FitchRatings

Corporates
Property/Real Estate
United Arab Emirates

Emaar Properties PJSC

Ratings

Long-Term IDR	BBB

Outlook

Long-Term Foreign-Currency IDR	Stable

Click here for the full list of ratings

2035 Climate Vulnerability Signal: 35

Applicable Criteria

Sector Navigators – Addendum to the Corporate Rating Criteria (June 2024)

Corporate Rating Criteria (November 2023)

Related Research

Global Corporates Macro and Sector Forecasts (June 2024)

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The rating of Emaar Properties PJSC (EP) reflects its strong operations, with significant growth in revenue and EBITDA across all its business segments in 2023 and 1Q24. The solid orderbook of its Emaar Development (ED) division, which provides good revenue visibility over the next four to five years, together with the strong performance of the Emaar malls and a growing international development division, are key rating strengths.

The group's consolidated profile shows a net cash position at end-2023, but Fitch Ratings' analytical approach focuses on the debt capacity of its investment portfolio, as measured by Fitch-calculated gross debt/mall rental-derived EBITDA (end-2023: 3.3x, end-2022: 3.6x). The inherently volatile business activities of both ED's residential-for-sale and international development division are allocated less debt capacity. ED made a larger contribution to consolidated EBITDA in 2023 than in previous years.

Key Rating Drivers

Strong Business Profile: EP operates three primary business segments: real estate development (ED, 54% of 2023 total group revenue), shopping malls (17%) and hospitality (17%). The group is one of the largest real estate conglomerates in the Gulf Council Cooperation region, benefitting from a strong, internationally recognised brand.

ED, a subsidiary of EP, usually constructs and markets residential real estate for sale, while EP – directly or via wholly owned subsidiaries – maintains ownership of assets in the retail, leisure and other sectors, which it leases out or manages. These commercial properties produce stable, recurring income, balancing the more inherently volatile residential-for-sale activities. In addition to the United Arab Emirates, EP operates in 10 other countries, including Egypt, India, Pakistan and Turkiye, which generated around 10%-20% of group total revenue in the past two years.

Analytical Approach: Fitch rates EP on a consolidated basis. EP's diverse businesses have varying risk profiles and debt capacities, but the group's debt capacity is anchored by its investment portfolio. Fitch allocates group debt to ED in amounts that are consistent with an investment-grade risk profile.

The remaining debt is allocated to Emaar Malls Management LLC (EMM), which owns and operates mall-weighted rental-income properties and has a higher debt capacity due to its recurring EBITDA. This enables a comparison of the resulting debt/EBITDA metrics with other property companies.

Continued Strong Residential Sales: ED's domestic residential sales reached AED37.4 billion in 2023, up 21% from 2022. This included the launch of 27 projects spanning various master-planned areas within the UAE.

Emaar's 1Q24 property sale backlog peaked at AED78.3 billion, including the launch of two new luxury developments, providing strong revenue visibility for the next four to five years. This comprises more than 25,500 units under construction in UAE (95% sold) and 8,200 abroad. Customers are largely cash buyers, mitigating the risk of higher mortgage rates, and around 50% are local residents, with the balance from a range of countries.

Robust UAE Property Market: The UAE economy expanded by 3.1% in 2023, driven by non-oil industries, such as real estate and tourism. Dubai's tourist numbers surpassed pre Covid-19 pandemic levels at 17.1 million, while its property market continues to benefit from an easy visa process, attracting domestic and global buyers. Dubai's residential property market saw 118,993 sales in 2023, a 29.6% increase year-on-year, with off-plan sales up by 31.9% and secondary sales up by 26.3%.

Residential Building Costs Pre-Funded: Before building commences, EP and ED escrow cash of at least 20%-30% of the unit price, substantially covering construction cost. Further instalments are made during construction, with a final 10%-20% due at completion. Under local laws, funds for construction are deposited in separate escrow accounts for each project and disbursed as milestones are reached. On completion, the remaining escrowed funds are released. Around AED20 billion of cash is held in escrow (out of 1Q24 reported cash of AED36 billion), which is available on completion.

Solid EMM Performance: EMM owns and operates 37 malls and other assets, with a gross lettable area of 9.7 million square feet. EMM's 2023 rental income grew by around 30% to AED4.7 billion, as tenants' sales (up 21% year-on-year) benefitted from a notable increase in footfall (190 million mall visitors, exceeding pre-pandemic levels).

EMM's flagship Dubai Mall attracted over 100 million visitors and constituted around 85% of EMM's rents in 2023. EMM's portfolio averaged 97% occupancy and the weighted-average lease term stood at 3.2 years. EMM actively manages its tenant base, offering short-term leases to allow churn and keep its malls fresh and up to date, meeting consumers' taste and spending habits.

