulated depreciation:					
At 1 January 2012	593,428	137,878	242,963	-	974,269
Depreciation charge for the year	191,624	43,702	61,482	-	296,808
Transfer (to)/ from property, plant and equipment	3,550	-	-	-	3,550
Adjustments	(4,008)	-	-	-	(4,008)
At 31 December 2012	784,594	181,580	304,445	-	1,270,619
Net carrying amount:					
At 31 December 2012	6,989,737	255,408	10,222	-	7,255,367

7 INVESTMENT PROPERTIES (continued)

31 December 2011	*Buildings AED'000*	*Plant and machinery AED'000*	*Furniture, fixtures and others AED'000*	*Capital work-in-progress AED'000*	*Total AED'000*
Cost					
At 1 January 2011	7,473,271	436,758	310,430	-	8,220,459
Additions	102,085	230	4,237	-	106,552
At 31 December 2011	7,575,356	436,988	314,667	-	8,327,011
Accumulated depreciation:					
At 1 January 2011	419,218	94,148	164,296	-	677,662
Depreciation charge for the year	174,210	43,730	78,667	-	296,607
At 31 December 2011	593,428	137,878	242,963	-	974,269
Net carrying amount:					
At 31 December 2011	6,981,928	299,110	71,704	-	7,352,742

30 June 2014	*Land AED'000*	*Buildings AED'000*	*Plant and machinery AED'000*	*Furniture, fixtures and others AED'000*	*Capital work-in-progress AED'000*	*Total AED'000*
Cost						
At 1 January 2014	-	8,053,760	440,088	293,392	62,344	8,849,584
Additions	13,014,000	24,895	-	-	121,508	13,160,403
Transfer from/ (to) property, plant and equipment	-	2,072	-	-	(2,461)	(389)
At 30 June 2014	13,014,000	8,080,727	440,088	293,392	181,391	22,009,598
Accumulated depreciation:						
At 1 January	-	1,002,668	225,636	291,478	-	1,519,782
Depreciation charge for the period	-	104,495	21,885	32	-	126,412
Adjustments	-	9	-	-	-	9
At 30 June 2014	-	1,107,172	247,521	291,510	-	1,646,203
Net carrying amount:						
At 30 June 2014	13,014,000	6,973,555	192,567	1,882	181,391	20,363,395

At 31 December 2013, the fair value of investment properties approximates to AED 22,622,380 thousands, 31 December 2012: AED 15,169,619 thousands; 31 December 2011: AED 13,450,135 thousands and 30 June 2014: AED 39,789,900 compared with a carrying value of AED 7,329,802, 31 December 2012: AED 7,255,367 thousands, 31 December 2011: AED 7,352,742 thousands and 30 June 2014: AED 20,363,395 thousands.

For the years ended 31 December 2013, 2012 and 2011, certain investment properties were pledged as security against interest bearing loans and borrowings as disclosed under Note 18. Investment properties represent the Company's interest in land and buildings situated in the UAE.

During the six months ended 30 June 2014, the Parent Company transferred legal title and beneficial ownership over plots of land related to certain investment properties held by the Company, valued at AED 13,014,000 thousands. The amount was determined based on a valuation as of 31 December 2013 carried out by third party valuer for plots within the same development. In consideration, the Company proposed to issue shares at par value to the Parent Company (Note 14). Legal titles of certain other investment properties held were also transferred by the Parent Company to the Company.

7 INVESTMENT PROPERTIES (continued)

The fair value of Company's investment properties was determined by the management based on valuations performed by qualified and independent chartered surveyors and property consultants. The valuation was performed using an approved method of valuation in accordance with the RICS Valuation Standards. The market value of the investment properties have been determined through analysis of the income flow achievable for the buildings and takes into account the projected annual expenditure. Both the contracted rent and market rental values have been considered in the valuation with allowance of void period, running costs, vacancy rates and other cost. The net income has been capitalised at an equivalent yield in the range of 6% to 7% as at 31 December 2013, 31 December 2012: 8% to 10.50%; 31 December 2011: 8% to 11% and 30 June 2014: 5% to 9%. For each of the reporting periods, rent growth rate of 3% to 5% was assumed and discount rates of 8% to 10% applied based on the type and location of the asset to determine the value of each of the investment properties.

Fair value hierarchy
The Company uses the following hierarchy for determining and disclosing the fair value of its investment properties by valuation technique:

	Total AED'000	*Level 1 AED'000*	*Level 2 AED'000*	*Level 3 AED'000*
31 December 2013	22,622,380	-	-	22,622,380
31 December 2012	15,169,619	-	-	15,169,619
31 December 2011	13,450,135	-	-	13,450,135
30 June 2014	39,789,900	-	-	39,789,900

Any significant movement in the assumptions used for the fair valuation of investment properties such as discount rates, yield, rental growth, vacancy rate etc. would result in significantly lower/ higher fair value of those assets.

8 INVESTMENT IN SUBSIDIARIES

	As at 31 December			*As at 30 June*
	2013 AED'000	*2012 AED'000*	*2011 AED'000*	*2014 AED'000*
Investment in share capital:				
Emaar Retail Group LLC^	297	297	297	-
Reel Entertainment LLC^	150	150	150	-
The Dubai Mall LLC*	-	-	-	-
Emaar Dubai Malls LLC*	-	-	-	-
Emaar International Malls LLC *	-	-	-	-
The Greens Centre LLC *	-	-	-	-
Gold and Diamond Park LLC *	-	-	-	-
	447	447	447	-

^ On 3rd April 2014, these subsidiaries were transferred to the Parent Company at cost.
* The share capital for these subsidiaries are below AED 1,000.

9 TRADE RECEIVABLES

	As at 31 December			*As at 30 June*
	2013 *AED'000*	*2012* *AED'000*	*2011* *AED'000*	*2014* *AED'000*
Trade receivables - net	194,312	238,203	233,031	93,596

Trade receivables include amounts due from related parties amounting to AED 9,504 thousands as at 31 December 2013, 31 December 2012: AED 6,948 thousands, 31 December 2011: AED 4,701 thousands and 30 June 2014 AED 7,539 thousands [Note 11 (b)].

The above trade receivables are net of allowance for doubtful debts of AED 58,301 thousands as at 31 December 2013, 31 December 2012: AED 89,478 thousands, 31 December 2011: AED 109,291 thousands and 30 June 2014: AED 47,541 thousands representing management's best estimate of doubtful trade receivables which are past due and impaired as at each reporting date.

Movement in the allowance for doubtful debts is as follows:

	As at 31 December			*As at 30 June*
	2013 *AED'000*	*2012* *AED'000*	*2011* *AED'000*	*2014* *AED'000*
At 1 January	89,478	109,291	79,466	58,301
Net (reversal)/ charge for the year/ period	(365)	2,910	41,927	(10,292)
Written off during the year/ period	(30,812)	(22,723)	(12,102)	(468)
At 31 December/ 30 June	58,301	89,478	109,291	47,541

The ageing analysis of trade receivables is as follows:

			Past due but not impaired			
	Total *AED'000*	*Neither past due nor impaired* *AED'000*	*Upto 30 days* *AED'000*	*31-60 days* *AED'000*	*61-90 days* *AED'000*	*>90 days* *AED'000*
31 December 2013	194,312	84,739	74,716	11,141	5,355	18,361
31 December 2012	238,203	104,402	36,372	21,103	44,016	32,310
31 December 2011	233,031	84,388	11,684	25,414	27,072	84,473
30 June 2014	93,596	72,955	4,185	9,957	6,483	16

Unimpaired receivables are fully recoverable on the basis of past experience.

10 ADVANCES AND PREPAYMENTS

	As at 31 December			*As at 30 June*
	2013 *AED'000*	*2012* *AED'000*	*2011* *AED'000*	*2014* *AED'000*
Advances	29,363	37,054	12,519	24,996
Prepayments	5,467	6,959	8,158	20,651
	34,830	44,013	20,677	45,647

11 RELATED PARTY DISCLOSURES

Related parties represent the Parent Company, Directors and key management personnel of the Company and entities controlled, jointly controlled or significantly influenced by such parties.

Affiliated entities represents companies that are under common control by the Parent Company

(a) The following were the significant related party transactions, which were carried out in the normal course of business on terms agreed between the parties:

	Year ended 31 December			*Six month period ended*	
	2013 *AED'000*	*2012* *AED'000*	*2011* *AED'000*	*30 June 2014* *AED'000*	*30 June 2013* *AED'000* *(unaudited)*
Rental income					
Parent Company	3,743	9,579	8,086	6,088	3,540
Subsidiaries	56,853	56,621	47,091	14,183	27,489
Affiliated entities	11,269	10,029	8,762	22,817	6,212
Entities owned or controlled by Directors and other related parties	80,732	81,367	61,129	43,309	33,868
	152,597	157,596	125,068	86,397	71,109
Operating expenses					
Parent Company	74,303	168,717	167,210	48,381	44,154
Affiliated entities	-	-	-	28,643	-
Entities owned or controlled by Directors and other related parties	-	-	-	2,701	-
General and administrative expenses					
Parent Company	86,675	56,362	3,280	57,655	40,676
Affiliated entities	-	-	-	925	-
Entities owned or controlled by Directors and other related parties	335	-	-	679	-
Finance costs					
Parent Company	152,360	221,312	382,771	50,520	76,849
Entities owned or controlled by Directors and other related parties	-	-	-	1,445	-

11 RELATED PARTY DISCLOSURES (continued)

b) Balances with related parties included in the statement of financial position are as follows:

31 December 2013	*Due from related parties AED '000*	*Due to related parties AED '000*	*Trade receivables AED '000*	*Deferred income AED '000*
Non-current				
Parent Company - loan	-	1,583,493	-	-
- interest	-	86,212	-	-
- other	-	155,338	-	-
Subsidiaries	-	447	-	-
Affiliated entities	-	302	-	-
	-	1,825,792	-	-
Current				
Parent Company	-	-	655	-
Subsidiaries	161,071	-	507	18,530
Affiliated entities	10,783	-	520	1,502
Entities owned or controlled by Directors and other related parties	-	-	7,822	40,903
	171,854	-	9,504	60,935

In 2013, buildings with a net carrying value of AED 120,800 thousands were transferred at cost by the Parent Company to the Company.

31 December 2012	*Due from related parties AED '000*	*Due to related parties AED '000*	*Trade receivables AED '000*	*Deferred income AED '000*
Non-current				
Parent Company - loan	-	2,001,973	-	-
- interest	-	27,138	-	-
- other	-	300,157	-	-
Subsidiaries	-	447	-	-
Affiliated entities	-	731	-	-
	-	2,330,446	-	-
Current				
Parent Company	-	-	467	137
Subsidiaries	107,452	-	-	17,981
Affiliated entities	13,903	-	2,768	812
Entities owned or controlled by Directors and other related parties	-	-	3,713	42,796
	121,355	-	6,948	61,726

11 RELATED PARTY DISCLOSURES (continued)

31 December 2011	*Due from related parties AED '000*	*Due to related parties AED '000*	*Prepayments AED '000*	*Trade receivables AED '000*	*Deferred income AED '000*
Non-current					
Parent Company - loan	-	4,090,438	-	-	-
- interest	-	696,930	-	-	-
- other	-	454,937	-	-	-
Subsidiaries	-	447	-	-	-
Affiliated entities	-	720	-	-	-
	-	5,243,472	-	-	-
Current					
Parent Company	-	-	3,660	458	8
Subsidiaries	117,970	-	-	44	19,237
Affiliated entities	10,103	-	-	1,383	2,007
Entities owned or controlled by Directors and other related parties	-	-	-	2,816	33,947
	128,073	-	3,660	4,701	55,199

11 RELATED PARTY DISCLOSURES (continued)

30 June 2014	*Bank balances and cash AED '000*	*Due from related parties AED '000*	*Interest bearing loans and borrowings AED '000*	*Due to related parties AED '000*	*Trade receivables AED '000*	*Deferred income AED '000*	*Trade payables AED '000*
Non-current							
Entities owned or controlled by Directors and other related parties	-	-	726,215	-	-	-	-
	-	-	726,215	-	-	-	-
Current							
Parent Company - loan	-	-	-	972,315	-	-	-
- interest	-	-	-	26,361	-	-	-
- other	-	-	-	120,079	4,210	2,295	-
Affiliated entities	-	219,716	-	400	802	15,580	8,274
Entities owned or controlled by Directors and other related parties	44,637	-	-	-	2,527	33,585	609
	44,637	219,716	-	1,119,155	7,539	51,460	8,883

11 RELATED PARTY DISCLOSURES (continued)

c) Due to the Parent Company represents the amount payable for the investment properties and property, plant and equipment transferred to the Company in 2010.

In 2010, the Company reached an agreement with the Parent Company to convert an amount of AED 6,372,059 thousands, from the balance due, to a long term loan carrying interest at 8% p.a. This loan is repayable when the funds are available with the Company. Movement in the loan balance during the year/ period is as follows:

	As at 31 December			*As at 30 June*
	2013 *AED'000*	*2012* *AED'000*	*2011* *AED'000*	*2014* *AED'000*
Balance at 1 January	2,001,973	4,090,438	5,175,154	1,583,493
Repayments made during the year/ period	(418,480)	(2,088,465)	(1,084,716)	(611,178)
Balance at 31 December/ 30 June	1,583,493	2,001,973	4,090,438	972,315

Terms and conditions of transactions with related parties
Outstanding balances at the year-end/period end are unsecured and interest free (except for loan from the Parent Company) and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the years ended 31 December 2013, 2012, 2011 and six month period ended 30 June 2014 and 2013, the Company has not recorded any impairment of receivables relating to amounts owed by related parties. This assessment is undertaken each reporting period through examining the financial position of the related party and the market in which the related party operates.

The Parent Company held the title deeds and the beneficial ownership of land for certain investment properties since inception of the Company. On 3 April 2014, these title deeds and beneficial ownership were transferred to the Company (Note 7). In addition, title deeds for certain other investment properties held were also transferred by the Parent Company to the Company. There was no rental charged by the Parent Company for the use of the land by the Company prior to such transfer.

d) Compensation of key management personnel.

The remuneration of directors and other members of key management during the year/period were as follows:

	For the year ended 31 December			*Six month period ended*	
	2013 *AED'000*	*2012* *AED'000*	*2011* *AED'000*	*30 June 2014* *AED'000*	*30 June 2013* *AED'000* *(unaudited)*
Short term benefits	20,746	15,112	9,217	12,108	10,071
End of service benefits	612	504	329	1,285	837

12 BANK BALANCES AND CASH

	As at 31 December			*As at 30 June*
	2013 AED'000	*2012 AED'000*	*2011 AED'000*	*2014 AED'000*
Cash in hand	213	169	174	180
Bank balances:				
Current and call accounts	26,422	139,425	10,168	56,541
Deposits maturing within three months	130,000	259,235	-	-
Cash and cash equivalents	156,635	398,829	10,342	56,721
Deposits under lien (Note 18)	68,542	65,988	22,500	18,423
Deposits maturing after three months	1,137,532	205,134	-	1,407,790
Balance at 31 December/ 30 June	1,362,709	669,951	32,842	1,482,934

Cash at banks earn interest at fixed rates based on prevailing bank deposit rates. Short-term fixed deposits are made for varying periods between one day and three months, depending on the immediate cash requirements of the Company, and earn interest at the respective short-term deposit rates. Fixed deposits maturing after three months earn interest at rates between 1.1% and 1.7% as at 31 December 2013, 31 December 2012: 1.4% to 2.7%; 31 December 2011: Nil and 30 June 2014: 0.95% to 1.1% per annum.

13 SHARE CAPITAL

	As at 31 December			*As at 30 June*
	2013 AED'000	*2012 AED'000*	*2011 AED'000*	*2014 AED'000*
Authorised				
300 shares of AED 1,000 each	300	300	300	300

	As at 31 December			*As at 30 June*
	2013 AED'000	*2012 AED'000*	*2011 AED'000*	*2014 AED'000*
Issued and fully paid up				
300 shares of AED 1,000 each	300	300	300	300

14 PROPOSED INCREASE IN SHARE CAPITAL

During the six month period ended 30 June 2014, the Company has proposed to issue additional shares at par to the existing shareholders against transfer of legal titles and beneficial ownership of certain plots of land (Note 7). On 20 July 2014, the Company has registered the increase in share capital with Government authorities amounting to AED 13,014,000 thousand consisting of 13,014,000 shares of AED 1,000 each through an addendum to its Memorandum of Association.

15 STATUTORY RESERVE

As required by the UAE Federal Commercial Companies Law No. 8 of 1984 (as amended) and the Company's Memorandum of Association, 10% of the net profit for the year shall be transferred to statutory reserve until it reaches 50% of the issued share capital. This reserve is not available for distribution except in the circumstances stipulated by the law.

