

**Mamoura Diversified Global Holding PJSC**

UNAUDITED INTERIM CONDENSED  
CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2022

# **Mamoura Diversified Global Holding PJSC**

## **Interim condensed consolidated financial statements**

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# Independent Auditors' Report on Review of Interim Condensed Consolidated Financial Statements

## To the Shareholder of Mamoura Diversified Global Holding PJSC

### Introduction

We have reviewed the accompanying 30 June 2022 interim condensed consolidated financial statements of Mamoura Diversified Global Holding PJSC ("MDGH" or "the Company") and its subsidiaries (together referred to as "the Group"), which comprises:

- the interim consolidated statement of comprehensive income for the six-month period ended 30 June 2022;
- the interim consolidated statement of financial position as at 30 June 2022;
- the interim consolidated statement of changes in equity for the six-month period ended 30 June 2022;
- the interim consolidated statement of cash flows for the six-month period ended 30 June 2022; and
- notes to the interim condensed consolidated financial statements.

Management is responsible for the preparation and presentation of these interim condensed consolidated financial statements in accordance with International Accounting Standard 34, 'Interim Financial Reporting'. Our responsibility is to express a conclusion on these interim condensed consolidated financial statements based on our review.

### Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim condensed consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



## Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed consolidated financial statements as at and for the six-month ended 30 June 2022 are not prepared, in all material respects, in accordance with IAS 34, 'Interim Financial Reporting'.

KPMG Lower Gulf Limited

Emilio Pera  
Registration No.: 1146  
Abu Dhabi, United Arab Emirates

Date: 7 October 2022

# Mamoura Diversified Global Holding PJSC

## INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six-month period ended 30 June 2022 (Unaudited)

	Notes	Six-month period ended 30 June	
		2022 AED millions	2021 AED millions
<b>CONTINUING OPERATIONS</b>			
Revenue	7	32,284	26,932
Cost of sales		<u>(22,106)</u>	<u>(19,458)</u>
<b>Gross profit</b>		<b>10,178</b>	7,474
Research, development and exploration expenses		(1,024)	(987)
General and administrative expenses		(3,748)	(3,400)
Investment (loss) / income ( <i>net</i> )	8	(14,233)	14,844
Income from equity accounted investees	12(b)	8,337	4,957
Other income ( <i>net</i> )		550	642
Impairment losses related to financial assets at amortised cost ( <i>net</i> )		<u>(49)</u>	<u>(152)</u>
<b>Profit before net finance expense and taxes</b>		<b><u>11</u></b>	<u>23,378</u>
Finance income		1,504	719
Finance costs		(2,025)	(1,984)
Foreign exchange gain / (loss) ( <i>net</i> )		<u>498</u>	<u>(86)</u>
<b>Net finance expense</b>		<b><u>(23)</u></b>	<u>(1,351)</u>
<b>(Loss) / profit before income tax from continuing operations</b>		<b>(12)</b>	22,027
Income tax expense ( <i>net</i> )		<u>(1,237)</u>	<u>(1,013)</u>
<b>(Loss) / profit for the period from continuing operations</b>		<b>(1,249)</b>	21,014
<b>DISCONTINUED OPERATIONS</b>			
Profit for the period from discontinued operations, net of tax	5	<u>909</u>	<u>706</u>
<b>(Loss) / profit for the period</b>		<b><u>(340)</u></b>	<u>21,720</u>
<b>(Loss) / profit for the period attributable to:</b>			
Owner of the Group		(733)	21,641
Non-controlling interests		<u>393</u>	<u>79</u>
		<b><u>(340)</u></b>	<u>21,720</u>

# Mamoura Diversified Global Holding PJSC

## INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME continued For the six-month period ended 30 June 2022 (Unaudited)

	<i>Six-month period ended</i>	
	<i>30 June</i>	
	<i>2022</i>	<i>2021</i>
	<i>AED</i>	<i>AED</i>
	<i>millions</i>	<i>millions</i>
<b>Other comprehensive income</b>		
<i>Items that are or may be reclassified to profit or loss in subsequent periods</i>		
Exchange difference on translation of foreign operations	(3,007)	(1,075)
Gain on hedge of net investments in foreign operations ( <i>net</i> )	1,914	874
Share of other comprehensive income of equity accounted investees	1,663	563
Effective portion of changes in fair value of cash flow hedges and other reserves ( <i>net of tax</i> )	<u>679</u>	<u>(244)</u>
	1,249	118
<i>Items that will not be reclassified to profit or loss in subsequent periods</i>		
Re-measurements of defined benefit liability	<u>29</u>	<u>50</u>
<b>Other comprehensive income for the period, net of income tax</b>	<u>1,278</u>	<u>168</u>
<b>Total comprehensive income for the period</b>	<u>938</u>	<u>21,888</u>
<b>Total comprehensive income for the period attributable to:</b>		
Owner of the Group	376	21,797
Non-controlling interests	<u>562</u>	<u>91</u>
	<u>938</u>	<u>21,888</u>

The attached notes 1 to 25 form an integral part of these interim condensed consolidated financial statements.

# Mamoura Diversified Global Holding PJSC

## INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2022 (Unaudited)

	<i>Notes</i>	<i>30 June 2022 AED millions (unaudited)</i>	<i>31 December 2021 AED millions (audited)</i>
<b>ASSETS</b>			
Cash and cash equivalents	9	25,225	42,737
Trade receivables		8,359	7,343
Inventories		9,141	8,358
Other receivables and prepayments	10	62,531	53,844
Other financial assets	11	171,417	179,297
Defined benefit plan assets		323	385
Investment in equity accounted investees	12(a)	86,188	84,038
Investment properties	13	10,837	14,524
Property, plant and equipment	14	86,765	84,003
Intangible assets	15	9,403	9,599
Deferred tax assets		1,429	1,548
Assets classified as held for sale	5	<u>21,142</u>	<u>6,453</u>
<b>TOTAL ASSETS</b>		<b><u>492,760</u></b>	<b><u>492,129</u></b>
<b>EQUITY AND LIABILITIES</b>			
<b>Liabilities</b>			
Trade payables		5,109	5,206
Income tax payable		571	1,143
Interest-bearing borrowings	16	131,996	126,805
Other liabilities		37,896	43,082
Employees' benefit liabilities		763	852
Provisions		5,056	5,148
Deferred tax liabilities		4,289	3,877
Liabilities directly associated with assets classified as held for sale	5	<u>1,802</u>	<u>2,157</u>
<b>Total liabilities</b>		<b><u>187,482</u></b>	<b><u>188,270</u></b>
<b>Equity</b>			
Share capital		56,136	56,136
Additional shareholder contributions		119,290	119,290
Shareholder current account	4	46,054	45,946
Retained earnings		72,481	73,292
Other reserves	17	2,175	1,066
Government grants		<u>367</u>	<u>367</u>
<b>Total equity attributable to the Owner of the Group</b>		<b>296,503</b>	<b>296,097</b>
Non-controlling interests		<u>8,775</u>	<u>7,762</u>
<b>Total equity</b>		<b><u>305,278</u></b>	<b><u>303,859</u></b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b><u>492,760</u></b>	<b><u>492,129</u></b>

//Signed//

Waleed Al Mokarrab Al Muhairi  
Chairman

//Signed//

Carlos Obeid  
Director

(\*) See note 2 (e)

The attached notes 1 to 25 form an integral part of these interim condensed consolidated financial statements.

# Mamoura Diversified Global Holding PJSC

## INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the period ended 30 June 2022 (Unaudited)

	<i>Share capital AED millions</i>	<i>Additional shareholder contributions AED millions</i>	<i>Shareholder current account AED millions</i>	<i>Retained earnings AED millions</i>	<i>Other reserves AED millions</i>	<i>Government grants AED millions</i>	<i>Total attributable to the Owner of the Group AED millions</i>	<i>Non- controlling interests AED millions</i>	<i>Total equity AED millions</i>
At 1 January 2021 (audited)	<u>56,136</u>	<u>119,290</u>	<u>11,248</u>	<u>30,786</u>	<u>(12)</u>	<u>367</u>	<u>217,815</u>	<u>1,811</u>	<u>219,626</u>
Profit for the period	-	-	-	21,641	-	-	21,641	79	21,720
Other comprehensive income	-	-	-	-	156	-	156	12	168
Total comprehensive income	-	-	-	<u>21,641</u>	<u>156</u>	-	<u>21,797</u>	<u>91</u>	<u>21,888</u>
Transfer from an entity under common control ( <i>see note (i)</i> )	-	-	965	-	-	-	965	-	965
Dividends to non-controlling interests	-	-	-	-	-	-	-	(100)	(100)
Contribution by non-controlling interests	-	-	-	-	-	-	-	20	20
Share-based payments of a subsidiary	-	-	-	-	-	-	-	574	574
Other movements	-	-	-	63	-	-	63	(12)	51
At 30 June 2021 (unaudited)	<u>56,136</u>	<u>119,290</u>	<u>12,213</u>	<u>52,490</u>	<u>144</u>	<u>367</u>	<u>240,640</u>	<u>2,384</u>	<u>243,024</u>

(i) In 2021, the Shareholder of the Company instructed an entity under common control to transfer certain investment properties with a fair value of AED 965 million to the Group.