Strong Leverage Headroom: We expect leverage headroom to remain ample for 2024-2027, with Fitch-calculated gross debt/malls rental-derived EBITDA below 4.5x on average (2023: 3.5x). The group's 2023 gross debt was AED12.3 billion (2022: AED14.5 billion) and we expect it to further fall in 2024. In 2023, 75% of the group's gross debt was UAE-based, while the balance was held by Emaar's international subsidiaries, primarily in Turkiye and India. Its consolidated EBITDA interest coverage ratio is comfortable at double digits, and EP has positive post-dividend free cash flow (FCF).

Financial Summary

(AEDm)	2021	2022	2023	2024F	2025F	2026F
Gross revenue	28,269	24,926	26,750	30,680	37,169	38,683
EBITDA after associates and minorities	7,969	9,403	14,054	13,698	15,462	16,429
Gross debt/EBITDA (x)	2.0	1.5	0.9	1.0	1.0	1.0
Net debt/EBITDA (x)	2.0	1.0	-0.2	—	1.0	1.0
EBITDA net interest coverage (x)	9.0	12.5	16.2	12.0	13.0	11.0

F – Forecast
Source: Fitch Ratings, Fitch Solutions

Rating Derivation Relative to Peers

EP's diverse business portfolio as a conglomerate is similar to Majid Al Futtaim Holding LLC (MAF; BBB/Stable) with mall leasing and homebuilding as key businesses. EP's conglomerate structure differs from most EMEA real-estate rated peers, as it has various international real estate projects, unlike London-focused The Berkeley Group Holdings plc (BBB-/Stable) and Spain-based AEDAS Homes, S.A. (BB-/Stable). EP is the largest master developer in Dubai. Similarly, Abu Dhabi-based Aldar Properties is the largest property company in Abu Dhabi, with master communities of villas and townhouses.

EP's and Aldar's focus on homebuilding, which is an inherently volatile sector, sets them apart from MAF, which has only a small development business. With about two-thirds of EBITDA generated by recurring rents, MAF's cash flow is generally less volatile than EP's and Aldar's, especially at its Carrefour business with stable, but low-margin EBITDA.

EP's and Aldar's homebuilding businesses operate as master builders locally and internationally, with a focus on large community projects, which means they operate different business models to EMEA homebuilder peers, such as AEDAS, Via Celere Desarollos Inmobiliarios, S.A.U. (BB-/Stable), and The Berkeley Group.

EP through its mall business, has similar geographical and asset concentration risks as MAF and Aldar, with Dubai Mall generating 90% of EM's recurring EBITDA while MAF's Mall of the Emirates is the single-largest contributor to the group. Aldar owns the 2.5 million square feet Yas Mall, the third-largest mall in UAE.

Rating Sensitivities

Factors that Could, Individually or Collectively, Lead to Positive Rating Action/Upgrade

- Material increase in geographic and asset diversification, contributing to group EBITDA
- Maintaining prudent development with pre-sale rates of at least 60%
- Core proportion of stable rental-derived EBITDA rather than profits from development activity

Factors that Could, Individually or Collectively, Lead to Negative Rating Action/Downgrade

- A deterioration in the domestic property real estate market, materially affecting ED's working capital and business profile
- Material decrease in occupancy rates at EMM leading to a material fall in profits
- Volatility in international property development causing EP to increase borrowings to finance international projects
- With the current mix of group activities, consolidated gross debt/EBITDA consistently above 3.5x.
- Remaining gross debt/Fitch-adjusted mall rental-derived EBITDA greater than 8.0x

Liquidity and Debt Structure

Abundant Liquidity: EP's liquidity at end-1Q24 was ample, comprising AED15.8 billion of cash (net of AED20.2 billion held in escrow accounts) and AED12.8 billion committed undrawn revolving credit facilities. Fitch restricts cash deposited in escrow accounts, which represents advances from customers for the purchase of properties under development.

Over the past five years EP has significantly reduced its gross debt to AED12.3 billion (2019: AED23.8 billion). We expect further reduction in 2024 as the company repaid its EM AED2.8 billion sukuk. The group enjoys a net liquidity position, which we expect to remain ample.