16 EARNINGS PER SHARE

Basic earnings per share amounts are calculated by dividing profit or loss for the period by the weighted average number of ordinary shares outstanding during the period.

Diluted earnings per share are calculated by adjusting the weighted average number of ordinary shares outstanding assuming conversion of all dilutive potential ordinary shares. During the period ended 30 June 2014, the Company proposed to issue additional shares in the Company to the existing shareholders against transfer of legal titles and beneficial ownership of certain plots of land (Notes 7 & 14).

The information necessary to calculate basic and diluted earnings per share is as follows:

	Year ended 31 December			*Six month period ended*	
				30 June	*30 June*
	2013	*2012*	*2011*	*2014*	*2013*
	AED'000	*AED'000*	*AED'000*	*AED'000*	*AED'000*
					(unaudited)
Earnings:					
Profit for the year/ period	1,099,439	730,823	263,377	617,176	498,017
No. of shares:					
Weighted average number of ordinary shares for basic earnings per share	300	300	300	300	300
Effect of dilution - proposed issue (Notes 7 & 14)	-	-	-	13,014,000	-
Weighted average number of ordinary shares adjusted for the effect of dilution	300	,300	300	13,014,300	300
Earnings per share (AED):					
- basic	3,664,797	2,436,077	877,925	2,057,253	1,660,057
- diluted	3,664,797	2,436,077	877,925	47	1,660,057

17 EMPLOYEES' END OF SERVICE BENEFITS

The movement in the provision for employees' end of service benefits is as follows:

	As at 31 December			*As at 30 June*
	2013	*2012*	*2011*	*2014*
	AED'000	*AED'000*	*AED'000*	*AED'000*
Balance as at 1 January	8,044	6,919	3,500	10,852
Provision during the year/ period	3,685	2,159	3,054	2,281
Transferred to Parent Company/ related parties	(47)	(110)	659	235
Paid during the year/ period	(830)	(924)	(294)	(282)
Balance as at 31 December/ 30 June	10,852	8,044	6,919	13,086

Provision for employees' end of service benefits is made for the full amount due to employees for their periods of service up to the reporting date in accordance with the U.A.E. Labour Law. An actuarial valuation of the employees' end of service benefits has not been performed as in management's opinion the net impact of discount rates and future increases in benefits are not likely to be material. The benefits are un-funded.

18 INTEREST BEARING LOANS AND BORROWINGS

	As at 31 December			*As at 30 June*
	2013 AED'000	*2012 AED'000*	*2011 AED'000*	*2014 AED'000*
Interest bearing loans and borrowings	3,510,000	3,600,000	801,412	3,673,000
Less: unamortised portion of loan arrangement fee	(54,933)	(67,433)	(79,094)	(41,923)
Net interest bearing loans and borrowings	3,455,067	3,532,567	722,318	3,631,077
Net interest bearing loans and borrowings are repayable as follows:				
Within one year (shown under current liabilities)	180,000	90,000	-	-
After one year (shown under non-current liabilities)	3,275,067	3,442,567	722,318	3,631,077
	3,455,067	3,532,567	722,318	3,631,077

The finance facility in 2011 represented AED 3,600,000 thousands (USD 1 billion) of syndicated facility which was availed from a consortium of commercial banks, secured against certain investment properties (Note 7) owned by the Company in the UAE. Interest is charged at EIBOR plus 1.85% per annum in 31 December 2013, 31 December 2012 and 2011: EIBOR plus 3.50% per annum and the facility is fully repayable by 2019. The banks have a lien on certain cash collaterals amounting to AED 68,542 thousands as at 31 December 2013, 31 December 2012: AED 65,988 thousands and 31 December 2011: AED 22,500 thousands (Note 12). The Company had given an irrevocable undertaking to deposit the proceeds of its revenue into the specific account maintained with a financing bank.

The facility was secured against the following:

- Assignment of mortgage over Dubai Mall
- All present and future revenues of Dubai Mall
- Guarantee of the Parent Company

The facility was subject to covenants clauses, including certain key financial and general covenants on both the Company and Parent Company (the Guarantor).

During the six month period ended 30 June 2014, the Company has fully repaid the finance facility of AED 3,600,000 thousands which was availed in 2011. The previous facility is replaced with new Murhabha Islamic finance syndicated facility for USD 1.5 billion (AED 5,509,500 thousand) of which the Company has drawdown USD 1 billion (AED 3,673,000 thousand) as at 30 June 2014. The banks have a lien on certain cash collaterals amounting to AED 18,423 thousands as at 30 June 2014. The new facility is unsecured, subject to certain key financial and general covenants clauses and carries interest at LIBOR + 1.75% pa and this facility would be repaid in single instalment in 2021. The movement during the six month period ended 30 June 2014 is as given below:

	2014 AED'000
Balance as at 1 January 2014	3,510,000
Less: Repaid during the period	(3,510,000)
Add: Borrowed during the period	3,673,000
Balance as at 30 June 2014	3,673,000

As at 30 June 2014, included within the Murhabha Islamic finance syndicated facility are interest bearing loans and borrowings amounting to AED 726,215 thousand (31 December 2013, 2012 and 2011: AED Nil) borrowed from a related party (Note 11).

19 SUKUK

EMG Sukuk Limited (the "Issuer"), a limited liability company registered in the Cayman Islands and a wholly-owned subsidiary of the Company, has issued trust certificates (the "Sukuk") amounting to USD 750,000 thousands (AED 2,754,750 thousands) on 18 June 2014. The Sukuk is listed on NASDAQ Dubai and is due for repayment in 2024. The Sukuk carries a profit distribution rate of 4.564% per annum to be paid semi-annually. The carrying value of the Sukuk is as follows:

	30 June 2014 AED'000
Proceeds from the issuance of the Sukuk	2,754,750
Less: Sukuk issuance cost	(21,786)
Sukuk liability on initial recognition	2,732,964
Profit accrued up to period end	63
Sukuk liability as at period end	2,733,027

20 ACCOUNTS PAYABLE AND ACCRUALS

	As at 31 December			*As at 30 June*
	2013 AED'000	*2012 AED'000*	*2011 AED'000*	*2014 AED'000*
Trade payables	34,536	30,741	21,139	43,189
Accrued expenses	253,058	179,529	164,523	223,521
Interest payable	10,622	16,180	3,617	5,828
Other payables	37,389	50,132	2,376	17,760
	335,605	276,582	191,655	290,298

21 COMMITMENTS AND CONTINGENCIES

Commitments

At 31 December 2013 the Company had commitments of 406,491 thousand, 31 December 2012: AED 108,114 thousands; 31 December 2011: AED 105,547 thousands and 30 June 2014: AED 1,804,993 thousands. This represents the value of contracts issued as at the reporting date net of invoices received and accruals made as at that date.

Operating lease commitments - Company as lessor

The Company leases out its property under operating leases as a lessor. The future minimum lease payments receivable (base rent) under non-cancellable operating leases contracted for at the reporting date but not recognised as receivables, are as follows:

	As at 31 December			*As at 30 June*
	2013 AED'000	*2012 AED'000*	*2011 AED'000*	*2014 AED'000*
Within one year	1,348,088	1,267,915	1,001,597	1,319,317
After one year but not more than five years	2,088,846	1,922,954	1,903,669	2,319,559
More than five years	264,519	365,929	333,509	211,930
	3,701,453	3,556,798	3,238,775	3,850,806

In addition to the base rent, the Company also charges annual service charges to its tenants. The total amount of service charges for the year ended 31 December 2013 was AED 229,675 thousands, 31 December 2012: AED 194,174 thousands, 31 December 2011: AED 156,503 thousands and 30 June 2014: AED 123,464 thousands.

21 COMMITMENTS AND CONTINGENCIES (continued)

Legal claims
As at 31 December 2013, legal proceedings are in progress against certain tenants to recover outstanding rents amounting to AED 16,008 thousands, 31 December 2012: AED 54,636 thousands, 31 December 2011: AED 6, 718 thousands, 30 June 2014: AED 12,460 thousands. Management is confident that the outcome of these claims will be in favor of the Company and will have no adverse impact on the financial information of the Company.

22 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company has exposure to the following risks from its use of financial instruments:

a) Credit risk,
b) Market risk, and
c) Liquidity risk.

This note presents information about the Company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing risk, and the Company's management of capital.

The Board of Directors of the Parent Company has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's senior management are responsible for developing and monitoring the risk management policies and report regularly to the Board of Directors of the Parent Company on their activities.

The Company's current financial risk management framework is a combination of formally documented risk management policies in certain areas and informal risk management policies in other areas**.**

Credit risk
Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company is exposed to credit risk on the following:

	As at 31 December			*As at 30 June*
	2013 AED'000	*2012 AED'000*	*2011 AED'000*	*2014 AED'000*
Bank balances	1,362,496	669,782	32,668	1,482,754
Trade receivables	194,312	238,203	233,031	93,596
Due from related parties	171,854	121,355	128,073	219,716
	1,728,662	1,029,340	393,772	1,796,066

Credit risk from balances with banks and financial institutions is managed by Parent Company's treasury in accordance with the Parent Company's policy. The Company limits its exposure to credit risk by only placing balances with international banks and local banks of good repute. Given the profile of its bankers, management does not expect any counterparty to fail to meet its obligations.

Credit risk from trade receivables is managed by setting credit limits for individual tenants, monitoring outstanding receivables and obtaining security deposits under the lease arrangements. The Company establishes an allowance for impairment at each reporting date that represents its estimate of incurred losses in respect of trade receivables.

Due from related parties relates to transactions arising in the normal course of business with minimal credit risk.

22 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Market risk
Market risk is the risk that changes in market prices, such as interest rate risk and currency risk, will affect the Company's income or the value of its holdings of financial instruments. Financial instruments affected by interest rate risk include interest bearing loans and borrowings. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Interest rate risk
Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk on its interest bearing assets and liabilities (interest bearing loans and borrowings).

The following table demonstrates the sensitivity of the income statement to reasonably possible changes in interest rates, with all other variables held constant and net of hedged instruments. The sensitivity of the income statement is the effect of the assumed changes in interest rates on the Company's profit for one year, based on the floating rate financial assets and liabilities held at reporting date.

There is no impact on the Company's equity other than the profit impact stated below.

	Changes in basis points	*Sensitivity on profit for the year/period*
		AED'000
31 December 2013		
Interest bearing loans and borrowings	±100	-+10,530
31 December 2012		
Interest bearing loans and borrowings	±100	-+18,000
31 December 2011		
Interest bearing loans and borrowings	±100	-+8,014
30 June 2014		
Interest bearing loans and borrowings	±100	-+11,937

Foreign currency risk
Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company's significant monetary assets and liabilities denominated in foreign currencies are either in USD or in currencies pegged to USD. As the AED is currently pegged to the USD, balances in USD and other currencies pegged to USD are not considered to represent significant currency risk.

Liquidity risk
Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due.

The cash flows, funding requirements and liquidity of the Company are monitored on a centralised basis, under the control of Parent Company Treasury. The objective of this centralised system is to optimise the efficiency and effectiveness of the management of the capital resources. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank borrowings. The Company manages liquidity risk by maintaining adequate reserves and borrowing facilities, by continuously monitoring forecasted and actual cash flows and matching the maturity profiles of financial assets and liabilities.

22 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Liquidity risk (continued)
The table below summarises the maturities of the Company's liabilities at 31 December and 30 June, based on contractual undiscounted cash flows and payments.

At 30 June 2014

	Less than 3 months AED'000	*3 to 12 months AED'000*	*1 to 5 years AED'000*	*More than 5 years AED'000*	*Total AED'000*
Due to related parties	-	1,119,155	-	-	1,119,155
Interest bearing loans and borrowings	17,281	55,704	297,090	3,815,832	4,185,907
Sukuk	-	122,933	509,892	3,392,115	4,024,940
Trade payables	12,957	30,232	-	-	43,189
Accrued expenses	89,408	134,113	-	-	223,521
Interest payable	1,288	4,540	-	-	5,828
Other payables	17,760	-	-	-	17,760
Total	138,694	1,466,677	806,982	7,207,947	9,620,300

At 31 December 2013

	Less than 3 months AED'000	*3 to 12 months AED'000*	*1 to 5 years AED'000*	*More than 5 years AED'000*	*Total AED'000*
Due to related parties	-	-	1,897,315	-	1,897,315
Interest bearing loans and borrowings	68,320	234,235	3,639,307	-	3,941,862
Trade payables	10,361	24,175	-	-	34,536
Accrued expenses	130,880	122,178	-	-	253,058
Interest payable	10,622	-	-	-	10,622
Other payables	3,385	34,004	-	-	37,389
Total	223,568	414,592	5,536,622	-	6,174,782

At 31 December 2012

	Less than 3 months AED'000	*3 to 12 months AED'000*	*1 to 5 years AED'000*	*More than 5 years AED'000*	*Total AED'000*
Due to related parties	-	-	2,417,001	-	2,417,001
Interest bearing loans and borrowings	72,624	215,959	3,680,632	465,950	4,435,165
Trade payables	30,741	-	-	-	30,741
Accrued expenses	125,670	53,859	-	-	179,529
Interest payable	16,180	-	-	-	16,180
Other payables	50,132	-	-	-	50,132
Total	295,347	269,818	6,097,633	465,950	7,128,748

At 31 December 2011

	Less than 3 months AED'000	*3 to 12 months AED'000*	*1 to 5 years AED'000*	*More than 5 years AED'000*	*Total AED'000*
Due to related parties	-	-	5,440,102	-	5,440,102
Interest bearing loans and borrowings	11,019	33,058	975,763	-	1,019,840
Trade payables	21,139	-	-	-	21,139
Accrued expenses	45,636	118,887	-	-	164,523
Interest payable	3,617	-	-	-	3,617
Other payables	2,376	-	-	-	2,376
Total	83,787	151,945	6,415,865	-	6,651,597

22 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Capital management

Capital includes equity attributable to the equity holders of the Company. The Company's policy is to maintain a strong capital base so as to maintain creditor confidence and to sustain future development of the business. The primary objective of the Company's capital management strategy is to ensure that it maintains healthy capital ratios in order to support its business and maximise shareholder's value.

The Company manages its capital structure and makes adjustments to it, in light of changes in business conditions. No changes were made in the objectives, policies or processes for managing capital during the years ended 31 December 2013, 31 December 2012, 31 December 2011 and six month period ended 30 June 2014.

23 FAIR VALUES OF FINANCIAL INSTRUMENTS

Financial instruments comprise financial assets, financial liabilities and derivatives

Financial assets of the Company include bank balances and cash, trade receivables, advances, other receivables and due from related parties. Financial liabilities of the Company include security deposits, interest bearing loans and borrowings, trade payables and due to related parties. Derivatives include interest rate swaps.

The fair values of the financial instruments are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The fair values of the financial instruments are not materially different from their carrying value unless stated otherwise.

24 HEDGING ACTIVITIES

Cash flow hedges

The Company held certain interest rate swap contracts designated as a hedge of expected future payments under the borrowing contracts entered by the Company for which it has firm commitments. The interest rate swap contract is being used to hedge the interest rate risk of the firm commitments. The nominal amount of these contracts is 31 December 2013 is AED 2,520,000 thousands, 31 December 2012: AED 1,800,000 thousands, 31 December 2011: Nil and at 30 June 2014: AED 1,285,500 thousands.

	31 December 2013		*31 December 2012*		*31 December 2011*	
	Assets AED'000	*Liabilities AED'000*	*Assets AED'000*	*Liabilities AED'000*	*Assets AED'000*	*Liabilities AED'000*
Interest rate swap contracts						
Fair value	-	34,862	-	45,096	-	-

	30 June 2014	
	Assets AED'000	*Liabilities AED'000*
Interest rate swap contracts		
Fair value	-	7,383

The fair values of the interest rate swaps are estimated using quotes from external sources or from the counterparty to the instruments.

The terms of the foreign currency forward contracts match the terms of the expected highly transactions. As a result, no hedge ineffectiveness arises requiring recognition through profit or loss.

24 HEDGING ACTIVITIES (continued)

Fair value hierarchy
The Company uses the following hierarchy for determining and disclosing the fair value of cash flow hedges by valuation technique:

	Total AED'000	***Level 1 AED'000***	***Level 2 AED'000***	***Level 3 AED'000***
31 December 2013				
Liabilities				
Interest rate swap contracts	34,862	-	34,862	-
31 December 2012				
Liabilities				
Interest rate swap contracts	45,096	-	45,096	-
31 December 2011				
Liabilities				
Interest rate swap contracts	-	-	-	-
30 June 2014				
Liabilites				
Interest rate swap contracts	7,383	-	7,383	-

Level 1: Fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Valuation technique
The present value of interest rate swaps is computed by determining the present value of the fixed leg and the floating leg interest flows. The value of the fixed leg is derived by the present value of the fixed coupon payments. The value of the floating leg is ascertained by the present value of the floating coupon payments determined at the agreed dates of each payment. The forward rate for each floating payment date is calculated using the forward curves.