# Mamoura Diversified Global Holding PJSC

## INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY continued

For the period ended 30 June 2022 (Unaudited)

<i>Amounts in AED millions</i>	<i>Share capital</i>	<i>Additional shareholder contributions</i>	<i>Shareholder current account</i>	<i>Retained earnings</i>	<i>Other reserves</i>	<i>Government grants</i>	<i>Total attributable to the Owner of the Group</i>	<i>Non-controlling interests</i>	<i>Total equity</i>
At 1 January 2022 (audited)	<u>56,136</u>	<u>119,290</u>	<u>45,946</u>	<u>73,292</u>	<u>1,066</u>	<u>367</u>	<u>296,097</u>	<u>7,762</u>	<u>303,859</u>
(Loss) / profit for the period	-	-	-	(733)	-	-	(733)	393	(340)
Other comprehensive income	-	-	-	-	<u>1,109</u>	-	<u>1,109</u>	<u>169</u>	<u>1,278</u>
Total comprehensive (loss) / income	-	-	-	<u>(733)</u>	<u>1,109</u>	-	<u>376</u>	<u>562</u>	<u>938</u>
Transfer from entities under common control ( <i>see note 4(i)</i> )	-	-	108	-	-	-	108	-	108
Dividends to non-controlling interests	-	-	-	-	-	-	-	(236)	(236)
Share-based payments of a subsidiary	-	-	-	-	-	-	-	682	682
Acquisition of interest in a subsidiary	-	-	-	(128)	-	-	(128)	(250)	(378)
Disposal of stake in a subsidiary	-	-	-	126	-	-	126	240	366
Other movements	-	-	-	(76)	-	-	(76)	15	(61)
<b>At 30 June 2022 (unaudited)</b>	<b><u>56,136</u></b>	<b><u>119,290</u></b>	<b><u>46,054</u></b>	<b><u>72,481</u></b>	<b><u>2,175</u></b>	<b><u>367</u></b>	<b><u>296,503</u></b>	<b><u>8,775</u></b>	<b><u>305,278</u></b>

The attached notes 1 to 25 form an integral part of these interim condensed consolidated financial statements.

# Mamoura Diversified Global Holding PJSC

## INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

For the period ended 30 June 2022 (Unaudited)

	Notes	Six-month period ended 30 June	
		2022 AED millions	2021 AED millions
<b>Cash flows from operating activities</b>			
(Loss) / profit for the period		(340)	21,720
<i>Adjustments for:</i>			
Depreciation, amortisation and net impairment of property, plant and equipment, right of use and intangible assets		5,358	4,936
Investment loss / (income) ( <i>net</i> )		14,233	(14,844)
Finance lease and other income ( <i>net</i> )		(550)	(95)
Net impairment charges		49	152
Income from equity accounted investees ( <i>net</i> )	12(b)	(8,337)	(4,957)
Net finance expense		23	1,351
Income tax expense ( <i>net</i> )		1,237	1,013
Net decommissioning and other provisions		121	(329)
Share-based payments		682	574
Non-cash income and expense from discontinued operations		<u>(670)</u>	<u>(592)</u>
		<b>11,806</b>	<b>8,929</b>
Change in inventories		(783)	(50)
Change in trade and other receivables and prepayments		(889)	(549)
Change in trade payables and other liabilities		1,595	1,000
Income taxes (paid) / refunded		<u>(1,291)</u>	<u>39</u>
<b>Net cash generated from operating activities</b>		<b><u>10,438</u></b>	<b><u>9,369</u></b>
<b>Cash flows from investing activities</b>			
Acquisition of financial investments		(20,220)	(14,987)
Proceeds from disposals on redemptions of and distributions from financial investments		8,478	4,448
Acquisition of investees ( <i>net of cash acquired</i> ) ( <i>see note (i)</i> )		(2,490)	(2,284)
Proceeds from disposal of investees ( <i>net of cash disposed</i> ) ( <i>see note (i)</i> )		90	3,782
Acquisition of non-current assets ( <i>see note (ii)</i> )		(7,853)	(5,381)
Proceeds from disposal of non-current assets ( <i>see note (ii)</i> )		403	62
Proceeds from settlement of loans		99	315
Loans disbursed		(1,388)	(1,680)
Change in long-term deposits		(14,826)	6,760
Dividend income received		2,576	2,441
Interest income received		<u>1,120</u>	<u>583</u>
<b>Net cash used in investing activities</b>		<b><u>(34,011)</u></b>	<b><u>(5,941)</u></b>

# Mamoura Diversified Global Holding PJSC

## INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS continued

For the period ended 30 June 2022 (Unaudited)

	<i>Notes</i>	<i>Six-month period ended</i>	
		<i>2022</i>	<i>2021</i>
		<i>AED</i>	<i>AED</i>
		<i>millions</i>	<i>millions</i>
<b>Cash flows from financing activities</b>			
Proceeds from government grants		<b>16</b>	112
Proceeds from issuance of interest-bearing borrowings	16	<b>17,607</b>	23,787
Repayment of borrowings and lease liabilities		<b>(10,134)</b>	(16,702)
Interest paid		<b>(1,593)</b>	(1,165)
Dividends paid to non-controlling interests		<b>(236)</b>	(100)
<b>Net cash generated from financing activities</b>		<b><u>5,660</u></b>	<u>5,932</u>
<b>Net (decrease) / increase in cash and cash equivalents</b>		<b>(17,913)</b>	9,360
Cash and cash equivalents at 1 January		<b>42,737</b>	21,650
Net foreign exchange fluctuation		<b>401</b>	(375)
<b>Cash and cash equivalents at 30 June</b>	9	<b><u>25,225</u></b>	<u>30,635</u>

- (i) Investees include subsidiaries, equity accounted investees, and net assets classified as held for sale.
- (ii) Non-current assets comprise of property, plant and equipment, intangible assets and investment properties.

Significant non-cash transactions have been excluded from the consolidated statement of cash flows. Refer to the consolidated statement of changes in equity and note 4.

The attached notes 1 to 25 form an integral part of these interim condensed consolidated financial statements.

# Mamoura Diversified Global Holding PJSC

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 June 2022 (Unaudited)

### 1 LEGAL STATUS AND PRINCIPAL ACTIVITIES

Mamoura Diversified Global Holding PJSC (“MDGH” or “the Company”) is registered as a public joint stock company in the Emirate of Abu Dhabi, United Arab Emirates (“UAE”). The Company was established by the Emiri Decree No. 12, dated 6 October 2002 and was incorporated on 27 October 2002. The Company’s registered address is PO Box 45005, Abu Dhabi, UAE.

The Company and its subsidiaries (together the “Group”) are engaged in investing and managing investments, in sectors and entities that contribute to the Emirate of Abu Dhabi’s strategy to diversify its economy. Consequently, the Group holds interests in a wide range of sectors and industries.

The Company is wholly owned by Mubadala Investment Company PJSC (the “Shareholder” or the “Parent”) and the ultimate parent of the Company is the Government of the Emirate of Abu Dhabi (the “Ultimate Parent”).

These interim condensed consolidated financial statements were authorised for issue by the Board of Directors on 7 October 2022.

### 2 BASIS OF PREPARATION

#### (a) Statement of compliance

These interim condensed consolidated financial statements have been prepared in accordance with International Accounting Standard 34, “*Interim Financial Reporting*” and the applicable requirements of the Federal Decree Law No. 32 of 2021 on Commercial Companies.

The interim condensed consolidated financial statements do not include all the information required for full annual consolidated financial statements and should be read in conjunction with the consolidated financial statements of the Group as at and for the year ended 31 December 2021, prepared in accordance with International Financial Reporting Standards (“IFRS”).

#### (b) Basis of measurement

The interim condensed consolidated financial statements have been prepared on the historical cost basis, except for the following:

- Certain financial assets and liabilities (including derivative instruments) and investment properties – measured at fair value;
- Assets held for sale – measured at the lower of carrying amount and fair value less costs to sell;
- Defined benefit pension plans and plan assets measured at fair value; and
- Certain non-current assets received as government grants which are measured at nominal value.

#### (c) Functional and presentation currency

The interim condensed consolidated financial statements are presented in UAE Dirhams, (“AED”) which is the Company’s functional and presentation currency. All financial information presented in AED has been rounded to the nearest million, unless otherwise stated.

#### (d) Use of estimates and judgements

The preparation of the interim condensed consolidated financial statements in conformity with IFRSs requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

### **2 BASIS OF PREPARATION** continued

#### **(d) Use of estimates and judgements** continued

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

In preparing these interim condensed consolidated financial statements, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were similar to those described in the Group's consolidated financial statements for the year ended 31 December 2021.

#### **(e) Change in presentation of interim consolidated statement of financial position**

In accordance with IAS 1 *Presentation of Financial statements*, the presentation of the interim consolidated statement of financial position has been changed from current/non-current classification to presentation based on liquidity. Based on internal assessment and considering the nature of operations of the Group, the liquidity basis of presentation provides information that is reliable and more relevant to the users of these interim condensed consolidated financial statements.

### **3 SIGNIFICANT ACCOUNTING POLICIES**

The significant accounting policies applied by the Group in these interim condensed consolidated financial statements are the same as those applied in the consolidated financial statements as at and for the year ended 31 December 2021, except for the adoption of new standards effective as of 1 January 2022 as listed below:

- Reference to the Conceptual Framework – Amendments to IFRS 3
- Property, Plant and Equipment: Proceeds before Intended Use – Amendments to IAS 16
- Onerous Contracts – Costs of Fulfilling a Contract – Amendments to IAS 37
- IFRS 9 Financial Instruments – Fees in the '10 per cent' test for derecognition of financial liabilities

These amendments had no significant impact on the interim condensed consolidated financial statements of the Group.

During 2022, the Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

# Mamoura Diversified Global Holding PJSC

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 June 2022 (Unaudited)

### 4 TRANSFERS FROM / TO SHAREHOLDER AND ENTITIES UNDER COMMON CONTROL

	<i>30 June 2022 AED millions (unaudited)</i>	<i>31 December 2021 AED millions (audited)</i>
<b>Shareholder current account</b>		
At 1 January	<b>45,946</b>	11,248
Assets transferred in ( <i>see note 4(i)</i> )	<b>168</b>	41,925
Assets transferred out ( <i>see note 4(ii)</i> )	<b><u>(60)</u></b>	<b><u>(7,227)</u></b>
<b>At the end of the period / year</b>	<b><u>46,054</u></b>	<b><u>45,946</u></b>

#### i) Transfers of assets from entities under common control

During the six-month period ended 30 June 2022, the Parent instructed Abu Dhabi Investment Council Company PJSC (“ADIC”), an entity under common control, to transfer certain financial instruments measured at fair value through profit or loss with a carrying value of AED 168 million to the Group.