ESG Considerations

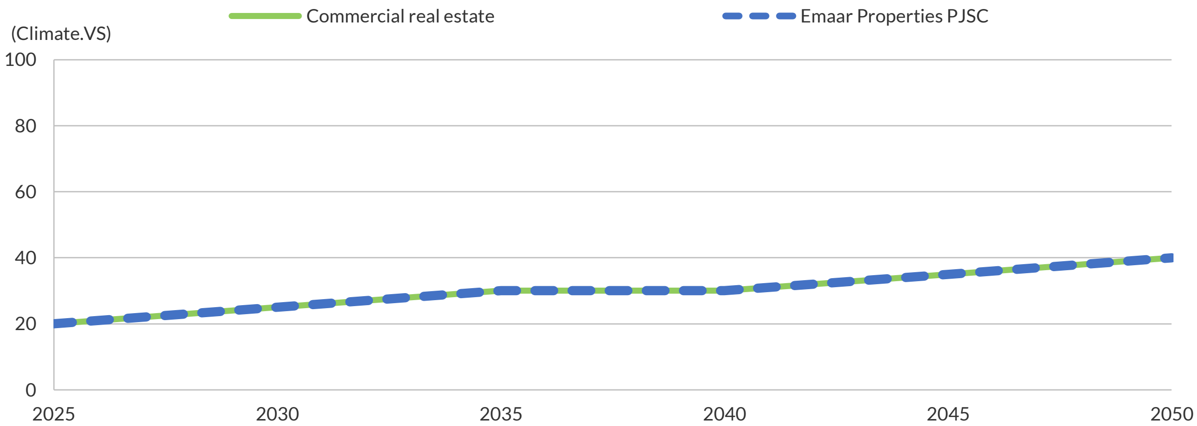
The highest level of ESG credit relevance is a score of '3', unless otherwise disclosed in this section. A score of '3' means ESG issues are credit-neutral or have only a minimal credit impact on the entity, either due to their nature or the way in which they are being managed by the entity. Fitch's ESG Relevance Scores are not inputs in the rating process; they are an observation on the relevance and materiality of ESG factors in the rating decision. For more information on Fitch's ESG Relevance Scores, visit www.fitchratings.com/topics/esg/products#esg-relevance-scores

Climate Vulnerability Considerations

Fitch uses Climate Vulnerability Signals (Climate.VS) as a screening tool to identify sectors and Fitch-rated issuers that are potentially most exposed to credit-relevant climate transition risks and, therefore, require additional consideration of these risks in rating reviews. Climate.VS range from 0 (lowest risk) to 100 (highest risk). For more information on Climate.VS, see Fitch's Corporate Rating Criteria.

The 2023 revenue-weighted Climate VS for EP for 2035 is 35 out of 100, suggesting low exposure to climate-related risks in that year. For further information on how Fitch perceives climate-related risks in the homebuilding sector, please see Real Estate and Property – Long-Term Climate Vulnerability Signals.

Climate.VS Evolution
As of Dec 31, 2023



Source: Fitch Ratings

Liquidity and Debt Maturities

(AEDbn)	30 March 2024
Fitch available cash (net of cash held in escrow accounts)	15.8
+ Undrawn portion of committed facility	12.8
+ Expected free cash flow[a]	2.8
+ Uncommitted capex/developments[b]	-
-/+ Analyst adjustments	-
Total sources	
(2024 debt maturities)	3.9
Total uses	**3.9**
Fitch liquidity ratio (x)	**8.1**

[a] Including all the capex (committed and uncommitted)
[b] Add back the uncommitted capex
Source: Fitch Ratings, Fitch Solutions, Emaar Properties PJSC

Debt maturity schedule

(AEDbn)	December
2024	3.9
2025	0.5
2026	3.1
2027	1
Thereafter	3.6
Total debt	**12.1**

Source: Fitch Ratings, Fitch Solutions, Emaar Properties PJSC

Key Assumptions

Fitch's Key Assumptions Within Our Rating Case for the Issuer

- Low double-digit revenue annual growth for the consolidated group in 2024-2025, followed by steady growth to 2027, driven by domestic development activities
- Consolidated EBITDA margin at 42% for 2024-2027, and EBITDA margin for malls at 54%
- Capex at 13%-15% of revenue until 2027
- Dividend of around AED4.2 billion per year during 2024-2027