25. SUBSEQUENT EVENTS

Subsequent to the date of financial position at 30 June 2014, the following events occurred:

- The Company has drawn down an additional AED 918,238 thousands under the new facility and used the proceeds together with available cash to make payments totaling AED 1,953,265 thousands to the Parent Company comprising of repayments of the loan of AED 972,315 thousands, interest and other charges on the Parent Company loan of AED 180,950 thousands and a dividend payment of AED 800,000 thousands.

Annex 2—Memorandum and Articles of Association

MEMORANDUM OF ASSOCIATION
OF
Emaar Malls Group
PJSC

عقد التأسيس
شركة
مجموعة إعمار مولز
ش.م.ع

On the day of 2014 the below Founders have agreed on the following:

اتفق المؤسسون أدناه في يوم من شهر 2014 على ما يلي:

	المؤسسون	الجنسية	عدد الأسهم	نسبة الملكية
١	إعمار العقارية (ش.م.ع)	الإمارات العربية المتحدة	11,014,297,000	%84.59
2	إميريتس بروبرتي هولدنجز ليمتد	جزر فيرحن البريطانية	3,000	%0.0000002
	المجموع		11,014,300,000	%84.6

	Founders	Nationality	Nb Shares	Ownership Percentage
1.	Emaar Propeties PJSC	UAE	11,014,297,000	84.59%
2.	Emirates Property Holdings Limited	Brirtish Virgin Islands	3,000	0.0000002%
	TOTAL		11,014,300,000	84.6%

Article (1)

By virtue of the Memorandum of Association, notarized at the Notary Public in Dubai under number 9499/5/2005 on 16 November 2005, a limited liability company was incorporated under the name of Emaar Malls Group L.L.C, and registered at the Department of Economic Development in Dubai and holding commercial license number 576147 issued by the Dubai Department of Economic Development.

Whereas the Extraordinary General Assembly held on 24 August 2014 has approved such conversion of the company from a limited liability to a public joint stock company and offer of at least 15% of the Company's capital by the founders to the public and after the approval of the regulatory authorities on the conversion, this agreement has been drafted in accordance with the provisions of Federal Law No. 8 for the year 1984 regarding Commercial Companies and the laws

مادة (1)

بموجب عقد التأسيس المصدق لدى الكاتب العدل في دبي تحت الرقم 2005/5/9499 بتاريخ 2005/11/16، أسست شركة ذات مسؤولية محدودة تحت اسم مجموعة إعمار مولز (ش.ذ.م.م.) مسجلة لدى دائرة التنمية اللإقتصادية في دبي. وتحمل الرخصة التجارية رقم 576147 الصادرة عن دائرة التنمية الاقتصادية في دبي.

وحيث وافقت الجمعية العمومية غير العادية للشركة بتاريخ 24 اغسطس 2014 على تحويل الشركة من شركة ذات مسؤولية محدودة الي شركة مساهمة عامة وطرح المؤسسين نسبة لا تقل عن 15% من رأس مال الشركة للإكتتاب العام وبعد موافقة الجهات الرسمية على التحول فقد تحرر هذا العقد طبقاً لأحكام القانون الاتحادي رقم (8) لسنة 1984 في شأن الشركات التجارية والقوانين المعدلة له.

amending it.

Article (2)

The name of the Company is Emaar Malls Group PJSC (a public joint stock company).

مادة (2)

اسم الشركة هو مجموعة إعمار مولز ش.م.ع (شركة مساهمة عامة).

Article (3)

The head office of the Company and its legal place of business shall be in the Emirate of Dubai. The Board of Directors may establish branches, offices and agencies for the Company inside and outside the UAE.

مادة (3)

مركز الشركة الرئيسي ومحلها القانوني في إمارة دبي. ويجوز لمجلس الإدارة أن ينشئ لها فروعا و مكاتب وتوكيلات في داخل الدولة وخارجها.

Article (4)

The fixed term of the Company shall be (99) ninety nine Gregorian years commencing from the date the Company is registered in the commercial register.
Such term shall be automatically renewed for similar successive terms unless a resolution of the Extraordinary General Assembly is issued to amend the term of the Company or terminate the same.

مادة (4)

المدة المحددة لهذه الشركة هي (99) تسعة وتسعون سنة ميلادية تبدأ من تاريخ إشهار الشركة في السجل التجاري.

وتجدد هذه المدة بعد ذلك تلقائيا لمدد متعاقبة ومماثلة ما لم يصدر قرار من الجمعية العمومية غير العادية بتعديل مدة الشركة أو إنهائها.

Article (5)

The objects that the Company is established for shall be in compliance with the provisions of the laws and regulations in force in the State.

The objectives of the Company are as follows:

Retail set-up, development and management; ownership and operation of shopping malls and all related services and activites; facilities management services; fish and live animal trading and breeding of marine species and animals; development, management and ownership of aquarium parks; development, management and ownership of ski domes and skating rinks; management and ownership of electronic game arcades and kids amusement arcades and advertisement designing and producing.

In fulfillment of its objects, the Company may, conduct all operations and take all actions required for the due performance of its activities within and outside the State, including, without limiting the generality of the foregoing, the following:

مادة (5)

تكون الأغراض التي أسست من أجلها الشركة متفقة مع أحكام القوانين والقرارات المعمول بها داخل الدولة.

الاغراض التي أسست من أجلها الشركة هي:

تأسيس وتطوير وإدارة المحلات التجارية، تملك وإدارة المراكز التجارية وكل النشاطات والخدمات المتعلقة بهذا المواضيع، خدمات إدارة المنشأت، تجارة وتربية والعناية بأسماك الزينة والحيوانات الحية، إنشاء وتطوير وإدارة وتملك حدائق الأحياء المائية والبحرية وتطوير وإدارة وتملك قبة تزلج على الجليد وكذلك إدارة وتشغيل صالات الألعاب الإلكترونية وصالات ألعاب لتسلية الأطفال وتصميم وإنتاج الإعلانات.

وللشركة في سبيل تحقيق أغراضها القيام بكافة الانشطة والقيام بكافة الأعمال اللازمة لممارسة انشطتها بشكل سليم في الدولة وخارجها وتشمل بغير تحديد لما سبق الاتي:

a. Owning, leasing, pledging moveable and immovable assets and borrowing funds, and lending its subsidiaries and affiliates, issuing, and debt debentures and sukuk and acquiring companies engaged in activities that are related to the activity of the Company;

أ. تملك واستئجار ورهن الاصول المنقولة وغير المنقولة واقتراض الاموال وإقراض الشركات التابعة والشقيقة وإصدار سندات الدين والصكوك والاستحواذ على الشركات التى تقوم بأنشطة ذات صلة بنشاط الشركة

b. borrowing funds from third party institutions, issuing guarantees and granting other security, including mortgages, over moveable and immovable assets and properties of the Company;

ب. اقتراض الاموال من الغير من المؤسسات واصدار الضمانات واعطاء الضمانات الاخرى وتشمل الرهون على الاصول المنقولة وغير المنقولة وعقارات الشركة؛

c. opening and maintaining bank accounts;

ج. فتح وإدارة الحسابات البنكية؛

d. drawing, accepting and negotiating negotiable instruments;

د. سحب وقبول والمفاوضة على الصكوك القابلة للتداول؛

e. establishing regulations relating to the hiring, retirement and remuneration of the Company's employees;

هـ. إصدار لوائح خاصة باستخدام وتقاعد ومكافئات ورواتب عاملي الشركة؛

f. contracting with natural or juridical persons to sell or purchase goods and services;

و. التعاقد مع الاشخاص الطبيعية والاعتبارية لبيع وشراء البضائع والخدمات؛

g. establishing, forming and owning entities, partnerships, businesses, projects, companies and establishments of all types, alone or in association with others, or merging with or into or acquiring any entity as the Board of Directors or the Shareholders may consider appropriate;

ز. تأسيس وتشكيل وتملك الشراكات والاعمال والمشروعات والشركات والمؤسسات من كافة الانواع سواء منفردة أو مع اخرين أو الاندماج مع أو في أو الاستحواذ على أي كيان كما يرى مجلس الادارة أو المساهمين ملائماً؛

h. registering licences over intellectual property rights of all types;

ح. تسجيل التراخيص الخاصة بحقوق الملكية الفكرية من كل الانواع؛

i. pursuing, defending and settling all claims, including by means of court, arbitration or mediation proceedings;

ط. متابعة والدفاع عن وتسوية كافة المطالبات من خلال الاجراءات القضائية والتحكيمية والتوفيقية؛

j. participating in and supporting projects, businesses and activities related to the activity of the Company

ي. المشاركة في ومساندة المشروعات والاعمال والانشطة ذات الصلة بنشاط

within and outside the State which may enhance the Company's position. Additionally, providing donations, grants and technical and financial support to research and development initiatives; and

الشركة داخل وخارج الدولة والتي قد تحسن مركز الشركة. بالإضافة إلى ذلك تقديم التبرعات والاعانات والدعم الفني والمالي لمبادرات البحث والتطوير؛ و

The objects and powers of the Company set forth in the above paragraphs shall be interpreted in a non-restrictive fashion and in their broadest meanings. It shall be permissible for the Company to carry out its objects and to exercise its aforesaid authorities in any geographical territory in or outside the State.

تفسر أغراض وسلطات الشركة والموضحة في الفقرات أعلاه بشكل غير مقيد وفي أوسع الحدود. ويكون مسموحاً للشركة القيام باغراضها وممارسة سلطاتها في أي نطاق جغرافي داخل أو خارج الدولة.

The Company may have an interest or may participate, cooperate or acquire by all manners with other entities or companies in the State or outside the State, provided that it exercises activities similar to its own activities.

ويجوز للشركة ان تكون لها مصلحة أو أن تشترك أو أن تتعاون أو ان تشتري أو ان تلحق، بأي وجه مع غيرها من الهيئات أو الشركات، في داخل الدولة أو في خارجها، مادامت تزاول أعمالاً شبيهة بأعمالها.

Article (6)

مادة (6)

The capital of the Company has been fixed at AED 13,014,300,000 Thirteen billion and fourteen million three hundred thousand dirham divided into 13,014,300,000 shares with a value of AED 1 for each share, of which 13,014,000,000 represent shares in kind and 300,000 represent shares in cash which are fully paid. All the shares are equal in respect of all rights.

حدد رأس مال الشركة بمبلغ 13,014,300,000 درهم (ثلاثة عشر مليار وأربعة عشر مليون وثلاثمائة الف درهم) موزع على 13,014,300,000سهم، قيمة كل سهم (1) درهم اماراتي، تقابل حصص عينية . منها (13,014,000,000) سهم تقابل حصص عينية و (300,000) سهماً نقدياً مدفوعة بالكامل. وتكون جميع أسهم الشركة متساوية مع بعضها البعض من كافة الحقوق.

Article (7)

مادة (7)

The Company is exempt from Article 78 of the Law. Accordingly, the Founders own 11,014,300,000 shares, having a nominal value of 1 AED, representing 84.6% Eighty five per cent. of the capital of the Company and shares representing 15.4% Fifteen per cent. of the Company's capital shall be sold by the Founders through a public offering, provided that no shareholder (except the Founders) shall at any time following the adoption of the Articles of Association hold shares in the Company exceeding in aggregate (5%) five per cent. of the capital of the Company. All the shares held by the Founders and those that may be offered to the public are shares in kind. Owners of the shares in kind shall be deemed to have paid the full

الشركة مستثناه من نص المادة 78 من القانون. ولذلك، يمتلك المؤسسون في الشركة 11,014,300,000 سهم بقيمة اسمية 1 درهم تمثل نسبة 84.6% من رأسمال الشركة. وتم بيع نسبة 15.4% في المائة من رأس مال الشركة من خلال الكتتاب العام ولا يجوز لأي مساهم في أي وقت بعد إعتماد النظام الأساسي للشركة إمتلاك أسهم في الشركة تتجاوز في مجموعها 5% من رأس مال الشركة وذلك بإستثناء المؤسسين. الأسهم المملوكة للمؤسسين وكذلك الأسهم التي تم طرحها للإكتتاب العام جميعها تقابل حصص عينية. ويعتبر أصحاب الحصص العينية أنهم قاموا بسداد كامل القيمة الاسمية لأسهمهم بعد نقل ملكية هذه الحصص

nominal value of their shares after they transfer the ownership title of the shares in kind to the Company. The shares, in lieu of the abovementioned shares in kind, shall not be delivered to their owners prior to the said transfer of ownership title. The shares in kind have been distributed among the Founders as follows:

كاملـة إلـى الشـركة، ولا يجـوز قبـل ذلـك تسـليمهم الأسـهم التـي تمثـل تلـك الحصـص. وقـد تـم توزيـع الأسهم العينية بين المؤسسين كما يلي :-

Name	Nationality	Value of Shares	No. of Shares	Ownership percentage in the capital
Emaar Properties PJSC	UAE	11,014,297,000	11,014,297,000	84.59 %
Emirates Property Holdings Limited	British Virgin Islands	3,000	3,000	0.0000002 %

نسبة التملك في رأس المال	عدد الأسهم	قيمة الأسهم	الجنسية	الإسم
84.59 %	11,014,297,000	11,014,297,000	الإمارات العربية المتحدة	إعمار العقارية ش.م.ع
0.0000002 %	3,000	3,000	جزر العذراء البريطانية	إميريتس بروبرتي هولدنجز ليمتد

Article (8)

The Company is exempt from Articles 70 and 71 of the Law. Accordingly, the founders, Emaar Properties PJSC and Emirates Property Holdings Limited (the "**Founders**"), undertake to complete all of the required procedures for the completion of the Company's incorporation. For said purpose, any Board Director or any of their duly authorised representatives is hereby authorised to submit the request of authorizing the Company's incorporation and to undertake the legal procedures and to prepare the required documents in addition to applying the modifications that the competent bodies deem necessary in respect of these Articles of Association or the attached Memorandum of Association, and to do all other acts and things necessary in connection with the Company's incorporation.

مادة (8)

الشركة مستثناه من نص المواد 70 و 71 من القانون. ولذلك، تعهد المؤسسون إعمار العقارية ش.م.ع. وإميريتس بروبرتي هولدنجز ليمتد **("المؤسسون")** بالقيام بجميع الاجراءات اللازمة لاتمام تأسيس الشركة. ولهذا الغرض، يكون أي عضو مجلس إدارة للشركة أو أي ممثل قانوني عنه مفوض بموجبه بتقديم طلب تأسيس الشركة والقيام بالاجراءات القانونية واعداد المستندات المطلوبة والقيام بالتعديلات المطلوبة التي تراها الجهات المختصة ضرورية فيما يخص النظام الاساسي أو عقد التأسيس المرفق والقيام بكافة الاشياء الاخرى اللازمة لغرض تأسيس الشركة.

Article (9)

This Memorandum of Association has been drafted in both Arabic language and English language. In the event of any discrepancy between the Arabic text and the English text, then the Arabic text shall prevail in all aspects.

مادة (9)

حُرِّر عقدُ التأسيسِ باللغة العربية والإنجليزية وفي حالة وجود أي تعارض بين نص اللغة العربية والنص الإنجليزي فإنه يجري العمل بالنص المكتوب باللغة العربية في جميع الحالات.

Article (10)

This Memorandum has been executed in ● originals, and one copy for each of the Founders, and the remaining copies retained for presentation to the competent authorities on application for the licenses required for incorporation. An original shall be kept at the head office of the Company.

مادة (10)

حُرِّر هذا العقد من ● نسخ أصلية حيث أعطيت نسخة واحدة لكل مؤسس من المؤسسين بينما جرى الاحتفاظ بالنسخ المتبقية لغايات التوثيق ولتقديمها للجهات المعنية عند طلب التراخيص اللازمة لتأسيس الشركة. وتحفظ نسخة أصلية في المقر الرئيسي للشركة.

ARTICLES OF ASSOCIATION
OF
EMAAR MALLS GROUP
PJSC

النظام الأساسي
لشركة
مجموعة إعمار مولز
ش.م.ع

Introduction

مقدمة

By virtue of the Memorandum of Association, notarized at the Notary Public in Dubai under number 9499/5/2005 on 16 November 2005, a limited liability company was incorporated under the name of Emaar Malls Group L.L.C, and registered at the Department of Economic Development in Dubai holding commercial license number 576147 issued by the Department of Economic Development in Dubai.

بموجب عقد التأسيس المصدق لدى الكاتب العدل في دبي تحت الرقم 2005/5/9499 بتاريخ 2005/11/16، أسست شركة ذات مسؤولية محدودة تحت اسم مجموعة اعمار مولز (ش.ذ.م.م) وتم تسجيلها من قبل دائرة التنمية الإقتصادية في دبي وتحمل الرخصة التجارية رقم 576147 الصادرة عن دائرة التنمية الاقتصادية في دبي.