In 2021, the Parent instructed various entities under common control to transfer certain assets to the Group:

- a. Transfer of Special Purpose Vehicles (“SPVs”) containing the Parent’s investments in Softbank Vision Fund with a fair value of AED 42,319 million as at 31 December 2021, and other liabilities (net) with a carrying value of AED 8,081 million.
- b. Transfer of various assets held by ADIC, as follows:
  - Abu Dhabi Islamic Bank PJSC (fair value of AED 1,572 million on transfer date) and Emirates Insurance Company PSC (fair value of AED 127 million on transfer date), classified as financial instruments at fair value through profit or loss (*see note 11*); and
  - Aldar Properties PJSC (“Aldar”) (fair value of AED 2,290 million on transfer date) and various other assets (total carrying value of AED 2,206 million on transfer date), classified as equity accounted investees (*see note 12(a)(i)*).
- c. Investment properties with a fair value of AED 965 million and financial assets with a fair value of AED 527 million, classified as financial instruments at fair value through profit or loss, were transferred in from various entities under common control.

#### ii) Transfers of assets to entities under common control

In 2021, the Parent of the Company instructed the Group to transfer its entire 3.68% equity interest in First Abu Dhabi Bank PJSC to an entity under common control at fair value of AED 7,227 million on the date of transfer.

# Mamoura Diversified Global Holding PJSC

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 June 2022 (Unaudited)

### 5 DISCONTINUED OPERATIONS

	<b>30 June 2022 AED millions (unaudited)</b>	<b>30 June 2021 AED millions (unaudited)</b>
Clean Energy Business ( <i>see note (i)</i> )	<b>239</b>	<b>5</b>
Borealis AG (“Borealis”) ( <i>see note (ii)</i> )	<b><u>670</u></b>	<b><u>701</u></b>
<b>Profit for the period from discontinued operations</b>	<b><u>909</u></b>	<b><u>706</u></b>

The total assets classified as held for sale as at 30 June 2022 was AED 21,142 million (*31 December 2021: AED 6,453 million*) which mainly includes assets related to Clean Energy Business, Borealis and ADGM Square Development (*see note (iii)*). The total liabilities associated with Clean Energy Business and ADGM Square Development classified as held for sale as at 30 June 2022 was AED 1,802 million (*31 December 2021: AED 2,157 million*).

#### (i) Clean Energy Business

On 29 November 2021, the Board of Directors of the Parent approved the disposal of 67% stake in Abu Dhabi Future Energy Company PJSC (“Masdar”) to Abu Dhabi National Oil Company (“ADNOC”) and Abu Dhabi National Energy Company PJSC (“TAQA”). The disposal is limited to net assets related to Masdar’s Renewables and Strategic Initiatives Business (“Clean Energy Business”) and excludes net assets related to Sustainable Real Estate and related Masdar City land (“Sustainable Real Estate Business”), which will be retained by the Group. Further, Ninety Sixth Investment Company LLC, currently wholly owned subsidiary of the Group, and holding investments in US renewable net assets, will be transferred to Masdar and will become part of Masdar Clean Energy Business before the disposal to ADNOC and TAQA. The agreement for sale has been signed in June 2022. The transaction is expected to close in the second half of 2022 subject to customary closing conditions and regulatory approvals. Based on available facts, management has concluded that subsequent to the closure of the transaction, the Group is expected to lose control over the Clean Energy Business and accordingly has classified and disclosed the Clean Energy Business as discontinued operations in these interim condensed consolidated financial statements.

As part of the exercise to carve-out Sustainable Real Estate Business from Masdar, the Group has made certain significant judgements and estimates, impacting the allocation of assets, liabilities, income and expenses between Sustainable Real Estate Business and Clean Energy Business. While applying these significant judgements and estimates, the Group has considered the underlying nature of assets and liabilities as well as their actual and expected utilisation by respective business units and the estimated employee headcount ratio.

The carve out of the Clean Energy Business’s operation and financial position is underway and accordingly still subject to closing adjustments and finalisation.

#### (ii) Borealis

On 22 April 2022, the Board of Directors of the Parent approved the disposal of the Group’s interest in Borealis. On 29 April 2022, the Group signed an agreement with ADNOC to sell its 25% stake in Borealis. The transaction is expected to close in the second half of 2022 subject to customary closing conditions and regulatory approvals. Accordingly, the Group’s investment in Borealis, amounting to AED 9,854 million, has been classified and disclosed as assets held for sale in these interim condensed consolidated financial statements.

# Mamoura Diversified Global Holding PJSC

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 June 2022 (Unaudited)

### 5 DISCONTINUED OPERATIONS continued

#### (ii) Borealis continued

Summarised financial information in respect of Borealis is set out below. The summarised financial information represents amounts shown in Borealis' financial statements (not adjusted for the percentage ownership of the Group) prepared in accordance with IFRSs, except for the Group's share of profits and dividends received.

	<i>1 January 2022 to 29 April 2022 AED millions (unaudited)</i>	<i>1 January 2021 to 30 June 2021 AED millions (unaudited)</i>
Revenue	<u>17,492</u>	<u>17,858</u>
Profit for the period	<u>3,031</u>	3,635
Other comprehensive income	<u>1,034</u>	<u>712</u>
Total comprehensive income	<u>4,065</u>	<u>4,347</u>
Group's share of profit	<u>670</u>	<u>701</u>
Dividends received by the Group	<u>720</u>	<u>159</u>
	<i>29 April 2022 AED millions (unaudited)</i>	<i>31 December 2021 AED millions (audited)</i>
Current assets	<u>22,997</u>	22,811
Non-current assets	<u>30,731</u>	31,414
Current liabilities	<u>(9,445)</u>	(10,360)
Non-current liabilities	<u>(11,582)</u>	(9,741)
Non-controlling interest	<u>15</u>	<u>18</u>
Net assets	<u>32,716</u>	34,142
Group's ownership	<u>25%</u>	<u>25%</u>
Group's share of net assets	<u>8,179</u>	8,536
Purchase price allocations adjustments ( <i>net</i> )	<u>1,675</u>	<u>1,906</u>
Carrying amount	<u>9,854</u>	<u>10,442</u>



### 5 DISCONTINUED OPERATIONS continued

#### (iii) ADGM Square Development

Subsequent to the endorsement by the Parent's Investment Committee in June 2022, the Board of Directors of the Parent, in July 2022, approved the sale of four towers and a parking space in ADGM Square Development, including their related assets and liabilities to Aldar for a consideration of AED 4,300 million. Accordingly, related assets and liabilities have been classified as held for sale as at 30 June 2022. Subsequent to the period end, in July 2022, the sale transaction was completed.

### 6 OPERATING SEGMENTS

The Group is organised into four business platforms namely, UAE Investments, Direct Investments, Disruptive Investments and Real Estate and Infrastructure Investments. The business platforms are responsible for the screening, due diligence, development and implementation of all business ideas, investment opportunities, acquisitions and disposals. The following summary describes the operations in each of the Group's reportable segments:

#### UAE Investments

This platform aims to accelerate the transformation of the UAE's economy by investing in national world class champions, fostering vibrant industrial and commercial clusters and partnering with world-class global entities. The aspiration is to grow these assets and incubate new initiatives aimed at attracting investment partners to cultivate these sectors further and establish additional clusters in the UAE for profitable and sustainable growth.

#### Direct Investments

This platform executes global direct investments and actively manages a portfolio targeting high-growth, highly-profitable companies across a range of sectors with strong fundamentals including energy, chemicals, technology, life sciences, consumer, industrials and financial services.

#### Disruptive Investments

This platform encompasses: (i) investments in next-generation companies that are pioneering breakthrough solutions across a wide range of sectors and geographies; (ii) country-focused and commercially driven investment programmes established with a local partner, including in Russia and CIS, China, United Kingdom and France; and (iii) credit investments primarily in the form of direct lending in North America and Western Europe and across different asset classes and industries.

#### Real Estate and Infrastructure Investments

This platform deploys capital into physical assets around the world that offer long-term stable returns across business cycles. It includes real estate investments, as well as international infrastructure, both physical and digital.

#### Corporate

The segment is responsible for developing and driving the strategy of the Group.

# Mamoura Diversified Global Holding PJSC

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 30 June 2022 (Unaudited)

### 6 OPERATING SEGMENTS continued

<i>AED millions</i>	<i>UAE Investments</i>	<i>Disruptive Investments</i>	<i>Direct Investments</i>	<i>Real Estate and Infrastructure Investments</i>	<i>Corporate</i>	<i>Total</i>
<b>For the period ended 30 June 2022 (unaudited)</b>						
Revenues from contracts with customers	<b>8,108</b>	<b>159</b>	<b>23,189</b>	<b>28</b>	-	<b>31,484</b>
Other revenue	<u>785</u>	-	-	-	<u>15</u>	<u>800</u>
<b>Total revenue</b>	<b><u>8,893</u></b>	<b><u>159</u></b>	<b><u>23,189</u></b>	<b><u>28</u></b>	<b><u>15</u></b>	<b><u>32,284</u></b>
Profit / (loss) for the period attributable to the Owner of the Group (continuing operations)	<u>6,030</u>	<u>(11,851)</u>	<u>3,518</u>	<u>1,634</u>	<u>(973)</u>	<u>(1,642)</u>
Profit for the period attributable to the Owner of the Group (discontinued operations)	<u>239</u>	-	<u>670</u>	-	-	<u>909</u>
Total comprehensive income / (loss) for the period attributable to the Owner of the Group	<u>7,619</u>	<u>(11,824)</u>	<u>4,064</u>	<u>1,461</u>	<u>(944)</u>	<u>376</u>
<b>At 30 June 2022 (unaudited)</b>						
<b>Total assets</b>	<b><u>129,678</u></b>	<b><u>108,347</u></b>	<b><u>180,087</u></b>	<b><u>32,356</u></b>	<b><u>42,292</u></b>	<b><u>492,760</u></b>
<b>Total liabilities</b>	<b><u>29,277</u></b>	<b><u>23,977</u></b>	<b><u>52,095</u></b>	<b><u>1,325</u></b>	<b><u>80,808</u></b>	<b><u>187,482</u></b>
<b>For the period ended 30 June 2021 (unaudited)</b>						
Revenues from contracts with customers	5,498	104	20,481	17	-	26,100
Other revenue	<u>767</u>	-	<u>44</u>	-	<u>21</u>	<u>832</u>
Total revenue	<u>6,265</u>	<u>104</u>	<u>20,525</u>	<u>17</u>	<u>21</u>	<u>26,932</u>
Profit / (loss) for the period attributable to the Owner of the Group (continuing operations)	<u>5,994</u>	<u>6,719</u>	<u>8,047</u>	<u>1,126</u>	<u>(951)</u>	<u>20,935</u>
Profit for the period attributable to the Owner of the Group (discontinued operations)	<u>5</u>	-	<u>701</u>	-	-	<u>706</u>
Total comprehensive income / (loss) for the period attributable to the Owner of the Group	<u>5,532</u>	<u>6,717</u>	<u>9,351</u>	<u>1,141</u>	<u>(944)</u>	<u>21,797</u>
<b>At 31 December 2021 (audited)</b>						
Total assets	<u>130,014</u>	<u>114,516</u>	<u>177,816</u>	<u>29,209</u>	<u>40,574</u>	<u>492,129</u>
Total liabilities	<u>27,025</u>	<u>22,701</u>	<u>50,479</u>	<u>1,285</u>	<u>86,780</u>	<u>188,270</u>