Financial Data

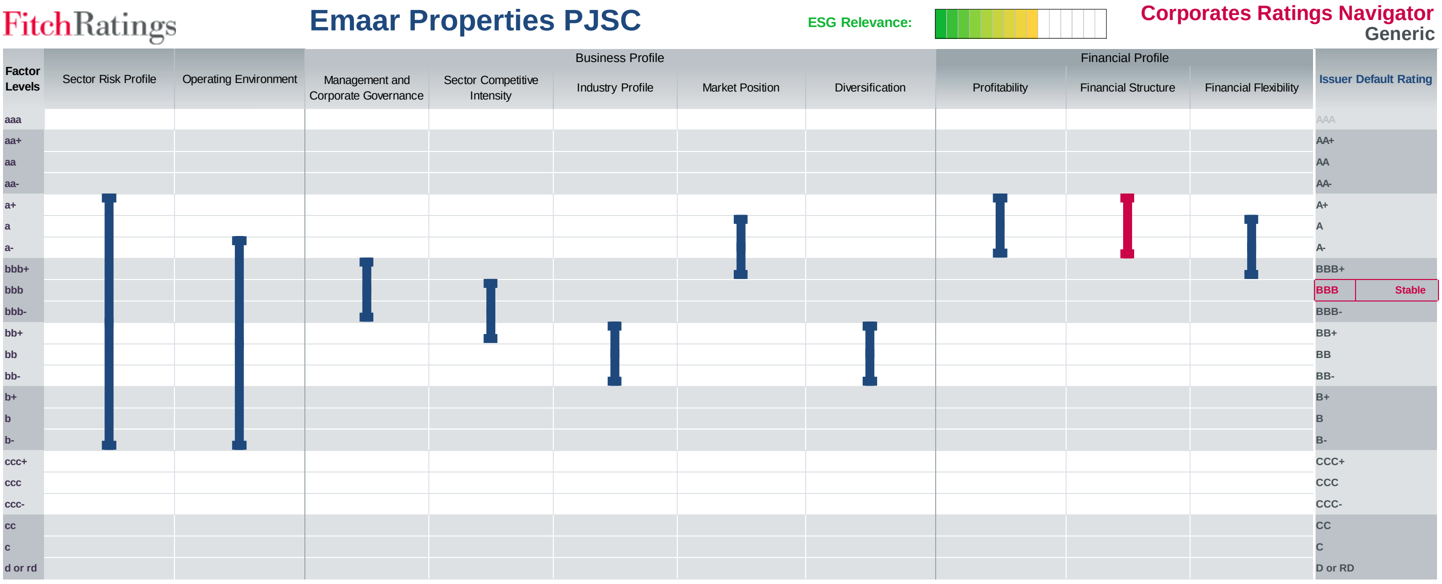
(AEDm)	2021	2022	2023	2024F	2025F	2026F
Summary income statement						
Gross revenue	28,269	24,926	26,750	30,680	37,169	38,683
Revenue growth (%)	57.0	-10.6	7.3	15.0	21.0	4.0
EBITDA before income from associates	7,875	9,274	13,657	13,618	15,382	16,349
EBITDA margin (%)	28.0	37.2	51.1	44.0	41.0	42.0
EBITDA after associates and minorities	7,969	9,403	14,054	13,698	15,462	16,429
EBIT	6,581	7,998	13,666	13,115	14,717	15,472
EBIT margin (%)	23.0	32.1	51.1	43.0	40.0	40.0
Gross interest expense	-654	-658	-617	-1,107	-1,203	-1,438
Pretax income including associate income/loss	6,123	8,477	15,062	12,742	14,452	14,665
Summary balance sheet						
Readily available cash and equivalents	2,686	5,341	14,494	11,857	6,944	3,072
Debt	18,579	14,498	12,271	11,681	14,677	16,428
Net debt	15,893	9,156	-2,224	-176	7,733	13,355
Summary cash flow statement						
EBITDA	7,875	9,274	13,657	13,618	15,382	16,349
Cash interest paid	-922	-751	-869	-1,107	-1,203	-1,438
Cash tax	169	-33	-4	-1,656	-1,879	-1,907
Dividends received less dividends paid to minorities (inflow/outflow)	94	129	397	80	80	80
Other items before FFO	1,411	1,197	3,283	—	—	—
FFO	9,053	10,340	17,763	11,668	13,318	13,715
FFO margin (%)	32.0	41.5	66.4	38.0	36.0	35.0
Change in working capital	946	8,262	2,662	-1,999	-4,315	-1,684
CFO (Fitch-defined)	9,999	18,602	20,425	9,669	9,003	12,031
Total non-operating/nonrecurring cash flow	—	—	—	—	—	—
Capex	-2,469	-3,907	-590	—	—	—
Capital intensity (capex/revenue) (%)	9.0	15.7	2.2	—	—	—
Common dividends	-2,029	-1,832	-2,907	—	—	—
FCF	5,501	12,863	16,928	—	—	—
FCF margin (%)	19.0	51.6	63.3	—	—	—
Net acquisitions and divestitures	117	112	—	—	—	—
Other investing and financing cash flow items	-2,555	-7,035	-6,777	—	—	—
Net debt proceeds	-2,990	-3,021	-2,072	-590	2,996	1,751
Net equity proceeds	—	—	—	—	—	—
Total change in cash	73	2,919	8,080	-2,638	-4,913	-3,871
Calculations for forecast publication						
Capex, dividends, acquisitions and other items before FCF	-4,381	-5,627	-3,497	-7,413	-8,250	-10,069
FCF after acquisitions and divestitures	5,618	12,975	16,928	2,256	753	1,961
FCF margin after net acquisitions (%)	20.0	52.1	63.3	7.0	2.0	5.0
Gross leverage ratios (x)						
Debt/EBITDA	2.0	1.5	0.9	1.0	1.0	1.0
CFO-capex/debt	41.0	101.4	161.6	59.0	31.0	38.0
Net leverage ratios (x)						
Net debt/EBITDA	2.0	1.0	-0.2	—	1.0	1.0
CFO-capex/net debt	47.0	160.5	-891.9	-3,925.0	59.0	47.0
Coverage ratios (x)						
EBITDA net interest coverage	9.0	12.5	16.2	12.0	13.0	11.0