The Extraordinary General Assembly held on 24 August 2014 has approved such conversion of the company from a limited liability to a public joint stock company and offer of at least 15% per cent. of the Company's capital to the public.

وافقت الجمعية العمومية غير العادية للشركة بتاريخ 24 اغسطس 2014على تحويل الشركة من شركة ذات مسؤولية محدودة الى شركة مساهمة عامة وطرح المؤسسين نسبة لا تقل عن 15 % من رأس مال الشركة للإكتتاب العام.

Therefore it has been agreed that the following shall be the Articles of Association of the Company:

وعليه، فقد تم الاتفاق على النظام الأساسي التالي للشركة:

PART ONE
ESTABLISHING THE COMPANY

الباب الأول
في تأسيس الشركة

The following terms and expressions, when mentioned in the provisions of these Articles, shall have the following meanings:

يقصد بالألفاظ والمعاني أدناه، عند ورودها في النظام الأساسي، المعاني المرادف لكل منها:

State: means United Arab Emirates.

الدولـــة: دولة الإمارات العربية المتحدة.

Law: means Federal Law No. 8 of 1984 concerning Commercial Companies and its amendments.

القانــون: القانون الاتحادي رقم (8) لسنة 1984 بشأن الشركات التجارية وتعديلاته.

Minister: means the Minister of Economy.

الوزير: وزير الاقتصاد.

Authority: means the Securities and Commodities Authority.

الهيئـــة: هيئة الأوراق المالية والسلع

Competent Authority: means the local department of economic development concerned with issuing the license for carrying out the activities of the Company in the Emirate of Dubai.

السلطة المختصة: دائرة التنمية الاقتصادية المحلية المختصة بإصدار ترخيص مزاولة النشاط بإمارة دبي.

Company: means Emaar Malls Group PJSC.

الشركـــــة: مجموعة إعمار مولز ش.م.ع.

Dirham: means the official currency in the State.

درهم: العملة الرسمية للدولة.

Market: means the securities market licensed in the State by the Authority in which the shares of the Company are listed.

الســـوق: سوق الأوراق المالية المرخص في الدولة من قبل الهيئة والتي سوف يتم ادراج أسهم الشركة به.

Board of Directors: means the board of directors of the Company.

مجلـس الإدارة: مجلس إدارة الشركة.

Manager of the Company: means the general manager, the executive manager, the chief executive officer or the managing director of the Company appointed by the Board of Directors.

مدير الشركة: المدير العام او المدير التنفيذي أو الرئيس التنفيذي للشركة أو العضو المنتدب المعينين من قبل مجلس الادارة.

Board Director(s): means the person or entity elected to perform the function of member of the Board of Directors of the Company.

عضو (أعضاء) مجلس الإدارة: الشخص الطبيعي أو الاعتباري الذي يتم انتخابه لشغل عضوية مجلس إدارة الشركة.

Management: means the executive management of the Company including the Manager of the Company any other persons authorized by the Board Directors and their deputies to manage the Company.

الإدارة: الإدارة التنفيذية للشركة وتشمل المدير العام / أو أشخاص أخرى مخولين من قبل أعضاء مجلس الإدارة ونوابهم بإدارة الشركة.

Corporate Governance: means the set of principles, standards and procedures providing for institutional compliance in managing the Company in accordance with applicable laws and regulations through specifying the responsibilities and duties of the Board Directors and the Management of the Company while taking into consideration the protection of the rights of shareholders and stakeholders.

حوكمة الشركـات: مجموعة الضوابط والمعايير والإجراءات التي تحقق الانضباط المؤسسي في إدارة الشركة وفقاً للقوانين والتشريعات المطبقة وذلك من خلال تحديد مسؤوليات وواجبات أعضاء مجلس الإدارة وإدارة الشركة مع الأخذ في الاعتبار حماية حقوق المساهمين وأصحاب المصالح.

Listing Rules: mean the rules and requirements of listing under the Law, the regulations and resolutions issued in accordance thereof, including the internal regulations of the Market.

قواعد الإدراج: قواعد ومتطلبات الإدراج الواردة في القانون والأنظمة والقرارات الصادرة بمقتضاه، واللوائح الداخلية الخاصة بالسوق.

Disclosure Rules: mean the rules and requirements of disclosure under the Law, the

قواعد الإفصـاح: قواعد ومتطلبات الإفصاح الواردة في

regulations and resolutions issued in accordance thereof.

القانون والأنظمة والقرارات الصادرة بمقتضاه.

Cumulative Voting: means each shareholder has a number of votes equal to the number of shares held by such shareholder. Such votes can be provided to a single nominated director or distributed among more than one nominated director provided that the numbers of votes to be given to such group of nominated directors is not more than the number of the votes held by such shareholder in any case whatsoever.

التصويت التراكمي: أن يكون لكل مساهم عدد من الأصوات يساوي عدد الأسهم التي يملكها، بحيث يقوم بالتصويت بها لمرشح واحد لعضوية مجلس الإدارة أو توزيعها بين من يختارهم من المرشحين على أن لا يتجاوز عدد الأصوات التي يمنحها للمرشحين الذين اختارهم عدد الأصوات التي بحوزته بأي حال من الأحوال.

Article (1)

The name of the Company is Emaar Malls Group PJSC (a public joint stock company).

المادة (1)

اسم هذه الشركة هو **مجموعة إعمار مولز** ش.م.ع (شركة مساهمة عامة).

Article (2)

The head office of the Company and its legal place of business shall be in the Emirate of Dubai. The Board of Directors may establish branches, offices and agencies for the Company inside and outside the UAE.

المادة (2)

مركز الشركة الرئيسي ومحلها القانوني في إمارة دبي. ويجوز لمجلس الإدارة أن ينشئ لها فروعا و مكاتب وتوكيلات في داخل الدولة وخارجها.

Article (3)

The fixed term of the Company shall be (99) ninety nine Gregorian years commencing from the date the Company is registered in the commercial register.

المادة (3)

المدة المحددة لهذه الشركة هي (99) تسعة وتسعون سنة ميلادية تبدأ من تاريخ إشهار الشركة في السجل التجاري.

Such term shall be automatically renewed for similar successive terms unless a resolution of the Extraordinary General Assembly is issued to amend the term of the Company or terminate the same.

وتجدد هذه المدة بعد ذلك تلقائيا لمدد متعاقبة ومماثلة ما لم يصدر قرار من الجمعية العمومية غير العادية بتعديل مدة الشركة أو إنهائها.

Article (4)

The objects that the Company is established for shall be in compliance with the provisions of the laws and regulations in force in the State.

المادة (4)

تكون الأغراض التي أسست من أجلها الشركة متفقة مع أحكام القوانين والقرارات المعمول بها داخل الدولة.

The objectives of the Company are as follows:

الاغراض التي أسست من أجلها الشركة هي:

Retail set-up, development and management; ownership and operation of shopping malls and all related services and activites; facilities management services; fish and live animal trading and breeding of marine species and animals; development, management and ownership of aquarium parks; development, management and ownership of ski domes and skating rinks; management and ownership of

تأسيس وتطوير وإدارة المحلات التجارية، وتملك وإدارة مراكز التسوق وجميع الخدمات والنشاطات المتعلقة بذلك، خدمات إدارة المنشأت، تجارة وتربية وتجارة وتربية أسماك الزينة والحيوانات الحية، إنشاء وتطوير وإدارة وتملك حدائق الأحياء المائية والبحرية وتطوير وإدارة وتملك قبة تزلج على الجليد وحلبات التزلج وكذلك إدارة وتشغيل صالات الألعاب الإلكترونية وصالات

electronic game arcades and kids amusement arcades and advertisement designing and producing.

ألعاب لتسلية الأطفال وتصميم وإنتاج الإعلانات.

In fulfillment of its objects, the Company may, conduct all operations and take all actions required for the due performance of its activities within and outside the State, including, without limiting the generality of the foregoing, the following:

وللشركة في سبيل تحقيق أغراضها القيام بكافة الانشطة واتيان كافة الافعال اللازمة لممارسة انشطتها بشكل سليم في الدولة وخارجها وتشمل بغير تحديد لما سبق الاتي:

a. Owning, leasing, pledging moveable and immovable assets and borrowing funds, and lending its subsidiaries and affiliates, issuing, and debt debentures and sukuk and acquiring companies engaged in activities that are related to the activity of the Company;

أ. تملك واستئجار ورهن الاصول المنقولة وغير المنقولة واقتراض الاموال وإقراض الشركات التابعة والشقيقة إصدار سندات الدين والصكوك والاستحواذ على الشركات التى تقوم بأنشطة ذات صلة بنشاط الشركة؛

b. borrowing funds from third party institutions, issuing guarantees and granting other security, including mortgages, over moveable and immovable assets and properties of the Company;

ب. اقتراض الاموال من الغير من المؤسسات واصدار الضمانات واعطاء الضمانات الاخرى وتشمل الرهون على الاصول المنقولة وغير المنقولة وعقارات الشركة؛

c. opening and maintaining bank accounts;

ج. فتح وإدارة الحسابات البنكية؛

d. drawing, accepting and negotiating negotiable instruments;

د. سحب وقبول والمفاوضة على الصكوك القابلة للتداول؛

e. establishing regulations relating to the hiring, retirement and remuneration of the Company's employees;

هـ. إصدار لوائح خاصة بتشغيل وتقاعد ومكافئات ورواتب عاملي الشركة؛

f. contracting with natural or juridical persons to sell or purchase goods and services;

و. التعاقد مع الاشخاص الطبيعية والاعتبارية لبيع وشراء البضائع والخدمات؛

g. establishing, forming and owning entities, partnerships, businesses, projects, companies and establishments of all types, alone or in association with others, or merging with or into or acquiring any entity as the Board of Directors or the Shareholders may consider appropriate;

ز. تأسيس وتشكيل وتملك الكيانات والاعمال والمشروعات والشركات والمؤسسات من كافة الانواع سواء منفردة أو مع اخرين أو الاندماج مع أو في أو الاستحواذ على أي كيان كما يرى مجلس الادارة أو المساهمين ملائماً؛

h. registering licences over intellectual property rights of all types;

ح. تسجيل التراخيص الخاصة بحقوق الملكية الفكرية من كل الانواع؛

i. pursuing, defending and settling all claims, including by means of court, arbitration or mediation proceedings;

ط. متابعة والدفاع عن وتسوية كافة المطالبات من خلال الاجراءات القضائية والتحكيمية والتوفيقية؛

j. participating in and supporting projects, businesses and activities related to the activity of the Company within and outside the State which may enhance the Company's position. Additionally, providing donations, grants and technical and financial support to research and development initiatives; and

ي. المشاركة في ومساندة المشروعات والاعمال والانشطة ذات الصلة بنشاط الشركة داخل وخارج الدولة والتي قد تحسن مركز الشركة. بالإضافة إلى ذلك تقديم التبرعات والاعانات والدعم الفني والمالي لمبادرات البحث والتطوير؛ و

The objects and powers of the Company set forth in the above paragraphs shall be interpreted in a non-restrictive fashion and in their broadest meanings. It shall be permissible for the Company to carry out its objects and to exercise its aforesaid authorities in any geographical territory in or outside the State.

تفسر أغراض وسلطات الشركة والموضحة في الفقرات أعلاه بشكل غير مقيد وفي أوسع الحدود. مسموحاً للشركة القيام باغراضها وممارسة سلطاتها في أي نطاق جغرافي داخل أو خارج الدولة.

The Company may have an interest or may participate, cooperate or acquire by all manners with other entities or companies in the State or outside the State, provided that it exercises activities similar to its own activities.

ويجوز للشركة ان تكون لها مصلحة أو أن تشترك أو أن تتعاون أو ان تشتري أو ان تلحق، بأي وجه مع غيرها من الهيئات أو الشركات، في داخل الدولة أو في خارجها، مادامت تزاول أعمالاً شبيهة بأعمالها.

Article (5)

المادة (5)

The Company is exempt from Articles 70 and 71 of the Law. Accordingly, the founders, Emaar Properties PJSC and Emirates Property Holdings Limited (the "**Founders**"), signatories of the attached Memorandum of Association, undertake to complete all of the required procedures for the completion of the Company's incorporation. For said purpose, any Board Director of the Company or any of their duly authorised representatives is hereby authorised to submit the request of authorizing the Company's incorporation and to undertake the legal procedures and to prepare the required documents in addition to applying the modifications that the competent fedral and local bodies deem necessary in respect of these Articles of Association, and to do all other acts and things necessary in connection with the Company's incorporation.

الشركة مستثناه من نص المواد 70 و 71 من القانون. ولذلك، تعهد المؤسسون إعمار العقارية ش.م.ع وإميريتس بروبرتي هولدنجز ليمتد (**"المؤسسون"**) الموقعون علي عقد التأسيس بالقيام بجميع الاجراءات اللازمة لاتمام تأسيس الشركة. ولهذا الغرض، يكون أي عضو مجلس إدارة للشركة أو أي ممثل قانوني عنه مفوض بموجبه بتقديم طلب تأسيس الشركة والقيام بالاجراءات القانونية واعداد المستندات المطلوبة والقيام بالتعديلات المطلوبة التي تراها الجهات الرسمية الاتحادية والمحلية المختصة مطلوبة فيما يخص النظام الاساسي والقيام بكافة الاشياء الاخرى لغرض تأسيس الشركة.

PART TWO

THE CAPITAL OF THE COMPANY

الباب الثاني

في رأسمال الشركة

Article (6)

The capital of the Company has been fixed at AED 13,014,300,000 Thirteen billion and fourteen million three hundred thousand dirham divided into 13,014,300,000 shares with a value of AED 1 for each share, of which 13,014,000,000 represent shares in kind and 300,000 represent shares in cash which are fully paid. All the shares are equal in respect of all rights.

المادة (6)

حدد رأس مال الشركة بمبلغ 13,014,300,000 درهم (ثلاثة عشر مليار وأربعة عشر مليون وثلاثمائة الف درهم) موزع على 13,014,300,000سهم، قيمة كل سهم (1) درهم اماراتي، تقابل حصص عينية. منها (13,014,000,000) سهم تقابل حصص عينية و (300,000) سهماً نقدياً مدفوعة بالكامل. وتكون جميع أسهم الشركة متساوية مع بعضها البعض من كافة الحقوق.

Article (7)

The Company is exempt from Article 78 of the Law. Accordingly, the Founders own 11,014,300,000 shares, having a nominal value of 1 AED, representing 84.6% Eighty Four point Six per cent. of the capital of the Company and shares representing 15.4% Fifteen per cent. of the Company's capital shall be sold by the Founders through a public offering, provided that no shareholder (except the Founders) shall at any time following the adoption of the Articles of Association hold shares in the Company exceeding in aggregate (5%) five per cent. of the capital of the Company. All the shares held by the Founders and those that may be offered to the public are shares in kind. Owners of the shares in kind shall be deemed to have paid the full nominal value of their shares after they transfer the ownership title of the shares in kind to the Company. The shares, in lieu of the abovementioned shares in kind, shall not be delivered to their owners prior to the said transfer of ownership title. The shares in kind have been distributed among the Founders as follows:

مادة (7)

الشركة مستثناه من نص المادة 78 من القانون. ولذلك، يمتلك المؤسسون في الشركة 11,014,300,000 سهم بقيمة اسمية 1 درهم تمثل نسبة 84.6% من رأسمال الشركة. وتم بيع نسبة 15.4% في المائة من رأس مال الشركة من خلال الكتتاب العام ولا يجوز لأي مساهم في أي وقت بعد إعتماد النظام الأساسي للشركة إمتلاك أسهم في الشركة تتجاوز في مجموعها 5% من رأس مال الشركة وذلك بإستثناء المؤسسين. الأسهم المملوكة للمؤسسين وكذلك الأسهم التي تم طرحها للإكتتاب العام جميعها تقابل حصص عينية. ويعتبر أصحاب الحصص العينية أنهم قاموا بسداد كامل القيمة الاسمية لأسهمهم بعد نقل ملكية هذه الحصص كاملة إلى الشركة، ولا يجوز قبل ذلك تسليمهم الأسهم التي تمثل تلك الحصص. وقد تم توزيع الأسهم العينية بين المؤسسين كما يلي :-

Name	Nationality	Value of Shares	No. of Shares	Ownership percentage in the capital
Emaar Properties PJSC	UAE	11,014,297,000	11,014,297,000	84.59%
Emirates Property Holdings Limited	British Virgin Islands	3,000	3,000	0.0000002%

الإسم	الجنسية	قيمة الأسهم	عدد الأسهم	نسبة التملك في رأس المال
إعمار العقارية ش.م.ع	الإمارات العربية المتحدة	11,014,297,000	11,014,297,000	84.59%
إميريتس بروبرتي هولدنجز ليمتد	جزر العذراء البريطانية	3,000	3,000	0.0000002%

Article (8)

All the shares in the Company are nominal. The percentage of UAE Nationals participating at any time during the existence of the Company should not be less than 51% of the share capital.