# Mamoura Diversified Global Holding PJSC

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 June 2022 (Unaudited)

### 7 REVENUE

	<i>Revenue from contract with customers AED millions</i>	<i>Other revenue AED millions</i>	<i>Total revenue AED millions</i>
<i>Six-month period ended 30 June 2022 (unaudited)</i>			
Revenue from semiconductor wafers	14,448	-	14,448
Revenue from petrochemicals	8,738	-	8,738
Revenue from exploration and production activities	4,378	-	4,378
Revenue from aircraft maintenance and repairs, components leasing and sales	1,145	74	1,219
Revenue from medical services	1,681	-	1,681
Revenue from satellite capacity leasing	513	242	755
Others	<u>581</u>	<u>484</u>	<u>1,065</u>
	<u><b>31,484</b></u>	<u><b>800</b></u>	<u><b>32,284</b></u>
<i>Six-month period ended 30 June 2021 (unaudited)</i>			
Revenue from semiconductor wafers	11,213	-	11,213
Revenue from petrochemicals	9,267	-	9,267
Revenue from exploration and production activities	2,862	-	2,862
Revenue from aircraft maintenance and repairs, components leasing and sales	600	87	687
Revenue from medical services	1,289	-	1,289
Revenue from satellite capacity leasing	457	242	699
Others	<u>412</u>	<u>503</u>	<u>915</u>
	<u><b>26,100</b></u>	<u><b>832</b></u>	<u><b>26,932</b></u>
		<i>Six-month period ended 30 June</i>	
		<i>2022 AED millions (unaudited)</i>	<i>2021 AED millions (unaudited)</i>
<i>Timing of revenue recognition</i>			
Over a period of time		<b>3,038</b>	2,145
At a single point in time		<u><b>28,446</b></u>	<u>23,955</u>
<b>Revenue from contracts with customers</b>		<u><b>31,484</b></u>	<u>26,100</u>

# Mamoura Diversified Global Holding PJSC

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 June 2022 (Unaudited)

### 8 INVESTMENT (LOSS) / INCOME (NET)

	<i>Six-month period ended</i>	
	<b>30 June</b>	
	<b>2022</b>	<b>2021</b>
	<b>AED</b>	<b>AED</b>
	<b>millions</b>	<b>millions</b>
	<b>(unaudited)</b>	<b>(unaudited)</b>
Fair value (losses) / gains from non-derivative financial instruments ( <i>net</i> )	<b>(15,644)</b>	13,826
Fair value gains from derivative financial instruments ( <i>net</i> )	<b>797</b>	428
Dividend income from equity investments	<b>350</b>	625
Fair value gains / (losses) from investment properties ( <i>net</i> )	<b><u>264</u></b>	<u>(35)</u>
	<b><u>(14,233)</u></b>	<u>14,844</u>

### 9 CASH AND CASH EQUIVALENTS

	<b>30 June</b>	<b>31 December</b>
	<b>2022</b>	<b>2021</b>
	<b>AED</b>	<b>AED</b>
	<b>millions</b>	<b>millions</b>
	<b>(unaudited)</b>	<b>(audited)</b>
Bank balances:		
- deposit accounts	<b>8,906</b>	22,618
- call and current accounts	<b>16,317</b>	20,117
Cash in hand	<b><u>2</u></b>	<u>2</u>
<b>Cash and cash equivalents</b>	<b><u>25,225</u></b>	<u>42,737</u>

Bank balances are placed with commercial banks and are short-term in nature (less than 3 months maturity). Deposit and call accounts earn interest at prevailing market rates. Bank balances include AED 7,902 million (*31 December 2021: AED 9,671 million*) placed with entities under common control (*see note 20(d)*) on arm's length basis.

# Mamoura Diversified Global Holding PJSC

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 June 2022 (Unaudited)

### 10 OTHER RECEIVABLES AND PREPAYMENTS

	<b>30 June 2022 AED millions (unaudited)</b>	<b>31 December 2021 AED millions (audited)</b>
Amounts due from related parties ( <i>see notes (i) and 20(d)</i> )	<b>19,740</b>	23,508
Restricted and long-term deposits ( <i>see note (ii)</i> )	<b>34,576</b>	19,751
Receivables against government grants	<b>173</b>	172
Finance lease receivables	<b>2,118</b>	2,127
Contract assets receivable	<b>109</b>	158
Other receivables and prepayments	<b><u>6,406</u></b>	<u>8,719</u>
	<b>63,122</b>	54,435
Less: expected credit losses	<b><u>(591)</u></b>	<u>(591)</u>
	<b><u>62,531</u></b>	<u>53,844</u>

- (i) As at 30 June 2022, amounts due from related parties include service concession receivables amounting to AED 3,992 million (*31 December 2021: AED 4,176 million*) (*see note 20(d)*), on account of services relating to the construction of buildings for certain universities. Service concession receivables are expected to be recovered over the respective concession periods of the universities which is expected to continue until the years 2034 to 2036. Further, in February 2022, a receivable of AED 7,653 million from the Government of Abu Dhabi has been settled.
- (ii) As at 30 June 2022, restricted and long-term deposit includes long term deposits amounting to AED 33,837 million (*31 December 2021: AED 18,539 million*) which represent deposits with an original maturity of more than three months. Long term deposits include AED 16,719 million (*31 December 2021: AED 14,560 million*) placed with entities under common control (*see note 20(d)*).

### 11 OTHER FINANCIAL ASSETS

	<b>30 June 2022 AED millions (unaudited)</b>	<b>31 December 2021 AED millions (audited)</b>
Loans receivable ( <i>see note 11(a)</i> )	<b>11,296</b>	10,113
Investment in non-derivative financial instruments ( <i>see note 11(b)</i> )	<b>158,255</b>	168,844
Derivative financial instruments	<b><u>1,866</u></b>	<u>340</u>
	<b><u>171,417</u></b>	<u>179,297</u>

# Mamoura Diversified Global Holding PJSC

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 June 2022 (Unaudited)

### 11 OTHER FINANCIAL ASSETS continued

#### (a) Loans receivable

	<i>30 June 2022 AED millions (unaudited)</i>	<i>31 December 2021 AED millions (audited)</i>
Loans to joint ventures	1,656	1,620
Loans to entities under common control	122	122
Loans to associates	<u>-</u>	<u>2</u>
Loans to related parties	1,778	1,744
Less: expected credit losses	<u>(1,164)</u>	<u>(1,165)</u>
<b>Loans to related parties (net) (see note 20(d))</b>	<b><u>614</u></b>	<b><u>579</u></b>
Loans to third parties (see note (i))	11,230	10,064
Less: expected credit losses	<u>(548)</u>	<u>(530)</u>
<b>Loans to third parties (net)</b>	<b><u>10,682</u></b>	<b><u>9,534</u></b>
<b>Total loans receivable</b>	<b><u>11,296</u></b>	<b><u>10,113</u></b>

- (i) Out of the total loans given to third parties, loans amounting to AED 8,651 million (31 December 2021: AED 7,413 million) is represented by senior secured loans provided to middle-market businesses across multiple industries primarily located in the United States of America. These loans are secured, through share pledges, by the enterprise value of the obligors. As of 30 June 2022, this collateral represents approximately 253% (31 December 2021: 302%) of the carrying value of the senior secured loan portfolio.

# Mamoura Diversified Global Holding PJSC

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 June 2022 (Unaudited)

### 11 OTHER FINANCIAL ASSETS continued

#### (b) Investment in non-derivative financial instruments

	<i>30 June 2022 AED millions (unaudited)</i>	<i>31 December 2021 AED millions (audited)</i>
<b>i. Fair value through profit or loss (“FVTPL”) financial assets</b>		
<u>Quoted investments</u>		
Equity securities ( <i>see note (i)</i> )	<b>16,209</b>	22,315
Debt securities	<b><u>2,874</u></b>	<u>2,592</u>
<i>Total quoted investments</i>	<b><u>19,083</u></b>	<u>24,907</u>
<u>Unquoted investments</u>		
Convertible bonds and preference shares	<b>6,047</b>	6,635
Equity securities ( <i>see note (ii)</i> )	<b>23,325</b>	23,477
Funds ( <i>see note (iii)</i> )	<b>90,734</b>	100,794
Loans receivable ( <i>see note (iv)</i> )	<b><u>16,084</u></b>	<u>12,947</u>
<i>Total unquoted investments</i>	<b><u>136,190</u></b>	<u>143,853</u>
<b><i>Total financial assets through profit or loss</i></b>	<b><u>155,273</u></b>	<u>168,760</u>
<b>ii. Fair value through other comprehensive income</b>		
Quoted debt securities ( <i>see note (v)</i> )	<b><u>2,982</u></b>	<u>84</u>
	<b><u>158,255</u></b>	<u>168,844</u>
(i)	During the period, the Group disposed its stake in Glencore Inc. for AED 894 million and Cosmo Oil for AED 985 million. The Group recognised a net fair value loss of approximately AED 5,344 million on its investment in quoted equity securities ( <i>for the period ended 30 June 2021: net fair value gain of approximately AED 6,422 million</i> ).	
(ii)	During the period, equity investments in Connect Infrastructure Topco Limited, a company that owns CityFibre Infrastructure Holdings Limited, with carrying value of AED 2,670 million, was reclassified to equity accounted investee ( <i>see note 12(a)(ii)</i> ). Also, equity investments, with a carrying value of AED 1,316 million, consolidated through a controlled fund were deconsolidated ( <i>see note 12(a)(ii)</i> ). The Group made net new investments of AED 3,364 million which includes investments in Careus Topco S.a.r.l of AED 1,100 million and Getir B.V of AED 918 million. The Group recognised a net fair value gain of approximately AED 483 million on its investment in unquoted equity securities ( <i>for the period ended 30 June 2021: net fair value gain of approximately AED 587 million</i> ).	
(iii)	During the period, the Group also recognised a net fair value loss of approximately AED 10,561 million on its investments in unquoted funds ( <i>for the period ended 30 June 2021: net fair value gains of approximately AED 6,561 million</i> ). The Group made new investments of AED 8,771 million and disposals of AED 8,240 million.	
(iv)	During the period, the consolidated credit funds of the Group disbursed additional loans amounting to AED 3,357 million.	
(v)	During the period, a subsidiary of the Group invested in marketable securities, the fair value of which is AED 2,895 million as at the period end.	