CFO – Cash flow from operations
Source: Fitch Ratings, Fitch Solutions

How to Interpret the Forecast Presented

The forecast presented above is based on Fitch Ratings' internally produced, conservative rating case forecast. It does not represent the forecast of the rated issuer. The forecast set out above is only one component used by Fitch Ratings to assign a rating or determine a rating outlook, and the information in the forecast reflects material but not exhaustive elements of Fitch Ratings' rating assumptions for the issuer's financial performance. As such, it cannot be used to establish a rating, and it should not be relied on for that purpose. Fitch Ratings' forecasts are constructed using a proprietary internal forecasting tool, which employs Fitch Ratings' own assumptions on operating and financial performance that may not reflect the assumptions that you would make. Fitch Ratings' own definitions of financial terms such as EBITDA, debt or free cash flow may differ from your own such definitions. Fitch Ratings may be granted access, from time to time, to confidential information on certain elements of the issuer's forward planning. Certain elements of such information may be omitted from this forecast, even where they are included in Fitch Ratings' own internal deliberations, where Fitch Ratings, at its sole discretion, considers the data may be potentially sensitive in a commercial, legal or regulatory context. The forecast (as with the entirety of this report) is produced strictly subject to the disclaimers set out at the end of this report. Fitch Ratings may update the forecast in future reports but assumes no responsibility to do so. Original financial statement data for historical periods is processed by Fitch Solutions on behalf of Fitch Ratings. Key financial adjustments and all financial forecasts credited to Fitch Ratings are generated by rating agency staff.

Ratings Navigator



Bar Chart Legend:	
Vertical Bars = Range of Rating Factor	Bar Arrows = Rating Factor Outlook
Bar Colors = Relative Importance	⇧ Positive
Higher Importance	⇩ Negative
Average Importance	⇳ Evolving
Lower Importance	☐ Stable

FitchRatings

Emaar Properties PJSC

Corporates Ratings Navigator
Generic

Operating Environment

a	Economic Environment	bbb	Average combination of countries where economic value is created and where assets are located.
a-	Financial Access	a	Strong combination of issuer specific funding characteristics and of the strength of the relevant local financial market.
	Systemic Governance	bbb	Systemic governance (eg rule of law, corruption; government effectiveness) of the issuer's country of incorporation consistent with 'bbb'.
b-			
ccc+			

Management and Corporate Governance

a-	Management Strategy	bbb	Strategy may include opportunistic elements but soundly implemented.
bbb+	Governance Structure	bbb	Good CG track record but effectiveness/independence of board less obvious. No evidence of abuse of power even with ownership concentration.
bbb	Group Structure	bbb	Some group complexity leading to somewhat less transparent accounting statements. No significant related-party transactions.
bbb-	Financial Transparency	bbb	Good quality reporting without significant failing. Consistent with the average of listed companies in major exchanges.
bb+	Financial Sponsor Attitude (LBO only)		

Sector Competitive Intensity

bbb+	Industry Structure	bb	Highly competitive industry with multiple players of comparable size.
bbb	Barriers to Entry/Exit	bbb	Moderate barriers to entry. Incumbents are generally strongly established but successful new entrants have emerged over time.
bbb-	Relative Power in Value Chain	bbb	Balanced relative bargaining power with suppliers and customers.
bb+			
bb			

Industry Profile

bbb-	Long-Term Growth Potential	bbb	Mature industry. Traditional markets may be under some pressure but opportunities arise in new markets.
bb+	Volatility of Demand	bb	Demand volatility exacerbates economic cycles.
bb	Threat of Substitutes	bb	Facing substitutes of comparable quality with modest switching costs.
bb-			
b+			

Market Position

a+	Market Share	a	Top-three player in most markets or leader in a well defined and protected niche.
a	Competitive Advantage	a	Strong competitive advantages but more at risk from competitors.
a-	Operating Efficiency	bbb	Return on invested capital in line with industry average.
bbb+			
bbb			

Diversification

bbb-	Geographic Diversification	b	Concentrated in one region.
bb+	Product/End-Market	bbb	Exposure to at least three business lines or markets but with some performance correlation.
bb			
bb-			
b+			

Profitability

aa-	EBITDA Margin or EBITDAR Margin	aa	25% or 25%
a+	EBIT Margin	aa	17%
a	FFO Margin	aa	17%
a-	FCF Margin	bbb	2.50%
bbb+	Volatility of Profitability	bbb	Volatility of profits in line with industry average.