المادة (8)

جميع أسهم الشركة إسمية ويجب ألا تقل نسبة مشاركة مواطني دولة الإمارات العربية المتحدة في أي وقت طوال مدة بقاء الشركة عن 51% من رأس المال.

Article (9)

100% of the total nominal value of the shares shall be paid on subscription.

المادة (9)

تدفع 100% من كامل القيمة الاسمية للسهم عند الاكتتاب.

Article (10)

The shareholders shall only be liable for the Company's liabilities and losses in proportion to the number of shares held by each one of them. Such liabilities may only be increased pursuant to the unanimous approval of the shareholders.

المادة (10)

لا يلتزم المساهمون بأية التزامات أو خسائر على الشركة إلا في حدود ما يملكون من أسهم ولا يجوز زيادة التزامات المساهمين إلا بموافقتهم الجماعية.

Article (11)

Ownership of any share in the Company shall be deemed an acceptance by the shareholder to be bound by these Articles and the resolutions of the Company's General Assemblies. A shareholder may not request a refund for amounts paid to the Company in consideration of his/her shareholding.

المادة (11)

يترتب على ملكية السهم قبول المساهم نظام الشركة الأساسي وقرارات جمعياتها العمومية. ولا يجوز للمساهم أن يطلب استرداد ما دفعة للشركة كحصة في رأس المال.

Article (12)

The shares are not divisible (i.e. shares may not be divided among more than one person).

المادة (12)

يكون السهم غير قابل للتجزئة (بمعنى انه لا يجوز تجزئة السهم على أكثر من شخص).

Article (13)

Each share shall entitle its holder to a proportion equal to that of other shareholders without distinction (i) in the ownership of the assets of the Company upon dissolution, (ii) in the profits as stated hereinafter, (iii) in attending the General Assembly meetings and (iv) in voting on the resolutions thereof.

المادة (13)

كل سهم يخول مالكه الحق في حصة معادلة لحصة غيره بلا تمييز (أ) في ملكية موجودات الشركة عند تصفيتها و (ب) في الأرباح المبينة فيما بعد و (ج) في حضور جلسات الجمعيات العمومية و (د) في التصويت على قراراتها.

Article (14)

المادة (14)

a. The Company is exempt from Article 76 of the Law. The shares of the Company shall be listed on the stock market of the State after the issuance of the ministerial decree announcing the establishment of the Company as a joint stock companyThe Board of Directors may list the shares with other financial markets abroad. When the shares of the Company are listed with financial markets in the State or abroad, the Company must abide by the laws, rules and regulations applicable in such markets including the laws, rules and regulations relating to the issuance and registration of the Company's shares, trading of those shares and transfer of title to them and any rights arising therefrom without the need to amend these Articles where their provisions are contradictory to those of the applicable laws and regulations.

أ. الشركة مستثناه من نص المادة 76 من القانون. وسيتم ادراج أسهم الشركة بالسوق المالي بالدولة بعد صدور القرار الوزاري بالاعلان عن تأسيس الشركة كشركة مساهمة ويحق لمجلس الإدارة إدراج الاسهم في أسواق مالية أخرى في الخارج. وعندما تكون الأسهم مدرجة في سوق مالي في الدولة أو الخارج، فيجب على الشركة الالتزام بالقوانين واللوائح والقواعد المطبقة في هذا السوق من ضمن ذلك تلك القوانين واللوائح والقواعد المتعلقة باصدار وتسجيل الاسهم وتداول الأسهم ونقل ملكيتهم وأيه حقوق ناشئة عن تلك الأسهم بغير الحاجة لتعديل هذا النظام وحتى إن تعارضت نصوصه مع القوانين واللوائح المطبقة.

b. The Company's shares may be sold, transferred, pledged, or otherwise disposed of in accordance with the provisions of these Articles and all such transactions shall be registered in a special register referred to as the "**Shareholders Register**". Upon listing the Company's shares on a licensed financial market in the State or abroad, such transactions shall be registered in accordance with the regulations for selling, purchasing, clearing, settling and recording regulations applicable in such market.

ب. يجوز بيع أسهم الشركة أو التنازل عنها أو رهنها أو التصرف أو التعامل فيها على أي وجه بمقتضى وطبقا لأحكام هذا النظام الأساسي. ويتم تسجيل أي من هذه التعاملات في الأسهم في سجل خاص يسمى **"سجل المساهمين"**. وعند إدراج أسهم الشركة في سوق مالي مرخص في الدولة أو في الخارج، فان تسجيل أي من التعاملات المذكورة أعلاه في هذه المادة في أسهم الشركة يتمَ وفقا لأنظمة البيع والشراء والمقاصة والتسويات والقيد المتبعة لدى ذلك السوق.

c. In the event of a death of a shareholder, his/her heirs shall be the only persons to be approved by the Company as having rights or interests in the shares of the deceased shareholder. Such heir shall be entitled to dividends and other privileges which the deceased shareholder had. Such person, after being registered in the Company in accordance with these Articles, shall have the same rights in his/her capacity as a shareholder in the Company as the deceased shareholder had in relation to such shares. The estate of the deceased shareholder shall not be exempted from any obligation regarding any share held by him/her at the time of death.

ج. في حالة وفاة أحد المساهمين، يكون وريثه هو الشخص الوحيد الذي توافق الشركة بأن له حقوق ملكية أو مصلحة في أسهم المتوفى ويكون له الحق في الأرباح والامتيازات الأخرى التي كان للمتوفى حق فيها. ويكون للوريث بعد تسجيله في الشركة وفقا لأحكام هذا النظام ذات الحقوق كمساهم في الشركة التي كان يتمتع بها المتوفى فيما يخص هذه الأسهم. ولا تعفى تركة المساهم المتوفي من أي التزام فيما يختص بأي سهم كان يملكه وقت الوفاة.

d. Any person who becomes entitled to rights to shares in the Company as a result of the death or bankruptcy of any shareholder, or pursuant to an attachment order issued by any competent court of law, should within thirty days:

- produce evidence of such right to the Board of Directors; and
- select either to be registered as a shareholder or to nominate another person to be registered as a shareholder of the relevant share.

د. يجب على أي شخص يصبح له الحق في أية أسهم في الشركة نتيجة لوفاة أو إفلاس أي مساهم أو بمقتضى أمر حجز صادر عن أية محكمة مختصة أن يقوم خلال ثلاثين يوما:

- بتقديم البينة على هذا الحق إلى مجلس الإدارة ، و
- أن يختار أما أن يتم تسجيله كمساهم أو أن يسمى شخصا ليتم تسجيله كمساهم فيما يختص بذلك السهم.

Article (15)

Upon incorporation of the Company, it will have an electronic system for the registration of the shares and transfers thereof as applicable in the market where its shares are listed The data electronically recorded therein are final and binding and cannot be challenged and transferred or altered except in accordance with the regulations and procedures followed in such market.

المادة (15)

سيكون لدى الشركة عند تأسيسها نظام إلكتروني لتسجيل الأسهم وقيد نقل ملكيتها وفقا للنظام المعمول به في السوق المدرجة به أسهمها. وتعتبر البيانات الواردة في هذا النظام الإلكتروني نهائية وملزمة ولا يجوز الطعن فيها أو طلب نقلها أو تغييرها إلا وفقا للنظم والإجراءات المتبعة في السوق المعني.

Article (16)

A shareholder’s heirs or creditors may not, for whatsoever reason, request the attachment of the Company's books or assets. They also may not request to divide those assets or sell them in one lot because the shares are not divisible, nor to interfere in any way whatsoever in the management of the Company. Those heirs and creditors must, when exercising their rights, rely on the Company’s books, inventories, balance sheets and resolutions of the General Assembly.

المادة (16)

لا يجوز لورثة المساهم أو لدائنيه، لأي سبب كان، أن يطلبوا وضع الأختام على دفاتر الشركة أو ممتلكاتها ولا أن يطلبوا قسمتها أو بيعها جملة لعدم إمكان القسمة ولا أن يتدخلوا بأية طريقة كانت في إدارة الشركة. ويجب عليهم، لدى استعمال حقوقهم، التعويل على قوائم جرد الشركة وحساباتها الختامية وعلى قرارات جمعياتها العمومية.

Article (17)

The Company shall pay dividends on shares in compliance with the regulations and decisions issued by the Authority. Such holder shall have the sole right to the profits due on those shares whether these profits represent dividends or entitlements to part of the Company’s assets.

المادة (17)

تدفع الشركة حصص الأرباح المستحقة عن السهم وفقا للأنظمة و القرارات التي تضعها الهيئة في هذا الشأن. ويكون لحامل السهم وحده الحق في استلام المبالغ المستحقة عن ذلك السهم سواء كانت حصصا في الأرباح أو نصيبا في موجودات الشركة.

Article (18)

المادة (18)

Subject to the provisions of the Law, the share capital of the Company may be increased by issuing new shares of the same nominal value as the original shares or of the same nominal value plus a premium. The share capital of the Company may also be reduced after obtaining the approval of the Authority.

New shares may not be issued at less than the nominal value thereof. If such shares are issued at a premium, such premium shall be added to the legal reserves even if, by doing so, the legal reserves exceed half of the share capital.

Increase or a reduction of the share capital shall be resolved by a resolution of the Extra Ordinary General Assembly, pursuant to a recommendation of the Board of Directors in both cases, and after reviewing the auditors' report in case of a reduction. In the case of an increase, the resolution must state the amount of the increase, the value of the shares issued and the preemption rights (if any) of existing shareholders. In the case of a decrease in the share capital, the resolution must state the amount of decrease and the method of its implementation. By virtue of the Company's exemption from Articles 202, 203, 204, 205 and 206 of the Commercial Companies Law, new shares may be issued without applying the pre-emptive right provided that any associated increase in share capital is duly approved by a resolution of the Extra Ordinary General Assembly, pursuant to a recommendation of the Board of Directors and in limited cases that are in the interest of the Company and its shareholders, being;

1. The entry of a strategic investor as a shareholder in the Company, provided that its activity is similar or complementary to the Company's activity and results in a real benefit to the Company, including_ the future capital contributions of Emaar Properties PJSC made through the transfer of new malls to the Company in the form of in-kind contribution.
2. The conversion of the company's cash debt due to the federal government, local governments, public bodies and institutions of the State, banks and finance intitutions into shares in the capital of the Company.

مع مراعاة أحكام القانون، يجوز زيادة رأسمال الشركة بإصدار أسهم جديدة بنفس القيمة الإسمية للأسهم الأصلية أو بإضافة علاوة إصدار إلى القيمة الإسمية. كما يجوز تخفيض رأس مال الشركة وذلك بعد الحصول على موافقة الهيئة.

لا يجوز إصدار الأسهم الجديدة بأقل من قيمتها الإسمية، وإذا تم إصدارها بإضافة علاوة إصدار، أضيف الفرق إلى الاحتياطي القانوني، ولو جاوز الاحتياطي القانوني بذلك نصف رأسمال الشركة.

تكون زيادة رأس مال الشركة أو تخفيضه بقرار من الجمعية العمومية غير العادية بناءا على اقتراح من مجلس الإدارة في الحالتين، وبعد مراجعة تقرير مدقق الحسابات في حالة التخفيض. في حالة الزيادة، يبين القرار مقدار الزيادة وسعر إصدار الأسهم الجديدة وحق المساهمين القدامى في أولوية الاكتتاب في هذه الزيادة (إن وجدت). ويبين في حالة التخفيض مقدار هذا التخفيض وكيفية تنفيذه. وبموجب استثناء الشركة من أحكام المواد 202 و203 و 204 و 205 و 206 من قانون الشركات التجارية، يجوز إصدار أسهم جديدة بدون اعمال حق الاولوية على أن تكون أي زيادة في رأس المال معتمدة بموجب قرار من الجمعية العمومية غير العادية للشركة وفق توصية من مجلس الإدارة وذلك في حالات محددة تكون في مصلحة الشركة ومساهميها وهي :

1. دخول شريك استراتيجي كمساهم في الشركة شريطة أن يكون نشاطه مماثلاً أو مكملاً لنشاط الشركة ويؤدي لمنفعةٍ حقيقية لها ومن ذلك مساهمات شركة اعمار العقارية (ش.م.ع) المستقبلية في رأس المال من خلال نقل مراكز تجارية جديدة الى الشركة في شكل مساهمة عينية.
2. تحويل ديون الشركة النقدية المستحقة للحكومة الاتحادية والحكومات المحلية والهيئات والمؤسسات العامة في الدولة و البنوك وشركات التمويل الى أسهم في رأس مالها.

3. The implementation of an employee incentive plan allowing them to own shares in the Company.

3. تطبيق برنامج تحفيز موظفي الشركة بتملك أسهم فيها.

PART THREE
LOAN DEBENTURES

الباب الثالث
في سندات القرض

Article (19)

Subject to the provisions of the Law, the Extra Ordinary General Assembly may resolve, after obtaining the approval of the Authority and the Competent Authority, to issue bonds of any nature and any value (including a value that exceeds that of the Company's share capital at the time of issuing such bonds). The resolution shall determine the value of the issue, the terms of issuance and their convertibility into shares, and the provisions of Articles (178), (179), (180) and (181) of the Law shall not apply. The General Assembly may also resolve to delegate the Board of Directors to determine the date and conditions of said issuing as deemed appropriate by the Board of Directors, provided that the debt is reflected in the commercial register, in addition the Authority and the Competent Authority shall be notified.

المادة (19)

مع مراعاة أحكام القانون، للجمعية العمومية غير العادية للشركة، بعد موافقة الهيئة و السلطة المختصة ، أن تقرر إصدار سندات قرض من أي نوع وأي قيمة (بما في ذلك قيمة تتجاوز رأس مال الشركة في وقت إصدار تلك السندات). ويبين القرار قيمة السندات وشروط إصدارها ومدى قابليتها للتحويل إلى أسهم ولا تطبق أحكام المواد 178 و 179 و180 و 181 من القانون. للجمعية العمومية أن تصدر قرارا بتخويل مجلس الإدارة بتحديد موعد وشروط هذا الإصدار حسبما يراه مجلس الإدارة مناسبا في هذا الصدد على أن يؤشر بالقرض في السجل التجاري وتخطر الهيئة والسلطة المختصة.

PART FOUR
BOARD OF DIRECTORS

الباب الرابع
في مجلس الادارة

Article (20)

The Company shall be managed by a Board of Directors consisting of up to 8 Board Directors to be elected by an Ordinary General Assembly via secret Cumulative Voting knowing that the Company exempted from the provisions of Article 100 of the Commercial Companies Law, the number of members of the Board of Directors that are required to be nationals of the State may not be less than half of the members of the Board of Directors and should include the chairman.

المادة (20)

يتولى إدارة الشركة مجلس إدارة مكون من عدد يصل الي (8) ثمانية اعضاء تنتخبهم الجمعية العمومية العادية للمساهمين بالتصويت السري التراكمي ومع مراعاة ان الشركة مستثناة من أحكام المادة (100) من قانون الشركات التجارية ويجب ألا يقل عدد أعضاء مجلس الادارة من مواطني الدولة عن النصف وأن يكون من بينهم رئيس مجلس الإدارة

Save for the aforementioned method of appointment, the Founders have appointed the following first Board of Directors for a period of 3 (three) years commencing as of the issuance of the Minister Resolution declaring the Company's incorporation:

واستثناءاً من طريقة التعيين سالفة الذكر، عين المؤسسون أول مجلس ادارة لمدة (3) ثلاث سنوات تبدأ من تاريخ صدور قرار الوزير باعلان تأسيس الشركة، وهم:-

Name – Nationality – Passport/ID No. – Capacity

1. H.E./ Mohamad Ali Rashed Al Abbar -

الاسم – الجنسية – رقم جواز السفر/الهوية – الصفة

1. سعادة/ محمد علي راشد العبار – الإمارات -

UAE - Chairman - Non Independent Executive

2. Mr. Ahmed Thani Rashid Al Matrooshi – UAE – Board Member – Non Independent Non-Executive

3. Mr. Abdullah Saeed Bin Majed Belyoahah - UAE - Board Member - Non Independent Non-Executive

4. Mr. Abdulrahman Hareb Rashid Al Hareb - UAE - Board Memeber - Non Independent Non-Executive

5. Mr. Mr. Helal Saeed Al Marri - UAE - Board Member - Independent Non-Executive

6. Mr. Mohammed Hadi Ahmed Al Hussaini- UAE- Independent Non-Executive Board Member

7. Mr. Mohamad Murad - Lebanon - Independent Non Executive Board Member

8. Mr. Richard Akers - UK – Independent Non-Executive Board Member

Article (21)

Every Board Director shall hold his/her function for a term of three years. At the end of such term, the Board of Directors shall be reconstituted. Board Directors whose term of office is completed may be re-elected.