# Mamoura Diversified Global Holding PJSC

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 June 2022 (Unaudited)

### 12 INVESTMENTS IN EQUITY ACCOUNTED INVESTEES

#### (a) Investments in equity accounted investees

	<i>30 June 2022 AED millions (unaudited)</i>	<i>31 December 2021 AED millions (audited)</i>
Investments in associates ( <i>see notes (i), (ii) and 5(ii)</i> )	<b>38,301</b>	43,828
Investments in joint ventures ( <i>see notes (ii)</i> )	<b><u>47,887</u></b>	<u>40,210</u>
	<b><u>86,188</u></b>	<u>84,038</u>

#### (i) *Partial disposal of and transfer in of interest in Aldar Properties PJSC*

In March 2021, the Group disposed 12.21% of its interest in Aldar. The carrying amount of disposed interest was AED 3,196 million and the sale resulted in a gain of AED 353 million. Subsequently in August 2021, ADIC transferred its 7.58% interest in Aldar with a fair value of AED 2,290 million to the Group (*see note 4(i)(b)*).

Subsequent to the above transactions, the Group holds a 25.12% equity interest in Aldar. The Group continues to exercise significant influence over Aldar and accounts for the retained stake as an equity accounted associate.

#### (ii) *Others*

During the period, the Group has made a commitment to invest an additional amount of AED 1,341 million (GBP 300 million) in Connect Infrastructure Topco Limited, a company that owns CityFibre Infrastructure Holdings Limited and obtained additional governance rights. Subsequently, the Group now exercises significant influence over Connect Infrastructure Topco Limited and accordingly, the existing investment with a fair value of AED 2,670 million was reclassified from unquoted equity security measured at fair value through profit or loss to an equity accounted associate.

Further, the Group has ceased to exercise control over a consolidated fund due to revisions made to its shareholders agreement. Based on the revised shareholder agreement, the Group no longer has sole control over the fund but has joint control of the fund. Accordingly, the existing investment with a fair value of AED 3,389 million, which was accounted for as a subsidiary, was reclassified to a joint venture.

#### (b) Income from equity accounted investees

	<i>Six-month period ended 30 June</i>	
	<i>2022 AED millions (unaudited)</i>	<i>2021 AED millions (unaudited)</i>
Share of results from equity accounted investees	<b>8,394</b>	4,604
Impairment loss on equity accounted investees	<b>(28)</b>	-
(Loss) / gain on divestment of equity accounted investees ( <i>see note 12(a)(i)</i> )	<b><u>(29)</u></b>	<u>353</u>
	<b><u>8,337</u></b>	<u>4,957</u>



# Mamoura Diversified Global Holding PJSC

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 June 2022 (Unaudited)

### 13 INVESTMENT PROPERTIES

During the six-month period ended 30 June 2022, the Group acquired investment properties with a carrying amount of AED 27 million (*six-month period ended 30 June 2021: AED 1,013 million*) of which AED nil (*six-month period ended 30 June 2021: AED 965 million*) was transferred from an entity under common control. Further, during the period AED 4,007 million (*six-month period ended 30 June 2021: Nil*) was transferred to assets held for sale (*see note 5(iii)*) relating to ADGM Square Development.

### 14 PROPERTY, PLANT AND EQUIPMENT

During the six-month period ended 30 June 2022, the Group acquired and / or constructed property, plant and equipment with a cost of AED 8,047 million (*six-month period ended 30 June 2021: AED 4,788 million*).

During the six-month period ended 30 June 2022, impairment losses amounting to AED 33 million were reversed (*six-month period ended 30 June 2021: AED 63 million*).

### 15 INTANGIBLE ASSETS

During the six-month period ended 30 June 2022, the Group acquired intangible assets with a cost of AED 300 million (*six-month period ended 30 June 2021: AED 115 million*).

### 16 INTEREST-BEARING BORROWINGS

	<i>30 June 2022 AED millions (unaudited)</i>	<i>31 December 2021 AED millions (audited)</i>
Borrowings ( <i>see note (a)</i> )	<b>127,944</b>	122,802
Lease liabilities	<b><u>4,052</u></b>	<u>4,003</u>
	<b><u>131,996</u></b>	<u>126,805</u>
<b>(a) Borrowings</b>		
Unsecured corporate bonds	<b>75,029</b>	77,862
Unsecured bank borrowings	<b>17,555</b>	14,471
Secured bank borrowings	<b><u>35,360</u></b>	<u>30,469</u>
	<b><u>127,944</u></b>	<u>122,802</u>

Included in unsecured corporate bonds and unsecured bank borrowings at 30 June 2022 were borrowings of AED 18,586 million (*31 December 2021: AED 20,462 million*) which have been designated as a hedge of the net investments in certain foreign operations. Further, secured bank borrowings of AED 14,601 million (*31 December 2021: AED 12,813 million*) are carried at fair value and are consolidated through controlled credit funds of the Group.

Total undrawn borrowing facilities, as at the reporting date, amount to AED 25,065 million (*31 December 2021: AED 27,439 million*).

# Mamoura Diversified Global Holding PJSC

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 June 2022 (Unaudited)

### 16 INTEREST-BEARING BORROWINGS continued

Summarised below are assets pledged as securities against secured borrowings as at period/year end:

	<i>30 June 2022 AED millions (unaudited)</i>	<i>31 December 2021 AED millions (audited)</i>
<b>Secured bank borrowings:</b>		
Property, plant and equipment	26,959	25,496
Loans receivable from third parties	8,698	7,437
Inventory	2,267	2,046
Restricted cash	<u>265</u>	<u>501</u>
	<b><u>38,189</u></b>	<b><u>35,480</u></b>

In addition to the above, certain borrowings and bonds are secured through letters of credit, pledges on project proceeds (receivables), net investment in joint operations, debt and equity securities and bank balances.

Analysis of borrowings at the reporting date, by each significant sub-group of companies, are as follows:

	<i>30 June 2022 AED millions (unaudited)</i>	<i>31 December 2021 AED millions (audited)</i>
Corporate	78,896	78,669
NOVA Chemicals Corporation (“NOVA”)	13,252	13,243
GlobalFoundries Inc.	7,974	7,395
MMJV LP	5,881	5,016
GR Sowwah Retail Mezz Ltd (“GAMI”)	2,723	2,719
Al Maqsed Development Company PJSC	2,303	2,320
Al Yah Satellite Communications Company PJSC (“Yahsat”)	2,071	1,894
MDC Oil and Gas Holding Company LLC	2,608	-
Sanad Aero Solutions Holdings LLC	1,283	1,440
Other consolidated credit funds	8,720	7,797
Other subsidiaries	<u>2,233</u>	<u>2,309</u>
	<b><u>127,944</u></b>	<b><u>122,802</u></b>

Movement in interest-bearing borrowings during the period / year were as follows:

	<i>30 June 2022 AED millions (unaudited)</i>	<i>31 December 2021 AED millions (audited)</i>
At 1 January	122,802	117,845
Additions	17,607	33,367
Repayments	(9,748)	(28,850)
Acquisition through business combination	-	3,274
Transfer to liabilities associated with assets classified as held for sale	-	(1,954)
Foreign exchange fluctuations and other movements	<u>(2,717)</u>	<u>(880)</u>
<b>At the end of the period / year</b>	<b><u>127,944</u></b>	<b><u>122,802</u></b>

# Mamoura Diversified Global Holding PJSC

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 30 June 2022 (Unaudited)

### 16 INTEREST-BEARING BORROWINGS continued

#### (a) Borrowings continued

The estimated fair value of interest-bearing borrowings (*see note 21*) is as follows:

	<b>30 June 2022 AED millions (unaudited)</b>	<b>31 December 2021 AED millions (audited)</b>
Level 1	<b>68,623</b>	79,133
Level 2	<b>2,586</b>	2,497
Level 3	<b><u>52,126</u></b>	<u>43,555</u>
	<b><u>123,335</u></b>	<u>125,185</u>

### 17 OTHER RESERVES

	<i>Statutory reserves</i>	<i>Foreign currency translation reserves</i>	<i>Hedging and other reserves</i>	<i>Reserves from discontinued operations</i>	<i>Total</i>
<i>All amount in AED millions</i>					
At 1 January 2022 ( <i>audited</i> )	<b>1,582</b>	<b>(899)</b>	<b>383</b>	-	<b>1,066</b>
Exchange difference on translation of foreign operations	-	<b>(2,997)</b>	-	-	<b>(2,997)</b>
Movement on hedge of net investment in foreign operations	-	<b>1,914</b>	-	-	<b>1,914</b>
Effective portion of changes in fair values of cash flow hedges ( <i>net of tax</i> )	-	-	<b>500</b>	-	<b>500</b>
Share of other comprehensive gain of equity accounted investees	-	-	<b>1,663</b>	-	<b>1,663</b>
Net movement in defined benefit plan and others ( <i>net of tax</i> )	-	-	<b>29</b>	-	<b>29</b>
Other movements	-	-	-	-	-
Transfer of reserve of disposal group held for sale ( <i>see note 5 (ii)</i> )	<u>-</u>	<u>556</u>	<u>(1,121)</u>	<u>565</u>	<u>-</u>
<b>At 30 June 2022 (<i>unaudited</i>)</b>	<b><u>1,582</u></b>	<b><u>(1,426)</u></b>	<b><u>1,454</u></b>	<b><u>565</u></b>	<b><u>2,175</u></b>
At 1 January 2021 ( <i>audited</i> )	1,582	77	(1,671)	-	(12)
Exchange difference on translation of foreign operations	-	(1,089)	-	-	(1,089)
Movement on hedge of net investment in foreign operations	-	874	-	-	874
Effective portion of changes in fair values of cash flow hedges ( <i>net of tax</i> )	-	-	(239)	-	(239)
Share of other comprehensive gain of equity accounted investees	-	-	565	-	565
Net movement in defined benefit plan ( <i>net of tax</i> )	-	-	50	-	50
Other movements	<u>-</u>	<u>1</u>	<u>(6)</u>	<u>-</u>	<u>(5)</u>
<b>At 30 June 2021 (<i>unaudited</i>)</b>	<b><u>1,582</u></b>	<b><u>(137)</u></b>	<b><u>(1,301)</u></b>	<b><u>-</u></b>	<b><u>144</u></b>

### 17 OTHER RESERVES continued

#### Statutory reserve

As required by the UAE Federal Law No. 32 of 2021 and the articles of association of certain subsidiaries registered in UAE, 10% of profit from previous years were transferred to the statutory reserve. The statutory reserve is not available for distribution as dividend.