Financial Structure

aa-	EBITDA Leverage or EBITDAR Leverage	bbb	3.0x or 3.0x
a+	EBITDA Net Leverage or EBITDAR Net Leverage	a	1.5x or 1.5x
a	FFO Leverage or FFO Adjusted Leverage	a	2.5x or 2.5x
a-	(CFO-Capex)/Debt		
bbb+	Funding Structure (LBO only)		

Financial Flexibility

a+	Financial Discipline	a	Clear commitment to maintain a conservative policy with only modest deviations allowed.
a	Liquidity	bbb	One-year liquidity ratio above 1.25x. Well-spread maturity schedule of debt but funding may be less diversified.
a-	EBITDA Interest Coverage or EBITDAR Fixed Charge Coverage	bbb	7x or 4.5x
bbb+	FFO Interest Coverage or FFO Fixed Charge Cover	a	10x or 6x
bbb	FX Exposure	a	Profitability potentially exposed to FX but efficient hedging in place. Debt and cash flows well-matched.

Credit-Relevant ESG Derivation

Emaar Properties PJSC has 8 ESG potential rating drivers

- GHG emissions; air quality
- Energy management
- Water and wastewater management
- Human rights; relationships with communities and/or land right holders; access and affordability
- Governance is minimally relevant to the rating and is not currently a driver.

			Overall ESG
key driver	0	issues	5
driver	0	issues	4
potential driver	8	issues	3
not a rating driver	5	issues	2
	1	issues	1

For further details on Credit-Relevant ESG scoring, see page 3.

How to Read This Page: The left column shows the three-notch band assessment for the overall Factor, illustrated by a bar. The right column breaks down the Factor into Sub-Factors, with a description appropriate for each Sub-Factor and its corresponding category.

FitchRatings

Emaar Properties PJSC

Corporates Ratings Navigator
Generic

Credit-Relevant ESG Derivation

Emaar Properties PJSC has 8 ESG potential rating drivers

- Emaar Properties PJSC has exposure to emissions regulatory risk but this has very low impact on the rating.
- Emaar Properties PJSC has exposure to energy productivity risk but this has very low impact on the rating.
- Emaar Properties PJSC has exposure to water management risk but this has very low impact on the rating.
- Emaar Properties PJSC has exposure to land rights/conflicts risk, access/affordability risk or human rights violations risk but this has very low impact on the rating.
- Governance is minimally relevant to the rating and is not currently a driver.

			ESG Relevance to Credit Rating
key driver	0	issues	5
driver	0	issues	4
potential driver	8	issues	3
not a rating driver	5	issues	2
	1	issues	1

Environmental (E) Relevance Scores

General Issues	E Score	Sector-Specific Issues	Reference	E Relevance
GHG Emissions & Air Quality	3	GHG emissions; air quality	Diversification; Profitability; Financial Structure; Financial Flexibility	5
Energy Management	3	Energy management	Diversification; Profitability; Financial Structure; Financial Flexibility	4
Water & Wastewater Management	3	Water and wastewater management	Diversification; Profitability; Financial Structure; Financial Flexibility	3
Waste & Hazardous Materials Management; Ecological Impacts	2	Waste and hazardous materials management; ecological impacts; product design & lifecycle management; supply chain management - product	Diversification; Profitability; Financial Structure; Financial Flexibility	2
Exposure to Environmental Impacts	1	Impact of climate change and extreme weather events on assets and operations	Diversification; Sector Trend; Profitability; Financial Structure; Financial Flexibility	1

How to Read This Page

ESG relevance scores range from 1 to 5 based on a 15-level color gradation. Red (5) is most relevant to the credit rating and green (1) is least relevant.

The Environmental (E), Social (S) and Governance (G) tables break out the ESG general issues and the sector-specific issues that are most relevant to each industry group. Relevance scores are assigned to each sector-specific issue, signaling the credit-relevance of the sector-specific issues to the issuer's overall credit rating. The Criteria Reference column highlights the factor(s) within which the corresponding ESG issues are captured in Fitch's credit analysis. The vertical color bars are visualizations of the frequency of occurrence of the highest constituent relevance scores. They do not represent an aggregate of the relevance scores or aggregate ESG credit relevance.