The Board of Directors may appoint Board Directors to fill the positions that become vacant during the year provided that such appointment is presented to the Ordinary General Assembly in its first meeting to ratify such appointment or to appoint other Board Directors. If the positions becoming vacant during any one year reach or exceed one quarter of the number of the Board Directors, the Board of Directors must call for an Ordinary General Assembly to convene within maximum three months from the date of the last position becoming vacant in order to elect new Board Directors to fill the vacant positions. In all cases, the new Board Director shall complete the term of his predecessor and such Board Director may be re-elected once again.

رئيس مجلس الادارة غير مستقل تنفيذي

2. السيد/ أحمد ثاني راشد المطروشي – الإمارات - عضو مجلس إدارة – غير مستقل غير تنفيذي

3. السيد/ عبدالله سعيد بن ماجد باليوحة – الإمارات - عضو مجلس إدارة - غير مستقل غير تنفيذي

4. السيد/ عبد الرحمن حارب راشد حارب الحارب – الإمارات - عضو مجلس إدارة - غير مستقل غير تنفيذي

5. السيد/ هلال سعيد المري – الإمارات - عضو مجلس إدارة - مستقل غير تنفيذي

6. السيد/ محمد هادي أحمد عبدالله الحسيني - الإمارات- عضو مجلس إدارة مستقل غير تنفيذي

7. السيد/ محمد مراد – لبنان - عضو مجلس إدارة مستقل غير تنفيذي

8. السيد/ ريتشارد اكرز – المملكة المتحدة - عضو مجلس إدارة مستقل غير تنفيذي

المادة (21)

يتـولى كـل عضـو مجلـس الإدارة منصـبه لمـدة ثـلاث سنوات. وفي نهاية هذه المدة، يعاد تشكيل مجلس الإدارة. ويجوز إعادة انتخاب أعضاء مجلس الإدارة الذين انتهت مدة عضويتهم.

لمجلـس الإدارة أن يعـين أعضـاء مجلـس الإدارة فـي المراكز التـي تخلو فـي أثنـاء السنة علـى أن يعرض هذا التعيين على الجمعية العمومية العادية في أول اجتماع لها لإقـرار تعيينـهم أو تعيـين غيـرهم. وإذا بلغـت المراكـز الشاغرة في أثناء السنة ربع عدد أعضاء مجلس الإدارة أو أكثـر، وجـب علـى مجلـس الإدارة دعـوة الجمعيـة العمومية العادية للاجتماع خلال ثلاثة أشهر على الأكثر من تـاريخ شـغر آخـر مركـز لانتخـاب من يمـلأ المراكـز الشاغرة. وفي جميع الأحوال، يكمل عضو مجلس الإدارة الجديد مدة سلفه ويكون هذا العضو قـابلا للانتخـاب مرة أخرى.

المادة (22)

Article (22)

a. The Board of Directors shall elect, from amongst its members, a chairman and a vice-chairman. The chairman shall represent the Company before the courts and shall execute the resolutions adopted by the Board of Directors. The vice-chairman shall act on behalf of the chairman in his/her absence or if the latter is otherwise incapacitated.

أ. ينتخب مجلس الإدارة من بين أعضائه رئيسا ونائبا للرئيس. يمثل رئيس مجلس الإدارة الشركة أمام القضاء، وعليه تنفيذ القرارات التي يصدرها مجلس الإدارة. ويقوم نائب رئيس مجلس الإدارة مقام رئيس مجلس الإدارة عند غيابه أو قيام مانع لديه.

b. The Board of Directors may appoint one or more managing director(s) (including the Manager of the Company), whose powers and remunerations are to be determined by the Board of Directors. Furthermore, the Board of Directors may form from its members, one or more committees, giving it some of its powers or to delegate it to manage the business performance of the Company, and to execute the Board of Directors' resolutions.

ب. يحق لمجلس الإدارة أن يعين عضوا منتدبا أو أكثر للإدارة (ويشمل ذلك مدير الشركة)، و يُحدد مجلس الإدارة اختصاصاته ومكافآته كما يكون لمجلس الإدارة أن يشكل من بين أعضائه لجنه أو أكثر يمنحها بعض اختصاصاته أو يعهد اليها بمراقبة سير العمل بالشركة وتنفيذ قرارات المجلس.

Article (23)

المادة (23)

The Board of Directors shall have all the powers to manage the Company and the authority to perform all deeds and acts on behalf of the Company to the extent permitted to the Company and to carry out all the functions required by its objects. Such powers and authorities shall not be restricted except as stipulated in the Law, the Memorandum of Association, these Articles or as resolved by the General Assembly.

لمجلس الإدارة كافة السلطات في إدارة الشركة والقيام بكافة الأعمال والتصرفات نيابة عن الشركة حسبما هو مصرح للشركة القيام به وممارسة كافة الصلاحيات المطلوبة لتحقيق أغراضها. ولا يحد من هذه السلطات والصلاحيات إلا ما نص عليه القانون أوعقد التأسيس أو النظام الأساسي أو ما ورد بقرار من الجمعية العمومية.

The Board of Directors is hereby expressly authorised to enter into loan agreements having a period in excess of three (3) years, to sell the Company's real estate assets or its place of business, mortgage the said real estate and assets and to release the liability of debtors of the Company and to enter into conciliations and to agree arbitration.

يخول المجلس بموجب هذا النظام صراحة إبرام عقود قرض تتجاوز لآجال ثلاث سنوات، وبيع أصول وعقارات الشركة ورهن تلك العقارات والاصول وإبراء ذمة مديني الشركة وإجراء الصلح والاتفاق على التحكيم.

The Board of Directors shall issue regulations relating to administrative and financial affairs, personnel affairs and their financial entitlements. The Board of Directors shall also issue regulations to organize its business, meetings and allocation of its authorities and responsibilities.

ويضع مجلس الإدارة اللوائح المتعلقة بالشئون الإدارية والمالية وشئون الموظفين ومستحقاتهم المالية. كما يضع مجلس الإدارة لوائح خاصة بتنظيم أعماله واجتماعاته وتوزيع الاختصاصات والمسئوليات.

Article (24)

المادة (24)

The chairman, vice-chairman, managing director or any other authorized Board Director acting within the limits granted to him by the Board of Directors may severally sign on behalf of the Company.

يجوز لأي من رئيس مجلس الإدارة أو نائبه أو عضو مجلس الإدارة المنتدب أو أي عضو آخر مفوض و في حدود التفويض الممنوح من مجلس الإدارة التوقيع منفرداً عن الشركة.

Article (25)

المادة (25)

The Board of Directors shall hold its meetings at the head office of the Company, or at any other place the Board Directors calling for the meeting shall agree upon.

يعقد مجلس الإدارة اجتماعاته في المركز الرئيسي للشركة أو في أي مكان آخر يوافق عليه أعضاء مجلس الإدارة .

Article (26)

المادة (26)

Meetings of the Board of Directors shall not be valid unless attended by a majority of the Board Directors. A Board Director may appoint another Board Director to vote on his/her behalf. In such a case, such Board Director shall have two votes. A Board Director may not act on behalf of more than one Board Director. A Board Director shall be considered present if he attends in person or via telephone or any audiovisual media.

لا يكون اجتماع مجلس الإدارة صحيحا إلا بحضور أغلبية أعضائه. و يجوز لعضو مجلس الإدارة أن ينيب عنه غيره من أعضاء مجلس الإدارة في التصويت. وفي هذه الحالة، يكون لهذا العضو صوتان. ولا يجوز أن ينوب عضو مجلس الإدارة عن أكثر من عضو مجلس الإدارة واحد. يكون عضو مجلس الإدارة حاضراً إذا شارك شخصياً أو من خلال الهاتف أو من خلال أي وسيلة سمعية وبصرية.

The resolutions of the Board of Directors are adopted by a majority of the votes of the Board Directors present or represented. In case of a tie, the chairman or the person acting on his/her behalf shall have a casting vote.

وتصدر قرارات مجلس الإدارة بأغلبية أصوات أعضاء مجلس الإدارة الحاضرين والممثلين. وإذا تساوت الأصوات، رجح الجانب الذي منه الرئيس أو من يقوم مقامه.

The details of the items discussed in a meeting of the Board of Directors or its committee(s) and decisions thereof, including any reservations or any dissenting opinions, shall be recorded in the minutes of such meetings provided all the Board Directors present sign the draft minutes prior to endorsement. Copies of the said minutes of meeting shall be sent to the Board Directors following endorsement for their records. The minutes of meetings of the Board of Directors or its committee(s) shall be kept with the secretary of the Board of Directors. In the event that a Board Director refuses to sign, his/her refusal, with reasoning thereof, should be noted in the minutes.

تسجل في محاضر اجتماعات مجلس الإدارة أو لجانه تفاصيل المسائل التي نظر فيها والقرارات التي تم اتخاذها بما في ذلك أية تحفظات لأعضاء مجلس الإدارة أو آراء مخالفة عبروا عنها. ويجب توقيع كافة أعضاء مجلس الإدارة الحاضرين على مسودات محاضر اجتماعات مجلس الإدارة قبل اعتمادها، على أن ترسل نسخ من هذه المحاضر لأعضاء مجلس الإدارة بعد الاعتماد للاحتفاظ بها. وتحفظ محاضر اجتماعات مجلس الإدارة ولجانه من قبل مقرر مجلس الإدارة. وفي حالة امتناع أحد أعضاء مجلس الإدارة عن التوقيع، يُثبت اعتراضه في المحضر وتُذكر أسباب الاعتراض في حال إبدائها.

Article (27)

المادة (27)

In case a Board Director has a conflict of interest with respect to a specific matter scheduled for review by the Board of Directors

إذا وجد لدى عضو مجلس الإدارة تعارض في المصالح في مسألة يجب أن ينظر فيها مجلس الادارة، وقرر

and the Board of Directors has deemed same to be material, the Board of Directors must resolve on such matter in the presence of a majority of Board of Directors with the Board Director in conflict being barred from voting on same.

مجلس الإدارة أنها مسألة جوهرية، فيجب أن يصدر قراره بحضور أغلبية أعضاء مجلس الإدارة. ولا يجوز لعضو مجلس الإدارة ذو المصلحة الاشتراك في التصويت على القرار.

Article (28)

المادة (28)

If a Board Director is absent for more than three successive Board of Directors meetings without an excuse approved by the Board of Directors, such Board Director shall be deemed to have resigned.

إذا تغيب أحد أعضاء مجلس الإدارة عن حضور أكثر من ثلاث جلسات متتالية بدون عذر يقبله المجلس، اعتبر ذلك العضو مستقيلاً.

Article (29)

المادة (29)

The Board of Directors may appoint one or more manager(s), or authorized attorneys for the Company and determine their authorities, the conditions of their engagement, their salaries and remunerations. The Manager of the Company is not allowed to be a general manager of another company.

لمجلس الإدارة الحق في أن يعين مديرا للشركة أو عدة مديرين أو وكلاء مفوضين وأن يحدد صلاحياتهم وشروط خدماتهم ورواتبهم ومكافآتهم، ولا يجوز للمدير العام للشركة ان يكون مديراً عاماً لشركة أخرى.

Article (30)

المادة (30)

Without prejudice to the provisions of Article 34 herein, the Board Directors shall not be personally liable or obligated for the liabilities of the Company as a result of their performance of their duties as Board Directors to the extent that they have not exceeded their authority.

مع مراعاة أحكام المادة (34) من هذا النظام الأساسي، لا يكون أعضاء مجلس الإدارة مسؤولين أو ملزمين شخصيا فيما يتعلق بالتزامات الشركة الناتجة عن قيامهم بواجباتهم كأعضاء مجلس إدارة وذلك بالقدر الذي لا يتجاوزون فيه حدود سلطاتهم.

Article (31)

المادة (31)

The chairman and the Board Directors shall be held liable towards the Company, the shareholders and third parties for all acts of fraud, abuse of their delegated powers, and for any breach of the Law or these Articles.

يكون رئيس وأعضاء مجلس الإدارة مسؤولين تجاه الشركة والمساهمين والغير عن الغش وإساءة استعمال السلطات الممنوحة لهم وعن أي مخالفة للقانون أو لهذا النظام.

PART FIVE
THE GENERAL ASSEMBLY

الباب الخامس
في الجمعية العمومية

Article (32)

المادة (32)

A duly convened General Assembly shall represent all the shareholders and may only be convened in the Emirate of Dubai.

تمثل الجمعية العمومية المنعقد أصولا جميع المساهمين ويجوز عقدها فقط في إمارة دبي.

Article (33)

المادة (33)

Each shareholder shall have the right to attend the General Assembly of the shareholders and shall have a number of votes equal to the number of his/her shares.

A shareholder may appoint a proxy who must not be a Board Director to attend the General Assembly on his behalf by virtue of a written special power of attorney. Such proxy shall not, in such capacity, represent more than 5% five per cent. of the share capital of the Company.

Shareholders lacking legal capacity shall be represented by their legal representatives.

Individuals representing juristic entities are exempted from the foregoing percentile limitation.

Article (34)

1. The Founders shall call all the shareholders for the Constitutive General Assembly in the prospectus and by announcing in two daily local newspapers issued in Arabic to consider the following matters:
   - A- Reviewing and ratification of the Founders Committee's report on the incorporation process of the Company and its conversion to a public joint stock company and the associated costs;
   - B- approving the Memorandum and Articles of Association of the Company;
   - C- rectifying the appointment of the first Board of Directors for a term of three years;
   - D- appointing of the Company's auditor; and
   - E- announcing the incorporation of the Company.

2. The quorum for the first round of the Constitutive General Assembly shall be (75%) of the shares subscribed for. If the quorum is not met in the first meeting, the Founders shall call for a second meeting within seven (7) days as of the date of the first meeting. The second meeting shall be valid if the holders of half of the subscribed shares attend. If

لكل مساهم الحق في حضور اجتماعات الجمعية العمومية للمساهمين، ويكون له عدد من الأصوات يعادل عدد أسهمه.

ويجوز للمساهم أن ينيب عنه غيره من غير أعضاء مجلس الإدارة في حضور الجمعية العمومية بمقتضى توكيل خاص ثابت بالكتابة. ويجب ألا يكون الوكيل حائزا بهذه الصفة على أكثر من (5%) خمسة بالمائة من أسهم رأس مال الشركة.

ويمثل ناقصي الأهلية وفاقديها النائبون عنهم قانونا.

ويستثني من هذه النسبة ممثلو الأشخاص الاعتبارية.

المادة (34)

1. يدعو المؤسسون، جميع المساهمين إلى اجتماع الجمعية العمومية التأسيسية في نشرة الاكتتاب العام ، وبإعلان في صحيفتين محليتين يوميتين تصدران باللغة العربية للنظر في المسائل التالية:
   - أ. مراجعة واعتماد تقرير لجنة المؤسسين عن عملية تأسيس الشركة وتحولها الى شركة مساهمة عامة والنفقات التي استلزمتها.
   - ب. المصادقة على عقد التأسيس والنظام الأساسي للشركة.
   - ج. إعتماد تعيين أعضاء أول مجلس إدارة للشركة لمدة ثلاث سنوات .
   - د. المصادقة على تعيين مدقق حسابات الشركة وتحديد اتعابه.
   - هـ. الإعلان عن تأسيس الشركة.
   - و.

2. النصاب القانوني للاجتماع الأول للجمعية العمومية التأسيسية هو (75 %) من عدد الأسهم المكتتب بها. وفي حالة عدم اكتمال النصاب القانوني في الاجتماع الأول، وجب على المؤسسين الدعوة لاجتماع ثان خلال (7) أيام من تاريخ الاجتماع الأول. ويصح هذا الاجتماع بحضور مالكي نصف عدد

the quorum of the second meeting is not met, a notice shall be given for a third meeting within 15 days from the date of the second meeting and the quorum shall be whatever the number of shareholders attending the third meeting.

الأسهم المكتتب بها. وفي حالة عدم اكتمال النصاب القانوني للاجتماع الثاني، فإنه يدعى لاجتماع ثالث خلال (15) يوما من تاريخ الاجتماع الثاني ويكون النصاب القانوني فيه بمن حضر.

Article (35)

المادة (35)

Invitations to the shareholders to attend the General Assembly shall be by announcement in two daily local newspapers, issued in Arabic, and by registered mail at least 21 days before the date set for the meeting after obtaining the approval from the Authority. The invitation should contain the agenda of the General Assembly. A copy of the invitation shall be sent to the Competent Authority.

توجه الدعوة إلى المساهمين لحضور اجتماعات الجمعية العمومية بإعلان في صحيفتين يوميتين محليتين تصدران باللغة العربية وعن طريق البريد المسجل، وذلك قبل الموعد المحدد للاجتماع بواحد وعشرين يوما على الأقل، وذلك بعد الحصول على موافقة الهيئة. ويجب أن تتضمن الدعوة جدول أعمال ذلك الاجتماع وترسل صورة من أوراق الدعوة إلى الهيئة والسلطة المختصة.