#### Hedging and other reserve

Hedging reserve comprises the effective portion of the cumulative net change from cash flow hedges related to hedged transactions that has not yet been recycled to profit and loss accounts. Other reserve comprises of the Group's share in the other comprehensive income of equity accounted associates and joint ventures.

#### Foreign currency translation reserve

The translation reserve comprises all foreign currency differences arising from the translation of the financial statements of foreign operations, as well as from the translation of liabilities that hedge the Group's net investment in foreign operations.

As at 30 June 2022, borrowings with notional amounts of AED 17,990 million (EUR 4,672 million) (*30 June 2021: AED 20,349 million (EUR 4,672 million)*) were designated as a hedge of the net investments in OMV AG ("OMV"), Borealis AG ("Borealis") and Compañía Española de Petróleos, S.A.U. ("CEPSA") with EUR functional currencies. These borrowings are used to hedge the Group's exposure to EUR foreign exchange risk on those investments. Gains on the translation of these borrowings amounting to AED 1,520 million (*six-month period ended 30 June 2021: AED 624 million*) were recognised in other comprehensive income to offset losses/gains on translation of foreign operations. There was no ineffectiveness recorded during the period.

The Group, as at 30 June 2022, has also designated the EUR leg of certain swaps as hedging instruments for net investments in Borealis and CEPSA with EUR functional currencies, with notional amount of AED 4,103 million (EUR 1,066 million) (*30 June 2021: AED 8,329 million (EUR 1,912 million)*). A portion of the fair value gains on the hedging instruments, relating to foreign exchange gains and amounting to AED 394 million (*six month-period ended 30 June 2021: AED 250 million*), was recognised in other comprehensive income to offset losses/gains on translation of foreign operations. The difference between the fair value of the swaps and related foreign exchange difference on the hedged instrument, amounting to a loss of AED 54 million (*six-month period ended 30 June 2021: a gain of AED 239 million*), was recorded in profit or loss within fair value gains from derivative financial instruments. There was no ineffectiveness recorded during the period.

# Mamoura Diversified Global Holding PJSC

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 June 2022 (Unaudited)

### 18 COMMITMENTS AND CONTINGENT LIABILITIES

#### (a) Commitments - Group

Commitments at the end of the reporting period are as follows:

	<b>30 June 2022 AED millions (unaudited)</b>	<b>31 December 2021 AED millions (audited)</b>
Commitments for capital expenditure ( <i>see note (i)</i> )	<b>19,302</b>	15,816
Commitments for equity investments ( <i>see note (ii)</i> )	<b>57,501</b>	33,736
Unfunded loan commitments	<b>1,694</b>	1,057
Lease commitments	-	18
Exploration commitments	<b><u>169</u></b>	<u>310</u>
	<b><u>78,666</u></b>	<u>50,937</u>

- (i) Commitment for capital expenditures includes commitment for construction of property plant and equipment and development of investment properties of the Group.
- (ii) Commitments for equity investments include AED 6,657 million (*31 December 2021: AED 6,658 million*) commitment to the Softbank Vision Fund. In addition, it includes an amount of AED 10,394 million (*31 December 2021: AED 7,424 million*) committed by Mubadala Capital LLC, a subsidiary of the Group, to several funds and equity investments. Other significant commitments include commitments to Silver Lake Long-Term Capital - A, L.P. of AED 3,155 million (*31 December 2021: AED 3,336 million*), LAC I fund sponsored by Bpifrance of AED 2,444 million (*31 December 2021: AED 2,438 million*) and to Apollo Capital Markets Partnership (Offshore) L.P. of AED 7,347 million (*31 December 2021: nil*).
- (iii) In addition to above capital commitment, NOVA entered into other arrangements for the purchase of minimum amounts of feedstock and other raw materials for short and long-term supply and related transportation and storage agreements amounting to AED 53,911 million (*31 December 2021: AED 47,972 million*). These agreements expire within one to approximately 22 years.

# Mamoura Diversified Global Holding PJSC

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 June 2022 (Unaudited)

### 18 COMMITMENTS AND CONTINGENT LIABILITIES continued

#### (b) Contingencies

Contingencies of the Group at the end of the reporting period, are as follows:

	<i>30 June 2022 AED millions (unaudited)</i>	<i>31 December 2021 AED millions (audited)</i>
Contingent liabilities of the Group ( <i>see notes (i) and (ii)</i> )	<u><b>10,796</b></u>	<u><b>17,095</b></u>

- (i) Contingent liabilities include bank guarantees, performance bonds, advance payment bonds and completion guarantees.
- (ii) In 2018, the Company provided a guarantee overlay to International Petroleum Investment Company PJSC (“IPIC”), an entity under common control, for certain of its existing guarantees:
- the notes and loans of Signum Magnolia Limited which are collateralised by AED 6.43 billion (US \$1.75 billion) 5.75% guaranteed notes due 2022 issued by 1MDB Energy (Langat) Limited and guaranteed by 1MDB; and
  - the payment obligations of 1MDB Energy Limited under its AED 6.43 billion (US \$1.75 billion) 5.99% guaranteed notes due 2022 on a joint and several basis with 1Malaysia Development Berhad (“1MDB”). In May 2022, 1MDB Energy Limited made the required payments under the guarantee obligations related to these notes and the guarantee provided by IPIC and associated interest were not called. Accordingly, the guarantee overlay provided by the Company to IPIC was not called and is no longer valid.

# Mamoura Diversified Global Holding PJSC

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 June 2022 (Unaudited)

### 19 LITIGATIONS

The Group is involved in litigations in the ordinary course of business. Legal claims often involve highly complex issues. These issues are subject to substantial uncertainties and therefore the estimation of the probability of loss and of damages are often difficult to determine.

The Group records a provision for claims for which it is able to make an estimate of the expected loss or range of possible loss, but believes that the publication of this information on a case-by-case basis would seriously prejudice its position in the ongoing legal proceedings or in any related settlement discussions. Accordingly, for these claims, the Group has disclosed information with respect to the nature of the claim, but not an estimate of the range of potential loss or any provision accrued.

The Group believes that the aggregate provisions recorded for these matters are adequate based upon currently available information as of the interim consolidated statement of financial position date, which may be subject to ongoing revision of existing estimates. However, given the inherent uncertainties related to these claims, the Group could, in the future, incur judgements that could have a material adverse effect on its results of operations, liquidity, financial position or cash flows in any particular period.

For contingent liabilities, the Group has disclosed the claims, but has not recorded a provision of the potential outcome of these claims and is unable to make a reasonable estimate of the expected financial effect that will result from ultimate resolution of the proceedings.

A summary of the major litigations of the Group are set out below:

#### *GlobalFoundries*

On 28 April 2021, International Business Machines ("IBM") sent GlobalFoundries a letter alleging for the first time that GlobalFoundries did not fulfill its obligations under the contracts entered into with IBM in 2014 associated with GlobalFoundries's acquisition of IBM's Microelectronics business. IBM asserted that GlobalFoundries engaged in fraudulent misrepresentations during the underlying negotiations and claimed GlobalFoundries owed them AED 9,184 million (USD 2,500 million) in damages and restitution. On 7 June 2021, GlobalFoundries filed a complaint with the New York State Supreme Court (the "Court") seeking a declaratory judgment that it did not breach the relevant contracts. IBM subsequently filed its complaint with the Court on 8 June 2021. On 14 September 2021, the Court granted a motion to dismiss IBM's claims of fraud, unjust enrichment and breach of the implied covenant of good faith and fair dealing. GlobalFoundries complaint seeking declaratory judgment was dismissed. IBM appealed the Court's dismissal of its fraud claim (but not the other two dismissed claims) and on 7 April 2022, the Appellate Division, First Department reversed the dismissal. The case will proceed based on IBM's breach of contract and promissory estoppel claims and the reinstated fraud claim. GlobalFoundries believes, based on discussions with legal counsel, that it has meritorious defenses against IBM's claims and intends to vigorously defend against them.

#### *Dow Litigations*

In December 2010, The Dow Chemical Company ("Dow Chemical") filed a Statement of Claim against NOVA in Federal Court in Canada alleging that certain grades of NOVA's SURPASS® polyethylene film resins infringe a Dow Chemical Canadian patent. NOVA filed its statement of defense and counterclaim in March 2011. After a series of court sessions, trials, appeals and oral and written arguments presented in those hearings over the years at different courts, the Federal Court, in June 2017, issued Confidential Supplemental Judgement and Reasons, which became public in July 2017, awarding Dow Chemical CAD 644 million (AED 1,840 million). In July 2017, NOVA paid Dow Chemical USD 501 million (AED 1,840 million) to satisfy the judgement. NOVA filed a Notice of Appeal with the Federal Court of Appeal regarding the Supplemental Judgement and Reasons in July 2017. On 15 September 2020 the Federal Court of Appeal denied NOVA's appeal. On 13 November 2020, NOVA filed an application with the Supreme Court for leave to appeal the decision of the Federal Court of Appeal. On 20 May 2021, the Supreme Court granted NOVA leave to appeal the decision of the Federal Court of Appeal. On 21 June 2021, NOVA filed its formal appeal. The appeal was heard on 20 April 2022.