The Credit-Relevant ESG Derivation table's far right column is a visualization of the frequency of occurrence of the highest ESG relevance scores across the combined E, S and G categories. The three columns to the left of ESG Relevance to Credit Rating summarize rating relevance and impact to credit from ESG issues. The box on the far left identifies any ESG Relevance Sub-factor issues that are drivers or potential drivers of the issuer's credit rating (corresponding with scores of 3, 4 or 5) and provides a brief explanation for the relevance score. All scores of '4' and '5' are assumed to reflect a negative impact unless indicated with a '+' sign for positive impact.

Classification of ESG issues has been developed from Fitch's sector ratings criteria. The General Issues and Sector-Specific Issues draw on the classification standards published by the United Nations Principles for Responsible Investing (PRI), the Sustainability Accounting Standards Board (SASB), and the World Bank.

Social (S) Relevance Scores

General Issues	S Score	Sector-Specific Issues	Reference	S Relevance
Human Rights, Community Relations, Access & Affordability	3	Human rights; relationships with communities and/or land right holders; access and affordability	Management and Corporate Governance; Company's Market Position; Diversification; Profitability; Financial Flexibility	5
Customer Welfare - Fair Messaging, Privacy & Data Security	2	Customer privacy; data security; product quality and safety; customer welfare; selling practices and product labeling	Management and Corporate Governance; Sector Competitive Intensity; Company's Market Position; Profitability	4
Labor Relations & Practices	2	Impact of labor negotiations and employee (dis)satisfaction; supply chain management - labor; employee diversity and inclusion	Operating Environment; Diversification; Profitability; Financial Structure; Financial Flexibility	3
Employee Wellbeing	2	Employee health and safety	Diversification; Profitability; Financial Flexibility	2
Exposure to Social Impacts	2	Shifting social preferences; social resistance to major projects or operations that leads to delays or cost increases	Operating Environment; Sector Trend; Company's Market Position; Diversification; Profitability	1

Governance (G) Relevance Scores

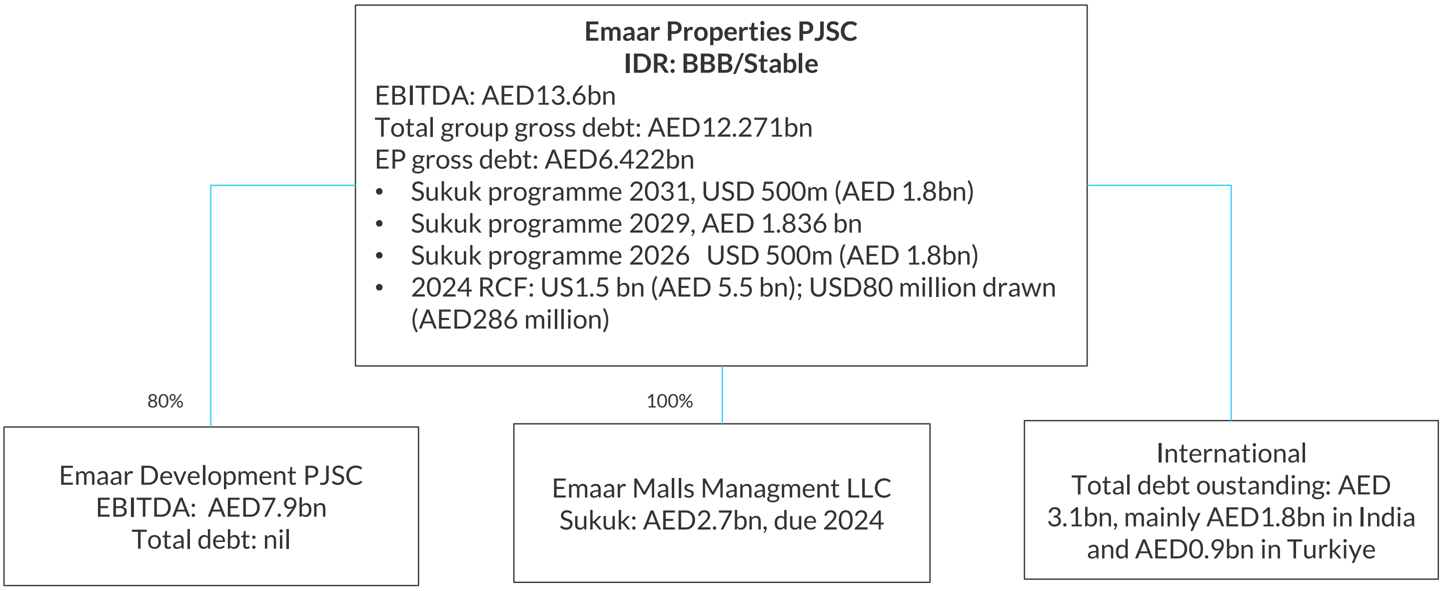
General Issues	G Score	Sector-Specific Issues	Reference	G Relevance
Management Strategy	3	Strategy development and implementation	Management and Corporate Governance	5
Governance Structure	3	Board independence and effectiveness; ownership concentration	Management and Corporate Governance	4
Group Structure	3	Complexity, transparency and related-party transactions	Management and Corporate Governance	3
Financial Transparency	3	Quality and timing of financial disclosure	Management and Corporate Governance	2
				1

CREDIT-RELEVANT ESG SCALE

How relevant are E, S and G issues to the overall credit rating?