Article (36)

المادة (36)

An Ordinary General Assembly shall be called by:

1. The Board of Directors at least once annually during the four months following the end of the financial year ("Annual General Assembly").
2. The Board of Directors, whenever it deems same fit, or upon a request of the auditor or if at least ten shareholders holding not less than 30% of the share capital, with due cause, requesting a meeting, then the Board of Directors shall call for an Ordinary General Assembly within 15 days from the date of submitting the request.
3. The auditor, directly, if the Board of Directors fails to send the invitation within fifteen days from the date of the request for a meeting submitted by the auditor.
4. The Authority, after discussions with the Competent Authority, in the following circumstances:
   a. The lapse of 30 days after the fixed date for the meeting to be held (i.e. four months after the end of the financial year) without the Board of

تنعقد الجمعية العمومية العادية بدعوة من:

1. مجلس الإدارة مرة على الأقل في السنة خلال الأشهر الأربعة التالية لنهاية السنة المالية.
2. مجلس الإدارة، كلما رأى وجهاً لذلك أو بناء على طلب مدقق الحسابات، أو إذا طلب عشرة من المساهمين على الأقل يملكون (30%) من رأس المال كحد أدنى ولأسباب جدية عقد الجمعية العمومية، وجب على مجلس الإدارة دعوة الجمعية العمومية العادية خلال 15 يوما من تاريخ تقديم الطلب.
3. مدقق الحسابات مباشرة إذا لم يقم مجلس الإدارة بتوجيه الدعوة خلال خمسة عشر يوما من تاريخ تقديم مدقق الحسابات طلب عقد إجتماع.
4. الهيئة بعد التشاور مع السلطة المختصة، في الأحوال التالية:
   أ. إذا مضى ثلاثون يوماً على الموعد المحدد لانعقادها (وهو مضي أربعة أشهر على انتهاء السنة المالية) دون أن

Directors sending an invitation;

يقوم مجلس الإدارة بدعوتها للانعقاد؛

b. If the number of Board Directors is less than the minimum required for its quorum;

ب. إذا نقص عدد أعضاء مجلس الإدارة عن الحد الأدنى لصحة انعقاده؛

c. Discovery of any violation of the Law, these Articles or any defect in the management of the Company;

ج. إذا تبين لها وقوع أي مخالفة للقانون أو لنظام الشركة أو وقوع خلل في إدارتها؛

d. If the Board of Directors fails to call for a meeting of the General Assembly despite the call from shareholders representing 30% of the share capital of the Company; and

د. إذا تقاعس مجلس الإدارة عن دعوتها للانعقاد رغم طلب عدد من المساهمين يمثلون (30 %) من رأسمال الشركة؛ و

e. If a number of shareholders owning less than 30% of the share capital of the Company requested a meeting of the General Assembly.

ه. إذا طلب عدد من المساهمين يملكون أقل من (30 %) من رأسمال الشركة عقد اجتماع الجمعية العمومية.

Article (37)

المادة (37)

The following matters shall be included on the agenda of the Annual General Assembly:

يدخل في جدول أعمال الجمعية العمومية في اجتماعها السنوي المسائل الآتية:

1. Reviewing and approving the report of the Board of Directors on the activity of the Company, its financial standing throughout the year and the report of the auditor.

.1 سماع تقرير مجلس الإدارة عن نشاط الشركة وعن مركزها المالي خلال السنة وتقرير مدقق الحسابات والتصديق عليهما.

2. Discussing and approving the financial statements of the Company.

.2 مناقشة القوائم المالية للشركة والتصديق عليها.

3. Electing the members of the Board of Directors when necessary, appointing auditors and determining their fees.

.3 انتخاب أعضاء مجلس الإدارة عند الاقتضاء وتعيين مدققي الحسابات وتحديد أتعابهم.

4. Reviewing the recommendations of the Board of Directors regarding distribution of profits.

.4 النظر في مقترحات مجلس الإدارة بشأن توزيع الأرباح.

5. Discharging the Board Directors and the auditor from liability or to resolve filing a liability claim against them, as the case may be.

.5 إبراء ذمة أعضاء مجلس الإدارة ومدقق الحسابات من المسؤولية أو تقرير رفع دعوى المسؤولية عليهم حسب الأحوال.

Article (38)

المادة (38)

Shareholders who wish to attend the Ordinary and Extraordinary General Assembly shall register their names in an electronic register made available by the Management of the Company at the meeting place within ample time before the meeting. The register shall include the name of the shareholder, or his representative, the number of shares he holds or represents and the names of the represented shareholders and the appropriate proxies. An extract of this register showing the number of shares represented at the meeting and the percentage of attendance shall be printed and attached to the minutes of the General Assembly after being signed by the chairman of the meeting, the secretary and the auditor of the Company.

يسجل المساهمون الذين يرغبون في حضور الجمعية العمومية العادية وغير العادية أسماءهم في السجل الإلكتروني الذي تعده إدارة الشركة لهذا الغرض في مكان الاجتماع قبل الوقت المحدد لانعقاد ذلك الاجتماع بوقت كاف. ويجب أن يتضمن السجل اسم المساهم أو من ينوب عنه وعدد الأسهم التي يملكها أو عدد الأسهم التي يمثلها وأسماء مالكيها مع تقديم سند الوكالة. و يستخرج من هذا السجل خلاصة مطبوعة بعدد الأسهم التي مثلت في الاجتماع ونسبة الحضور ويتم إلحاقها بمحضر اجتماع الجمعية العمومية بعد توقيعها من قبل كل من مقرر الجلسة ورئيس الاجتماع ومدقق حسابات الشركة.

Registration shall close at the time when the chairman announces whether or not the quorum for such meeting has been met. No registration of any shareholder or proxy shall be accepted thereafter and votes of those late shareholders or proxies would not count and their views would not be taken into account in that meeting.

ويقفل باب التسجيل لحضور اجتماعات الجمعية العمومية العادية وغير العادية عندما يعلن رئيس الاجتماع اكتمال النصاب المحدد لذلك الاجتماع أو عدم اكتماله، ولا يجوز بعد ذلك قبول تسجيل أي مساهم أو نائب عنه لحضور ذلك الاجتماع كما لا يجوز الاعتداد بصوته أو برأيه في المسائل التي تطرح في ذلك الاجتماع.

Article (39)

المادة (39)

The register of the shareholders of the Company shall be closed in accordance with the procedures for transacting, set-off, settlement, transfer of title, custody of securities and the relevant rules prevailing in the relevant financial market.

يغلق سجل المساهمين في الشركة طبقا للنظام الخاص بالتداول والمقاصة والتسويات ونقل الملكية وحفظ الأوراق المالية والقواعد المعنية السائدة في السوق المالي المدرج فيه اسهم الشركة.

Article (40)

المادة (40)

The provisions of the Law shall apply to the quorum required for convening any type of General Assembly and to the required majority to adopt resolutions therein.

تسري على النصاب الواجب توفره لصحة انعقاد الجمعية العمومية بصفاتها المختلفة وعلى الأغلبية اللازمة لاتخاذ القرارات أحكام القانون.

Article (41)

المادة (41)

The General Assembly shall be chaired by the chairman of the Board of Directors. In the absence of the chairman, the vice-chairman or a Board Director appointed by the Board of Directors for that purpose shall chair the meeting.

يرأس الجمعية العمومية رئيس مجلس الإدارة، وعند غيابه، يرأسها نائب رئيس مجلس الإدارة أو عضو مجلس الإدارة الذي يعينه مجلس الإدارة لذلك.

If the said individuals are not present, the General Assembly shall appoint one of the

وفي حالة تخلف المذكورين عن حضور الاجتماع، تعين الجمعية من بين المساهمين رئيسا للاجتماع كما تعين

shareholders to chair the meeting and shall also appoint a secretary for the meeting.

الجمعية مقرر للاجتماع.

The chairman shall appoint a teller for the meeting.

ويعين الرئيس جامعاً للأصوات.

The Company shall keep minutes of the meetings of the General Assembly and register attendance in special books to be kept for this purpose and signed by the chairman of the relevant meeting, the secretary, the tellers and the auditors. The individuals who sign the minutes of the meeting shall be held liable for the accuracy of information contained therein.

وتدون الشركة محاضر اجتماعات الجمعية العمومية وإثبات الحضور في دفاتر تحفظ لهذا الغرض وتوقع من قبل رئيس الاجتماع المعني ومقرر الجمعية وجامعي الأصوات ومدققي الحسابات ويكون الموقعون على محاضر الاجتماعات مسئولين عن صحة البيانات الواردة فيها.

Article (42)

المادة (42)

Voting at the General Assembly shall be in accordance with the procedure specified by the chairman of the assembly unless the General Assembly specifies another voting procedure. If the subject of the vote relates to the appointment, dismissal or accountability of the Board Directors, voting should be by secret Cumulative Voting.

يكون التصويت في الجمعية العمومية بالطريقة التي يعينها رئيس الجمعية إلا إذا قررت الجمعية العمومية طريقة معينة للتصويت. و إذا تعلق الأمر بانتخاب أعضاء مجلس الإدارة أو بعزلهم أو بمساءلتهم، فان ذلك يكون بالتصويت السري التراكمي.

Article (43)

المادة (43)

A shareholder having the right to attend the General Assembly personally or by proxy may not participate in voting on matters related to a personal benefit or an existing dispute between such shareholder and the Company.

لا يجوز لمن له حق حضور الجمعية العمومية أن يشترك في التصويت عن نفسه أو عمن يمثله في المسائل التي تتعلق بمنفعة خاصة أو بخلاف قائم بين ذلك المساهم والشركة.

Article (44)

المادة (44)

1. The Extraordinary General Assembly shall be held pursuant to an invitation from the Board of Directors. The Board of Directors shall issue such an invitation when so requested by shareholders holding not less than 40% of the share capital of the Company. If the Board of Directors fails to send the invitation within 15 days from the date of such request, the applicants may request the Authority to call for the meeting after discussion with the Competent Authority.

1. تجتمع الجمعية العمومية غير العادية للشركة بناء على دعوة من مجلس الإدارة. وعلى مجلس الإدارة توجيه هذه الدعوة إذا طلب إليه ذلك عدد من المساهمين يمثلون على الأقل (40 %) من رأس مال الشركة. فإذا لم يقم مجلس الإدارة بتوجيه الدعوة خلال خمسة عشر يوما من هذا الطلب، جاز للطالبين أن يتقدموا إلى الهيئة لتوجيه الدعوة وتقوم الهيئة بتوجيه الدعوة بعد التشاور مع السلطة المختصة.

2. The Extraordinary General Assembly shall not be valid unless shareholders representing at least 75% of the share capital of the Company attend the meeting.

2. لا يكون اجتماع الجمعية العمومية غير العادية صحيحاً إلا إذا حضره مساهمون يمثلون ثلاثة أرباع رأس مال الشركة على الأقل. فإذا لم

If the quorum is not met, a second meeting shall be called to be held within 30 days following the first meeting. The second meeting shall be deemed valid if shareholders representing half of the share capital of the Company attend. If such quorum is not met in the second meeting, a call shall be given for a third meeting, to be held after the expiry of 30 days from the date of the second meeting. The third meeting shall be valid regardless of the number of the shareholders attending. Resolutions passed in the third meeting shall not be enforceable without the approval of the Competent Authority.

يتوفر هذا النصاب، وجب دعوة هذه الجمعية إلى اجتماع ثان يعقد خلال الثلاثين يوماً التالية للاجتماع الأول ويعتبر الاجتماع الثاني صحيحاً إذا حضره مساهمون يمثلون نصف رأس مال الشركة. وإذا لم يتوفر هذا النصاب في الاجتماع الثاني، توجه الدعوة إلى اجتماع ثالث يعقد بعد انقضاء ثلاثين يوماً من تاريخ الاجتماع الثاني ويكون الاجتماع الثالث صحيحاً مهما كان عدد الحاضرين. ولا تكون قرارات الجمعية في الحالة الأخيرة نافذة إلا بعد موافقة السلطة المختصة عليها.

Article (45)

المادة (45)

The Extraordinary General Assembly shall deliberate on the following issues:

1. Increase or reduction of the share capital.
2. Dissolution of the Company or its merger with another company.
3. Sale or otherwise disposing of the business venture of the Company.
4. Extension of the term of the Company.
5. Amendment to the Memorandum of Association or these Articles, subject to the following restrictions:
    a. The amendment should not increase the shareholders' obligations;
    b. The amendment should not cause the change of the initial objects of the Company; and
    c. The amendment should not cause transfer of the head office out of the State.

تختص الجمعية العمومية غير العادية بما يلي:

1. زيادة رأس المال أو تخفيضه.
2. حل الشركة أو إدماجها في شركة أخرى.
3. بيع المشروع الذي قامت به الشركة أو التصرف فيه بأي وجه آخر.
4. إطالة مدة الشركة.
5. تعديل عقد الشركة أو النظام الأساسي الا ان حقها هذا ليس مطلقاً وانما هو مقيد بالقيود التالية:
    أ. ألا يؤدي التعديل إلى زيادة أعباء المساهمين؛
    ب. ألا يؤدي التعديل إلى تغيير أغراض الشركة الأصلية؛ و
    ج. ألا يؤدي التعديل إلى نقل مركز الشركة الرئيسي إلى خارج الدولة.

Article (46)

المادة (46)

The owners of shares registered on the working day preceding the holding of the General Assembly of the Company shall be deemed to be the holders of the right to vote in that Company's General Assembly.

يكون مالك السهم المسجل في يوم العمل السابق لانعقاد الجمعية العمومية للشركة هو صاحب الحق في التصويت في الجمعية العمومية لتلك الشركة.

Article (47)

المادة (47)

The resolutions of the Extraordinary General Assembly are issued by the majority of shares represented in the meeting, unless the resolution is related to the increase or decrease of the capital of the Company, to extend or shorten its duration or liquidating it prior to the predetermined date in these Articles of Association or to merge the Company into another company or to convert it, in such cases the resolution shall be invalid, unless it was passed by a majority representing three quarters of the shares represented in the meeting. The General Assembly's resolution is binding on all shareholders including the absent and disagreeing shareholders. The Chairman of the Board of Directors is to execute the resolutions of the Extraordinary General Assembly and send a copy of them to the Authority and the competent authority within 15 days as of their issuance.

تصدر قرارات الجمعية العمومية غير العادية بأغلبية الأسهم الممثلة في الاجتماع، إلا إذا تعلق القرار بزيادة رأس مال الشركة أو تخفيضه أو بإطالة أو تقصير مدة الشركة أو بحلها قبل الميعاد المعين في النظام أو بإدماج الشركة في شركة أخرى أو بتحويلها، فلا يكون القرار صحيحاً إلا إذا صدر بأغلبية ثلاثة أرباع الأسهم الممثلة في الاجتماع. وتكون قرارات الجمعية العمومية الصادرة ملزمة لجميع المساهمين بمن فيهم الغائبون والمخالفون في الرأي. وعلى رئيس مجلس الإدارة تنفيذ قرارات الجمعية العمومية غير العادية وإبلاغ صورة منها إلى كل من الهيئة والسلطة المختصة خلال خمسة عشر يوماً من تاريخ صدورها.

Article (48)

المادة (48)

Subject to the provisions of Article 129 of the Law, the General Assembly may not deliberate on any matters other than those included in the agenda attached to the invitation for the meeting. However, the General Assembly has the right to discuss serious matters that may be revealed during such meeting.

مع مراعاة حكم المادة (129) من القانون، لا يجوز للجمعية العمومية أن تتداول في غير المسائل الواردة في جدول الأعمال المرفق بإعلان الدعوة. ومع ذلك يكون للجمعية العمومية الحق في مداولة الوقائع الخطيرة التي قد تتكشف أثناء ذلك الاجتماع.

PART SIX
AUDITORS

الباب السادس
مدقق الحسابات

Article (49)

المادة (49)

The Company shall have one or more auditor(s) appointed by the General Assembly for a renewable term of one year upon nomination by the Board of Directors and recommendation of the audit committee. The fees of such auditor shall be determined by the General Assembly. Such auditor shall monitor the financial accounts for the year for which he was appointed. Such auditor should be registered with the Ministry of Economy and be

يكون للشركة مدقق حسابات أو أكثر يتم تعيينه بواسطة الجمعية العمومية لمدة سنة قابلة للتجديد بموجب تسمية من مجلس الإدارة وتوصية من لجنة التدقيق و تحدد أتعابه من قبل الجمعية العمومية. ويتوجب على مدقق الحسابات مراقبة الحسابات المالية للسنة التي عين لها. ويشترط أن يكون هذا المدقق مسجلا لدى وزارة الاقتصاد ومرخص له بمزاولة المهنة.

licensed to practice.