# Mamoura Diversified Global Holding PJSC

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 June 2022 (Unaudited)

### 19 LITIGATIONS continued

#### *Dow Litigations continued*

In 2006, Dow Chemical Canada ULC and its European affiliate (collectively, "Dow") filed a claim against NOVA in the Court of Queen's Bench of Alberta concerning the jointly owned third ethylene plant at the Joffre site.

- i. On 24 September 2019, a judgement was filed with the Court of Queen's Bench of Alberta awarding Dow damages and interest (for the period 2001-2012 in the aggregate amount of CAD 1,430 million (AED 3,959 million). On 10 October 2019, NOVA paid the amount in full to satisfy the judgement. NOVA appealed this decision to the Court of Appeal of Alberta and was successful in 4 out of the 5 issues appealed. The Court of Appeal of Alberta remanded such issues back to the Court of Queen's Bench of Alberta for redetermination (the "Base Trial").
- ii. Trial in the Court of Queen's Bench of Alberta for damages for the period 2013 to June 2018 (the "Top-Up Trial") began in December 2021 and has been combined with certain issues regarding the Base Trial remanded back by the Court of Appeal.
- iii. On 29 April 2021, NOVA filed two applications for summary judgment in respect of the Base Trial that were remanded back to the Trial Court by the Court of Appeal. The first seeks the repayment of CAD 417 million (AED 1,190 million) to CAD 563 million (AED 1,606 million) (plus pre-judgement interest) by Dow to NOVA for overpayments in respect of polyethylene damages that the Court of Appeal excluded (the "Damages Quantification Application"). The second seeks the repayment of CAD 746 million (AED 2,128 million) (plus pre-judgement interest) by Dow to NOVA for overpayments related to severance of NOVA's obligation to provide ethane services (the "Pool Dissolution Application"). The Damages Quantification Application will be heard as part of the Top-Up Trial. The Pool Dissolution Application is currently adjourned, and NOVA is seeking a date for the hearing.

#### *Others*

Several group companies are currently subject to routine tax audits performed by their respective tax authorities. Managements' opinions are that the companies are in compliance with all applicable regulations. Given the preliminary nature of the proceedings, potential impacts, if any, cannot be currently reliably estimated.

### 20 SIGNIFICANT RELATED PARTY TRANSACTIONS AND BALANCES

#### *(a) Identification of related parties*

The Group has related party relationships with its Shareholder, Ultimate parent, joint ventures and associates, and with directors, executive officers and parties which are under common control of the above entities.

#### *(b) Compensation of the Group's key management personnel and Board of Directors*

The interim recharge for key management personnel's compensation from the Parent during the six-month period was AED 140 million (*six-month period ended 30 June 2021: no interim recharge*).

#### *(c) Related party transactions*

In the ordinary course of business, the Group provides services to and receives services from related parties on terms agreed by management.



# Mamoura Diversified Global Holding PJSC

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 June 2022 (Unaudited)

### 20 SIGNIFICANT RELATED PARTY TRANSACTIONS AND BALANCES continued

#### (c) *Related party transactions* continued

Transactions with related parties during the period were as follows:

<i>All amounts in AED millions</i>	<i>Revenue</i>	<i>Purchases of goods and services</i>	<i>Interest bearing borrowings drawn</i>	<i>Interest bearing borrowings repaid</i>	<i>Loans given</i>	<i>Loans recovered</i>	<i>Finance income</i>	<i>Finance cost</i>
<b>Six-month period ended 30 June 2022 (unaudited)</b>								
Entities under common control	2,077	61	233	120	-	-	214	81
Associates	92	2	-	-	-	-	-	-
Joint ventures	188	134	-	-	-	-	-	-
Ultimate Parent	<u>26</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1</u>	<u>-</u>
	<b><u>2,383</u></b>	<b><u>197</u></b>	<b><u>233</u></b>	<b><u>120</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>215</u></b>	<b><u>81</u></b>
<b>Six-month period ended 30 June 2021 (unaudited)</b>								
Entities under common control	2,031	69	349	356	-	-	180	56
Associates	205	6	-	-	-	-	-	-
Joint ventures	218	142	-	-	2	37	19	36
Ultimate Parent	<u>28</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2</u>	<u>-</u>
	<b><u>2,482</u></b>	<b><u>217</u></b>	<b><u>349</u></b>	<b><u>356</u></b>	<b><u>2</u></b>	<b><u>37</u></b>	<b><u>201</u></b>	<b><u>92</u></b>

	<i>For the six-month period ended</i>	
	<b>30 June</b>	<b>30 June</b>
	<b>2022</b>	<b>2021</b>
	<b>AED millions</b>	<b>AED millions</b>
	<b>(unaudited)</b>	<b>(unaudited)</b>

#### *Other significant transactions:*

Settlement by Ultimate Parent for recoverable projects	<u>7,653</u>	<u>-</u>
Recharge of expenses from Parent	<u>531</u>	<u>-</u>
Cash calls paid to joint ventures	<u>361</u>	<u>330</u>
Income from provision of manpower, project management and consultancy services to joint ventures	<u>84</u>	<u>83</u>
Other miscellaneous transactions with associates, joint ventures and to entities under common control	<u>127</u>	<u>298</u>
Net additions to shareholder current account	<u>108</u>	<u>965</u>

# Mamoura Diversified Global Holding PJSC

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 June 2022 (Unaudited)

### 20 SIGNIFICANT RELATED PARTY TRANSACTIONS AND BALANCES continued

#### (d) Related party balances

	Bank balances	Long term deposits	Amounts due to related parties (see notes (i) and (ii))	Amounts due from related parties (see note (iii))	Advances from related parties (see note (ii))	Loans to related parties (see note (iv))	Finance lease receivables	Interest bearing borrowings	Additional shareholder contributions (see note (v))
<i>All amounts in AED millions</i>									
Entities under common control	7,902	16,719	2,855	8,624	1,657	-	1,235	13,914	-
Associates	-	-	2	292	-	2	-	-	-
Joint ventures	-	-	53	1,766	3,447	612	-	-	-
Ultimate parent	-	-	25	9,995	806	-	-	-	-
Shareholder / Parent	-	-	8,590	-	-	-	-	-	119,290
30 June 2022 (unaudited)	<u>7,902</u>	<u>16,719</u>	<u>11,525</u>	<u>20,677</u>	<u>5,910</u>	<u>614</u>	<u>1,235</u>	<u>13,914</u>	<u>119,290</u>
Entities under common control	9,671	14,560	1,987	7,437	1,091	-	1,236	13,380	-
Associates	-	-	2	281	-	2	-	-	-
Joint ventures	-	-	61	570	3,447	577	-	-	-
Ultimate parent	-	-	25	15,580	813	-	-	-	-
Shareholder / Parent	-	-	14,790	-	-	-	-	-	119,290
31 December 2021 (audited)	<u>9,671</u>	<u>14,560</u>	<u>16,865</u>	<u>23,868</u>	<u>5,351</u>	<u>579</u>	<u>1,236</u>	<u>13,380</u>	<u>119,290</u>

(i) The balances in the table above are net of impairment and ECLs, where applicable.

(ii) Amounts due to related parties and advances from related parties are included in other liabilities.

(iii) Amounts due from related parties are included in other receivables and prepayments (see note 10), net of impairment of AED 348 million (31 December 2021: AED 341 million).

(iv) Loans to related parties are included in loan receivable (see note 11(a)).

(v) Additional shareholder contributions represent interest free loans from the Shareholder with no fixed repayment terms. These loans meet the definition of equity instruments rather than liability, and accordingly are presented within equity.

(vi) Ultimate Parent in this note includes the Government of Abu Dhabi and the Abu Dhabi Department of Finance.

# Mamoura Diversified Global Holding PJSC

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 30 June 2022 (Unaudited)

### 21 FAIR VALUE DISCLOSURES

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy, which analyses financial instruments carried at fair value by valuation method. The different levels are defined as follows:

*Level 1:* Quoted prices in active markets for assets and liabilities;

*Level 2:* 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); and

*Level 3:* Valuation techniques using inputs for the asset or liability that are not based on observable market data (unobservable inputs).

As at 30 June 2022 (unaudited)

AED millions	Carrying amount	Fair value	Level 1	Level 2	Level 3
<b>Investments in non-derivative financial assets</b>					
<u>Financial assets at FVTPL</u>					
Quoted investments					
Equity securities	16,209	16,209	15,489	720	-
Debt securities	2,874	2,874	1,276	-	1,598
Unquoted investments					
Convertible bonds and preference shares	6,047	6,047	-	701	5,346
Equity securities	23,325	23,325	-	-	23,325
Funds	90,734	90,734	-	2,536	88,198
Loans receivable	16,084	16,084	-	-	16,084
<u>Financial assets at FVOCI</u>					
Quoted debt securities	2,982	2,982	2,982	-	-
	<u>158,255</u>	<u>158,255</u>	<u>19,747</u>	<u>3,957</u>	<u>134,551</u>
<b>Investments in derivative financial assets and liabilities measured at fair value</b>					
<b>Derivative financial assets</b> (see note (i))	<u>1,866</u>	<u>1,866</u>	-	<u>1,546</u>	<u>320</u>
<b>Derivative financial liabilities</b> (see note (i))	<u>1,207</u>	<u>1,207</u>	-	<u>1,207</u>	-

As at 31 December 2021 (audited)

<b>Investment in non-derivative financial assets</b>					
<u>Financial assets at FVTPL</u>					
Quoted investments					
Equity securities	22,315	22,315	19,620	2,695	-
Debt securities	2,592	2,592	1,043	-	1,549
Unquoted investments					
Convertible bonds and preference shares	6,635	6,635	-	1,053	5,582
Equity securities	23,477	23,477	-	-	23,477
Funds	100,794	100,794	-	2,292	98,502
Loans receivable	12,947	12,947	-	-	12,947
<u>Financial assets at FVOCI</u>					
Quoted debt securities	84	84	84	-	-
	<u>168,844</u>	<u>168,844</u>	<u>20,747</u>	<u>6,040</u>	<u>142,057</u>
<b>Investments in derivative financial assets and liabilities measured at fair value</b>					
<b>Derivative financial assets</b> (see note (i))	<u>340</u>	<u>340</u>	-	<u>340</u>	-
<b>Derivative financial liabilities</b> (see note (i))	<u>1,452</u>	<u>1,452</u>	-	<u>1,452</u>	-

The fair value of the financial instruments measured at amortised cost approximates its carrying amount.