5	Highly relevant, a key rating driver that has a significant impact on the rating on an individual basis. Equivalent to "higher" relative importance within Navigator.
4	Relevant to rating, not a key rating driver but has an impact on the rating in combination with other factors. Equivalent to "moderate" relative importance within Navigator.
3	Minimally relevant to rating, either very low impact or actively managed in a way that results in no impact on the entity rating. Equivalent to "lower" relative importance within Navigator.
2	Irrelevant to the entity rating but relevant to the sector.
1	Irrelevant to the entity rating and irrelevant to the sector.

Simplified Group Structure Diagram



Source: Fitch Ratings, Fitch Solutions, Emaar Properties PJSC, as of July 2024

Peer Financial Summary

Company	Issuer Default Rating	Financial statement date	Gross revenue (AEDm)	EBITDA after associates and minorities (AEDm)	EBITDA leverage (x)	EBITDA net leverage (x)	EBITDA net interest coverage (x)
Emaar Properties PJSC	BBB						
	BBB	2023	26,750	14,054	0.9	-0.2	n.m.
	BBB-	2022	24,926	9,403	1.5	1.0	41.3
		2021	28,269	7,969	2.0	2.0	16.0
Majid Al Futtaim Holding LLC	BBB						
	BBB	2023	34,497	4,528	4.1	3.6	3.7
	BBB	2022	36,319	4,213	4.2	3.8	4.4
	BBB	2021	32,291	4,028	3.7	3.3	4.4
The Berkeley Group Holdings plc	BBB-						
	BBB-	2023	11,673	2,739	1.1	-0.7	187.0
	BBB-	2022	10,839	2,370	1.3	-0.5	138.8
	BBB-	2021	11,251	2,635	0.6	-2.2	101.1

Source: Fitch Ratings, Fitch Solutions

Fitch Adjusted Financials

(AEDm as of 31 December 2023)	Standardised values	Lease treatment	Other adjustments	Adjusted values
Income statement summary				
Revenue	26,750	—	—	26,750
EBITDA	13,839	-182	-0	13,657
Depreciation and amortisation	-1,531	130	0	-1,401
EBIT	13,718	-52	—	13,666
Balance sheet summary				
Debt	12,271	—	—	12,271
Of which other off-balance-sheet debt	—	—	—	—
Lease-equivalent debt	—	—	—	—
Lease-adjusted debt	12,271	—	—	12,271
Readily available cash and equivalents	14,494	—	—	14,494
Not readily available cash and equivalents	19,361	—	—	19,361
Cash flow summary				
EBITDA	13,839	-182	-0	13,657
Dividends received from associates less dividends paid to minorities	397	—	—	397
Interest paid	-921	52	—	-869
Interest received	1,299	—	—	1,299
Preferred dividends paid	—	—	—	—
Cash tax paid	-4	—	—	-4
Other items before FFO	3,335	-52	—	3,283
FFO	17,944	-182	-0	17,763
Change in working capital	2,662	—	—	2,662
CFO	20,606	-182	0	20,425
Non-operating/nonrecurring cash flow	—	—	—	—
Capex	-590	—	—	-590
Common dividends paid	-2,907	—	—	-2,907
FCF	17,110	-182	0	16,928
Gross leverage (x)				
Debt/EBITDA	0.9	—	—	0.9
(CFO-capex)/debt (%)	163.1	—	—	161.6
Net leverage (x)				
Net debt/EBITDA	-0.2	—	—	-0.2
(CFO-capex)/net debt (%)	-900.1	—	—	-891.9
Coverage (x)				
EBITDA interest coverage	15.5	—	—	16.2

CFO – Cash flow from operations
Note: The standardised items presented above are based on Fitch's taxonomy for the given sector and region.
Reported items may not match the Fitch taxonomy, but they are captured into corresponding lines accordingly.
Debt includes other off-balance-sheet debt.
Debt in the standardised values column excludes lease liabilities of AED863.66 million.
Source: Fitch Ratings, Fitch Solutions, Emaar Properties PJSC

SOLICITATION & PARTICIPATION STATUS

For information on the solicitation status of the ratings included within this report, please refer to the solicitation status shown in the relevant entity's summary page of the Fitch Ratings website.

For information on the participation status in the rating process of an issuer listed in this report, please refer to the most recent rating action commentary for the relevant issuer, available on the Fitch Ratings website.