Save for the aforementioned, the Founders have appointed Ernest & Young as the first auditor of the Company's accounts, where he shall engage in performing his task until the first General Assembly is convened.

واستثناءا مما تقدم، عين المؤسسون إرنست أند يونج مدققا أول لحسابات الشركة بحيث يتولى مهمته إلى حين انعقاد الجمعية العمومية الأولى.

Article (50)

المادة (50)

An auditor should be independent from the Company and the Board of Directors and should not be a business partner, agent or relative (up to the fourth degree) of any of the Founders or Board Directors. The Company must take reasonable steps to verify the independence of the external auditor and that its function excludes any conflict of interest.

يجب أن يكون مدقق الحسابات مستقلاً عن الشركة ومجلس إدارتها. ولا يجوز له أن يكون شريكاً أو وكيلاً لأحد مؤسسي الشركة أو لأحد أعضاء مجلس إدارتها أو قريباً له حتى الدرجة الرابعة. على الشركة أن تتخذ خطوات معقولة للتأكد من استقلالية مدقق الحسابات الخارجي، وأن كافة الأعمال التي يقوم بها تخلو من أي تضارب للمصالح.

Article (51)

المادة (51)

The auditor shall have the authorities and the obligations provided for in the Law. Such auditor must particularly have the right to review, at all times, all the Company books, records, instruments and all other documents of the Company. The auditor has the right to request clarifications as he deems necessary for the performance of his duties and he may investigate the assets and liabilities of the Company. If the auditor is unable to perform these authorities, he must confirm that in a written report to be submitted to the Board of Directors. If the Board of Directors fails to enable the auditor to perform his duties, the auditor must send a copy of the report to the Authority, the Competent Authority and the General Assembly.

تكون لمدقق الحسابات الصلاحيات وعليه التقيد بالالتزامات المنصوص عليها في القانون. وبوجه خاص، يكون لمدقق الحسابات الحق في الإطلاع، في جميع الأوقات، على جميع دفاتر الشركة وسجلاتها ومستنداتها وغير ذلك من وثائق وله أن يطلب الإيضاحات التي يراها لازمة لأداء مهامه وله كذلك أن يتحقق من موجودات الشركة والتزاماتها. وإذا لم يتمكن مدقق الحسابات من استعمال هذه الصلاحيات، فإنه يتوجب عليه إثبات ذلك في تقرير كتابي يقدم الى مجلس الإدارة. فإذا لم يقم مجلس الإدارة بتمكين المدقق من أداء مهمته، وجب على المدقق أن يرسل صورة من التقرير إلى الهيئة والسلطة المختصة و الجمعية العمومية.

Article (52)

المادة (52)

The auditor must submit to the Ordinary General Assembly a report containing all the particulars stated out in Article 150 of the Law. The auditor must attend the General Assembly to present his/her report to the Shareholders clarifying any interference or difficulties from the Board of Directors during their performance of their duties, to issue an independent and unbiased report and to present his opinion concerning all matters related to his duties, particularly the Company's balance sheet, its financial positions and any violations thereto.

يقدم مدقق الحسابات إلى الجمعية العمومية العادية تقريرا يشتمل على البيانات المنصوص عليها في المادة (150) من القانون. وعليه أن يحضر اجتماع الجمعية العمومية ليعرض تقريره على المساهمين موضحاً أية معوقات أو تدخلات من مجلس الإدارة واجهته أثناء تأدية أعماله، وأن يتسم تقريره بالاستقلالية والحيادية وأن يدلي برأيه في كل ما يتعلق بواجباته وبوجه خاص في ميزانية الشركة، ومركزها المالي وأية مخالفات بها.

The auditor, who acts in the capacity of an

يكون المدقق، والذي يعمل بصفته وكيلا عن المساهمين

agent of the shareholders, shall be liable for the accuracy of the particulars stated in his report. Each shareholder may discuss the report of the auditor and request for clarifications on matters included therein during the meeting of the General Assembly.

مسئولا عن صحة البيانات الواردة في تقريره. ولكل مساهم أثناء إنعقاد الجمعية العمومية أن يناقش تقرير المدقق وأن يطلب المزيد من التوضيحات حول الأمور/المسائل الوارده فيه..

PART SEVEN
THE FINANCE OF THE COMPANY

الباب السابع
مالية الشركة

Article (53)

The Board of Directors shall maintain duly organized accounting books which reflect the accurate and fair picture of the Company's financial status in accordance with generally acceptable accounting principles internationally applied. No shareholder will be entitled to inspect those books unless a specific authorization to this effect is obtained from the Board of Directors.

The financial year of the Company shall start on the first day of January and shall end on the last day of December of every year.

المادة (53)

على مجلس الإدارة أن يحتفظ بدفاتر حسابات منتظمة حسب الأصول والتي تعكس الصورة الفعلية والعادلة عن وضع الشركة المالي وفقا لمباديء المحاسبة المتوافق عليها والمعمول بها دوليا. ولا يحق لأي مساهم في الشركة فحص/الإطلاع على تلك الدفاتر إلا بموجب تفويض بهذا المعنى صادر عن مجلس الإدارة.

تبدأ السنة المالية للشركة في أول يناير وتنتهي في آخر يوم من شهر ديسمبر من كل سنة.

Article (54)

The Board of Directors must prepare an audited balance sheet and profit and loss account for each financial year at least one month before the annual ordinary General Assembly. The Board of Directors must also prepare a report on the Company's activities during the financial year, its financial position at the end of the same year and the recommendations on distribution of the net profits. A copy of the balance sheet, profit and loss account, the report of the auditor and report of the Board of Directors shall be sent to the Authority attached with the agenda of the Annual Ordinary General Assembly for the Authority's approval on publishing the invitation in the daily newspapers twenty one (21) days before the date specified for holding the meeting.

المادة (54)

على مجلس الإدارة أن يعد عن كل سنة مالية قبل الاجتماع السنوي للجمعية العمومية العادية بشهر على الأقل ميزانية مدققة للشركة وحساب الأرباح والخسائر. وعلى مجلس الإدارة أيضا أن يعد تقريرا عن نشاط الشركة خلال السنة المالية وعن مركزها المالي في ختام السنة ذاتها و بالإضافة الى التوصيات التي يقترحها لتوزيع صافي الأرباح. ترسل صورة من الميزانية وحساب الأرباح والخسائر وتقرير مدقق الحسابات وتقرير مجلس الإدارة إلى الهيئة مرفقة مع جدول أعمال الجمعية العمومية العادية السنوية للموافقة على نشر الدعوة في الصحف اليومية قبل الموعد المحدد لإنعقادها بواحد وعشرون يوما.

Article (55)

The Board of Directors shall deduct a percentage of the annual gross profits for the depreciation of the Company's assets or for compensation for the depletion in their value.

المادة (55)

لمجلس الإدارة أن يقتطع نسبة من إجمالي الأرباح السنوية يحددها لاستهلاك موجودات الشركة أو التعويض عن انخفاض قيمتها، ويتم التصرف في هذه الأموال بناءا

These amounts shall be utilized upon the decision of the Board of Directors and should not be distributed to the shareholders.

على قرار من مجلس الإدارة ولا يجوز توزيعها على المساهمين.

Article (56)

المادة (56)

The annual net profits of the Company shall be distributed after deducting all general expenses and other costs as follows:

توزع الأرباح السنوية الصافية للشركة بعد خصم جميع المصروفات العمومية والتكاليف الأخرى وفقا لما يلي:-

1. Ten per cent. (10%) of the net profits shall be deducted and allocated as the legal reserve. Such deduction shall cease to occur when the total amount of the reserve is equal to at least fifty per cent. (50%) of the capital of the Company. If the reserve falls below this threshold, deduction shall be resumed.

1. يتم إقتطاع نسبة (10%) عشرة بالمائة من صافي الأرباح وتخصص هذه النسبة لحساب الاحتياطي القانوني. ويتوقف هذا الاقتطاع متى بلغ إجمالي قيمة الاحتياطي القانوني ما يساوي (50%) خمسين بالمائة كحد أدنى من رأس مال الشركة. وفي حالة إنخفاض هذا الإحتياطي الى ما هو أقل من الحد الأدني، تعين العودة إلى الاقتطاع.

2. A further ten percent (10%) of the net profits shall be deducted and allocated to the statutory reserve; such deduction shall cease to occur by a resolution of the Ordinary General Assembly upon the recommendation of the Board of Directors or if it reaches (50 %) of the Company's paid capital. Such reserve shall be used for the purposes determined by the Ordinary General Assembly upon recommendations of the Board of Directors.

2. يتم اقتطاع (10%) عشرة بالمائة أخرى من صافي الأرباح لحساب الاحتياطي النظامي ويقف هذا الاقتطاع بقرار من الجمعية العمومية العادية بناءا على اقتراح مجلس الإدارة أو إذا بلغ (50%) خمسون بالمائة من رأس مال الشركة المدفوع. ويستخدم هذا الاحتياطي في الأغراض التي تقررها الجمعية العمومية العادية بناءا على اقتراح من مجلس الإدارة .

3. An amount equivalent to five percent (5%) of the paid capital shall be deducted to be distributed among the shareholders; however, if the net profits in a certain year do not allow the distribution of said amount, then it shall not be claimed from the profits of the following years.

3. يقتطع مبلغ يعادل (5%) خمسة بالمائة من رأس المال المدفوع لتوزيعه على المساهمين كحصة أولى في الأرباح على أنه إذا لم تسمح الأرباح الصافية في سنة من السنين بتوزيع هذه الحصة فلا يجوز المطالبة بها من أرباح السنوات التالية .

4. The remaining amounts of the net profits may be distributed among the shareholders or moved to the subsequent year, or installments allocated to form an additional reserve, in each case with the approval of the Ordinary General

4. يوزع المتبقي من صافي الأرباح على المساهمين أو يتم ترحيله إلى السنة المقبلة أو تخصيصه لإنشاء احتياطي إضافي، وفي كل الأحوال يشترط الحصول على موافقة الجمعية العمومية العادية في ضوء توصيات مجلس الإدارة.

Assembly upon the recommendation of the Board.

5. The General Assembly shall determine the remuneration of the Board of Directors, which shall not exceed 10% of the net profits of the Company after deducting amortization, reserve, and the distribution of dividends to the shareholders of not less than 5% of the capital of the company.

5. تحدد الجمعية العمومية مكافأة اعضاء مجلس الادارة، ويجب الا تزيد مكافأة مجلس الادارة على 10% من الربح الصافي بعد خصم الاستهلاكات والاحتياطي وتوزيع ربح لا يقل عن 5% من رأس المال على المساهمين.

Article (57)

المادة (57)

The legal reserve shall be used by a resolution of the Board of Directors in the best interest of the Company. The legal reserve may not be distributed among the shareholders. However, any amount in excess of fifty per cent. (50%) of the paid up capital can be used to distribute dividends. Any statutory reserve may not be utilized for purposes other than those specified thereof, except by a resolution of the Ordinary General Assembly.

يتم التصرف في الاحتياطي القانوني بناءا على قرار من مجلس الإدارة لتحقيق مصلحة الشركة. لا يجوز توزيع الاحتياطي القانوني على المساهمين. على الرغم من ذلك، فإن أي مبلغ يتعدى نسبة (50%) خمسين بالمائة من إجمالي رأس المال المدفوع يجوز توزيعه كأرباح على المساهمين. كما لا يجوز استخدام الاحتياطي النظامي في غير الأغراض المخصص لها إلا بقرار من الجمعية العمومية العادية.

Article (58)

المادة (58)

Dividends shall be paid to the shareholders in accordance with the regulations as to trading, clearing, settlement, transfer of ownership and custody of securities and the applicable regulations of the financial market where the Company's shares are listed.

تدفع حصص الأرباح إلى المساهمين طبقاً للوائح الخاصه بالتداول والمقاصة والتسويات في نقل ملكية وحفظ الأوراق المالية واللوائح المعمول بها في السوق المالي المدرج فيه أسهم الشركة .

PART EIGHT
DISPUTES

الباب الثامن
المنازعات

Article (59)

المادة (59)

Civil Liability proceedings against members of the Board of Directors may not be waived by any resolution of the General Assembly. If the action giving rise to the liability was presented to the General Assembly in a report by the Board of Directors or by its auditor and was ratified by the General Assembly, civil claims proceedings shall be time barred by the expiry of one year from the date of convening that General Assembly. However, if the alleged action constitutes a criminal offence, the proceedings for liability shall not be time barred

لا يترتب على أي قرار يصدر عن الجمعية العمومية سقوط دعوى المسئولية المدنية ضد أعضاء مجلس الإدارة. وإذا كان الفعل الموجب للمسئولية قد عرض على الجمعية العمومية بتقرير من مجلس الإدارة أو مدقق الحسابات وصادقت عليه، فإن دعوى المسئولية تسقط بمضي سنة من تاريخ انعقاد الجمعية. ومع ذلك، إذا كان الفعل المنسوب إلى أعضاء مجلس الإدارة جريمة جنائية، فلا تسقط دعوى المسئولية إلا بسقوط الدعوى العمومية.

except by the lapse of the public case.

PART NINE
DISSOLUTION OF THE COMPANY

Article (60)

The Company shall be dissolved for any of the following reasons:

- Expiry of the Company's term unless it is renewed in accordance with the provisions of these Articles.
- Fulfillment of the objectives for which the Company was established.
- A resolution of the Extraordinary General Assembly to terminate the term of the Company.
- Merging the Company with another company.

Article (61)

If the Company incurs losses equal to 50% of the share capital, the Board of Directors must convene an Extraordinary General Assembly to decide whether the Company should continue or be dissolved prior to its term as mentioned in these Articles.

Article (62)

At the end of the term of the Company or in case of its dissolution before the expiry of such term, the General Assembly shall, upon recommendation by the Board of Directors, determine the method of liquidation, appoint one or more liquidators and shall specify their duties. The authorities of the Board of Directors shall terminate with the appointment of the liquidator(s). The authorities of the General Assembly shall remain in force for the duration of the liquidation process and shall last until the liquidators are absolved of their obligations.

PART TEN
FINAL PROVISIONS

Article (63)

The provisions of the Law shall apply to any

الباب التاسع
في حل الشركة وتصفيتها

المادة (60)

تحل الشركة لأحد الأسباب التالية:

- انتهاء المدة المحددة للشركة ما لم يتم تجديدها وفقا للأحكام الواردة بهذا النظام الأساسي.
- تحقيق الأغراض الذي أسست الشركة من أجلها.
- صدور قرار من الجمعية العمومية غير العادية بإنهاء مدة الشركة.
- اندماج الشركة في شركة أخرى.

المادة (61)

إذا بلغت خسائر الشركة نصف رأس المال، وجب على مجلس الإدارة دعوة الجمعية العمومية غير العادية للإنعقاد، للنظر في استمرار الشركة أو حلها قبل مدتها المحددة في هذا النظام.

المادة (62)

عند انتهاء مدة الشركة أو حلها قبل الأجل المحدد، يجب على الجمعية العمومية، بناءا على توصية من مجلس الإدارة، تحديد طريقة التصفية وتعين مصفيا أو أكثر وتحديد سلطتهم. وتنتهي كافة صلاحيات مجلس الإدارة بتعيين المصفين وتظل صلاحيات الجمعية العمومية قائمة طوال مدة التصفية إلى أن يتم إخلاء عهدة المصفين.

الباب العاشر
الأحكام الختامية

المادة (63)

تطبق أحكام القانون فيما لم يرد في شأنه نص خاص في

matter not specifically covered in the Memorandum of Association or these Articles, provided that the Company shall not be subject to the following Articles of the Law (or any other Articles or provisions of the law which have the same impact): (70), (71), (74), (75), (76), (78), (79), (85), (86), (87), (89), (100), (159), (173), (178), (179), (180), (181), (187), (188), (189), (194), (202), (203), (204), (205), (206) and (274).

عقد التأسيس أو النظام الأساسي على انه لا تخضع الشركة لاي من المواد الاتية من القانون أو أي مواد أخرى أو أحكام ذات نفس المعنى: 70 و 71 و 74 و 75 و 76 و 78 و 79 و 85 و 86 و 87 و 89 و 100 و 159 و 173 و 178 و 179 و 180 و 181 و 187 و 188 و 189 و 194 و 202 و 203 و 204 و 205 و 206 و 274.

Article (64)

In case there is any contradiction between the provisions of these Articles in the Arabic and English languages, the Arabic text shall prevail.

المادة (64)

عند وجود تعارض بين نصوص المواد باللغتين العربية والإنجليزية، يغلب جانب النص العربي.

Article (65)

These Articles of Association shall be deposited and published in accordance with the Law.

المادة (65)

يودع هذا النظام الأساسي وينشر طبقا للقانون.

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