- (i) Derivative instruments of the Group carried at fair value includes options, warrants, forwards and swaps.

# Mamoura Diversified Global Holding PJSC

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 30 June 2022 (Unaudited)

### 21 FAIR VALUE DISCLOSURES continued

The following table shows the valuation techniques used in measuring Level 1, Level 2 and Level 3 fair values, as well as the significant unobservable inputs used.

<i>Type of financial asset / liability</i>	<i>Valuation techniques and key inputs</i>	<i>Significant unobservable inputs</i>
<b><u>Financial assets at FVTPL – Quoted</u></b>		
Quoted equity securities – Level 1	Quoted bid prices in an active market	-
Quoted equity securities – Level 2	Quoted bid prices adjusted for restrictions using Finnerty option pricing model	<ul style="list-style-type: none"> <li>• Discount of 19% to 21.5%</li> <li>• Volatility of 84.7% to 90.4%</li> </ul>
Quoted debt securities – Level 1	Quoted bid prices in an active market	-
Quoted debt securities – Level 3	Income approach	<ul style="list-style-type: none"> <li>• Discount rate of 15.3% including company risk premium.</li> </ul>
<b><u>Financial assets at FVTPL – Unquoted</u></b>		
Unquoted convertible bonds – Level 2	A combination of bond value and Black Scholes model along with consideration of converted equity value	<ul style="list-style-type: none"> <li>• Discount rate of 31.8%</li> <li>• Volatility of 40%</li> </ul>
Unquoted convertible bonds – Level 3	Net asset value provided by the fund manager and calibration approach	<ul style="list-style-type: none"> <li>• 10%/30% discount to total value</li> </ul>
Unquoted equity securities – Level 3	Combination of market, income approach and transaction price	<ul style="list-style-type: none"> <li>• Discount rate of 9%-23.9%</li> <li>• Enterprise value (“EV”)/EBITDA multiple of 7.5x to 26.5x where applicable</li> <li>• 5% to 40% discount to total value</li> </ul>
Loans receivable – Level 3	Discounted cash flows, combination of market and income approach	<ul style="list-style-type: none"> <li>• Discount rate of 4.2%-12.2%</li> <li>• Market yield of 6.5%-13.72%</li> </ul>
Unquoted funds – Level 2	Net asset value provided by the fund manager (underlying investments are quoted)	-
Unquoted funds – Level 3	Net asset value provided by the fund manager	-
Derivative assets / liabilities – Level 2	Market approach. Value is based on forward exchange rates (from observable forward exchange rates at the end of the reporting period) and contract forward rates	-
Warrants – Level 3	Black Scholes Option Pricing	<ul style="list-style-type: none"> <li>• Volatility 33.9%</li> <li>• Yield of 2.22%</li> </ul>
Interest rate swaps and foreign exchange forward contracts at FVTPL – Level 2	Net present value of estimated cash flows, based on forward interest rates (from observable yield curves at the end of the reporting period)	-

# Mamoura Diversified Global Holding PJSC

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 30 June 2022 (Unaudited)

### 21 FAIR VALUE DISCLOSURES continued

The following table demonstrates the movement in the level 3 of fair value hierarchy:

	<i>30 June 2022 AED millions (unaudited)</i>	<i>31 December 2021 AED millions (audited)</i>
At 1 January ( <i>audited</i> )	<b>142,057</b>	49,806
Additions and other movements	<b>16,191</b>	42,731
Transfer from entities under common control	-	42,600
Change in fair value recognised in profit or loss ( <i>net</i> ) ( <i>see note (i)</i> )	<b>(8,794)</b>	12,316
Disposals and other movements ( <i>see note 12(a)(ii)</i> )	<b>(13,324)</b>	(4,697)
Divestment of subsidiaries	-	(513)
Transfers out of level 3	<b><u>(1,259)</u></b>	<b><u>(186)</u></b>
<b>At the end of the period / year</b>	<b><u>134,871</u></b>	<b><u>142,057</u></b>

- (i) The total net (decrease) / increase in fair value was recorded in investment income (*net*) in the interim consolidated statement of comprehensive income.

# Mamoura Diversified Global Holding PJSC

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 30 June 2022 (Unaudited)

### 22 MATURITY ANALYSIS OF ASSETS AND LIABILITIES

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled.

	<i>Within 12 months AED million</i>	<i>After 12 months AED million</i>	<i>Total AED million</i>
<b>30 June 2022 (unaudited)</b>			
<b>Assets</b>			
Cash and cash equivalents	25,225	-	25,225
Trade receivables	8,359	-	8,359
Inventories	9,141	-	9,141
Other receivables and prepayments	51,326	11,205	62,531
Other financial assets	3,511	167,906	171,417
Defined benefit plan assets	-	323	323
Investment in equity accounted investees	-	86,188	86,188
Investment properties	-	10,837	10,837
Property, plant and equipment	-	86,765	86,765
Intangible assets	-	9,403	9,403
Deferred tax assets	-	1,429	1,429
Assets classified as held for sale	<u>21,142</u>	<u>-</u>	<u>21,142</u>
<b>Total assets</b>	<b><u>118,704</u></b>	<b><u>374,056</u></b>	<b><u>492,760</u></b>
<b>Liabilities</b>			
Trade payables	5,109	-	5,109
Income tax payable	571	-	571
Interest-bearing borrowings	13,234	118,762	131,996
Other liabilities	28,306	9,590	37,896
Employees' benefit liabilities	-	763	763
Provisions	1,815	3,241	5,056
Deferred tax liabilities	-	4,289	4,289
Liabilities directly associated with assets classified as held for sale	<u>1,802</u>	<u>-</u>	<u>1,802</u>
<b>Total liabilities</b>	<b><u>50,837</u></b>	<b><u>136,645</u></b>	<b><u>187,482</u></b>
<b>Net</b>	<b><u>67,867</u></b>	<b><u>237,411</u></b>	<b><u>305,278</u></b>

# Mamoura Diversified Global Holding PJSC

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 June 2022 (Unaudited)

### 22 MATURITY ANALYSIS OF ASSETS AND LIABILITIES continued

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled.

	<i>Within 12 months AED million</i>	<i>After 12 months AED million</i>	<i>Total AED million</i>
<b>31 December 2021 (audited)</b>			
<b>Assets</b>			
Cash and cash equivalents	42,737	-	42,737
Trade receivables	7,343	-	7,343
Inventories	8,358	-	8,358
Other receivables and prepayments	44,670	9,174	53,844
Other financial assets	1,035	178,262	179,297
Defined benefit plan assets	-	385	385
Investment in equity accounted investees	-	84,038	84,038
Investment properties	-	14,524	14,524
Property, plant and equipment	-	84,003	84,003
Intangible assets	-	9,599	9,599
Deferred tax assets	-	1,548	1,548
Assets classified as held for sale	<u>6,453</u>	<u>-</u>	<u>6,453</u>
<b>Total assets</b>	<b><u>110,596</u></b>	<b><u>381,533</u></b>	<b><u>492,129</u></b>
<b>Liabilities</b>			
Trade payables	5,206	-	5,206
Income tax payable	1,143	-	1,143
Interest-bearing borrowings	10,910	115,895	126,805
Other liabilities	33,584	9,498	43,082
Employees' benefit liabilities	-	852	852
Provisions	1,822	3,326	5,148
Deferred tax liabilities	-	3,877	3,877
Liabilities directly associated with assets classified as held for sale	<u>2,157</u>	<u>-</u>	<u>2,157</u>
<b>Total liabilities</b>	<b><u>54,822</u></b>	<b><u>133,448</u></b>	<b><u>188,270</u></b>
<b>Net</b>	<b><u>55,774</u></b>	<b><u>248,085</u></b>	<b><u>303,859</u></b>

### 23 OTHER RISK MANAGEMENT OBJECTIVES AND POLICIES

#### **Risks relating to changes in the legislation applicable to activities and/or the industry**

The activities carried on by the Group are subject to various legislations. The changes that might arise could affect the structure under which activities are performed and the results generated by operations.

#### **Industrial risks, prevention and safety**

The Group ensures that the safety control system applied is in accordance with international specifications. Also, in place are action procedures that reflect the standards developed in accordance with best practices, which ensure the maximum possible level of safety, paying special attention to the elimination of risk at source. The objective of this system is ongoing improvement in risk reduction, focused on various activities, such as work planning, the analysis and monitoring of corrective actions derived from incidents and accidents, internal audits, periodic inspections of the facilities and supervision of maintenance work and operations.

#### **Environmental risks**

Certain activities of companies within the Group, may give rise to an impact on the environment through emissions into the air, water, soil and ground water and also through the handling and treatment of waste. In this connection, the Group ensures that all its industrial plants are awarded their integrated environmental permits, which involve rigorous control over their processes with the aim of minimising impact on the environment. Further, the Group's objective is to minimise the impact of its activities on the environment where it operates its industrial plants, which is reflected in internal environmental protection policies of the group companies and is regulated by the relevant authorities.

#### **Risks related to Russia and Ukraine**

The crisis in Ukraine has resulted in significant global economic uncertainty and volatility. The Group's financial exposure to Russia and Ukraine is not material but the Group continues to monitor and assess the situation closely including any direct or indirect financial impact.

### 24 COMPARATIVE FIGURES

Certain comparative figures have been reclassified, wherever necessary, to conform to the presentation adopted in the interim condensed consolidated financial statements (*see note 2(e)*).

### 25 MATERIAL SUBSEQUENT EVENTS

- (i) Subsequent to the period end, in July 2022, the sale of the four towers and a parking space in ADGM Square Development including its related assets and liabilities was completed (*see note 5 (iii)*)
- (ii) Subsequent to the period end, Union Energy & Systems Operations Malta, with whom the Group had entered into an Option Agreement in 2021 to acquire one of the Group's subsidiaries which owns 11% of the Group's interest in Tamar and Dalit leases, exercised the option in September 2022.