

Mamoura Diversified Global Holding PJSC

UNAUDITED INTERIM CONDENSED
CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2024

Mamoura Diversified Global Holding PJSC

Interim condensed consolidated financial statements

<i>Contents</i>	<i>Page</i>
Independent auditors' report on review of interim condensed consolidated financial statements	2
Interim consolidated statement of comprehensive income	3 - 4
Interim consolidated statement of financial position	5
Interim consolidated statement of changes in equity	6 - 7
Interim consolidated statement of cash flows	8 - 9
Notes to the interim condensed consolidated financial statements	10 - 43



Report on review of interim condensed consolidated financial statements to the Shareholder of Mamoura Diversified Global Holding PJSC

Introduction

We have reviewed the accompanying interim consolidated statement of financial position of Mamoura Diversified Global Holding PJSC (“the Company”) and its subsidiaries (together referred to as “the Group”) as at 30 June 2024 and the related interim consolidated statement of comprehensive income for the six-month period then ended, interim consolidated statements of changes in equity and cash flows for the six-month period then ended and explanatory notes. Management is responsible for the preparation and presentation of this interim condensed consolidated financial statements in accordance with International Accounting Standard 34 'Interim Financial Reporting' (“IAS 34”). Our responsibility is to express a conclusion on this interim condensed consolidated financial statements based on our review.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements 2410, “Review of interim financial information performed by the independent auditor of the entity”. A review of interim financial information 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 are not prepared, in all material respects, in accordance with International Accounting Standard 34 'Interim Financial Reporting'.

PricewaterhouseCoopers Limited Partnership - Abu Dhabi

7 October 2024

Rami Serhan
Registered Auditor Number: 1152
Abu Dhabi, United Arab Emirates

Mamoura Diversified Global Holding PJSC

INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six-month period ended 30 June 2024 (Unaudited)

	Notes	Six-month period ended 30 June	
		2024 AED millions	2023 AED millions
CONTINUING OPERATIONS			
Revenue	6	25,326	25,153
Cost of sales		<u>(18,905)</u>	<u>(18,806)</u>
Gross profit		6,421	6,347
Research, development and exploration expenses		(1,047)	(881)
General and administrative expenses		(4,353)	(3,599)
Investment income (<i>net</i>)	7	9,180	8,344
Income from equity accounted investees (<i>net</i>)	11(b)	2,859	219
Other income (<i>net</i>)		714	534
Impairment of investments in equity accounted investees		(2,121)	(221)
Impairment losses related to financial assets at amortised cost (<i>net</i>)		<u>(252)</u>	<u>(8)</u>
Profit before net finance costs and taxes		<u>11,401</u>	10,735
Finance income		4,775	3,459
Finance costs		(3,876)	(2,621)
Foreign exchange gain / (loss) (<i>net</i>)		<u>244</u>	<u>(210)</u>
Net finance income		<u>1,143</u>	628
Profit before income tax from continuing operations		12,544	11,363
Income tax expense (<i>net</i>)		<u>(628)</u>	<u>(427)</u>
Profit for the period from continuing operations		11,916	10,936
DISCONTINUED OPERATIONS			
Profit for the period from discontinued operations, net of tax	4	<u>4,488</u>	<u>4,733</u>
Profit for the period		<u>16,404</u>	<u>15,669</u>
Profit for the period attributable to:			
Owner of the Company		15,979	15,324
Non-controlling interests		<u>425</u>	<u>345</u>
		<u>16,404</u>	<u>15,669</u>

Mamoura Diversified Global Holding PJSC

INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME continued For the six-month period ended 30 June 2024 (Unaudited)

	<i>Six-month period ended</i>	
	<i>30 June</i>	
	<i>2024</i>	<i>2023</i>
	<i>AED</i>	<i>AED</i>
	<i>millions</i>	<i>millions</i>
Other comprehensive income		
<i>Items that may be reclassified to profit or loss in subsequent periods</i>		
Exchange difference on translation of foreign operations	(56)	662
Loss on hedge of net investments in foreign operations (<i>net</i>)	(20)	(338)
Share of other comprehensive loss of equity accounted investees	(934)	(113)
Effective portion of changes in fair value of cash flow hedges and other reserves (<i>net of tax</i>)	<u>(47)</u>	<u>(97)</u>
	(1,057)	114
<i>Items that will not be reclassified to profit or loss in subsequent periods</i>		
Re-measurements of defined benefit liability	<u>21</u>	<u>(12)</u>
Other comprehensive (loss) / income for the period, net of income tax	<u>(1,036)</u>	<u>102</u>
Total comprehensive income for the period	<u>15,368</u>	<u>15,771</u>
Total comprehensive income for the period attributable to:		
Owner of the Company	14,934	15,468
Non-controlling interests	<u>434</u>	<u>303</u>
	<u>15,368</u>	<u>15,771</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 2024

	<i>Notes</i>	<i>30 June 2024 AED millions (unaudited)</i>	<i>31 December 2023 AED millions (audited)</i>
ASSETS			
Cash and cash equivalents	8	25,173	23,543
Trade receivables		6,467	7,275
Inventories		10,146	9,272
Receivables, prepayments, and other assets	9	66,835	52,672
Other financial assets	10	273,380	239,086
Investment in equity accounted investees	11(a)	88,149	82,995
Investment properties		12,199	12,162
Property, plant and equipment	12	78,382	80,455
Intangible assets		6,041	6,622
Deferred tax assets		1,154	1,235
Assets classified as held for sale	4	<u>7,330</u>	<u>24,105</u>
TOTAL ASSETS		<u>575,256</u>	<u>539,422</u>
EQUITY AND LIABILITIES			
Liabilities			
Trade and other payables		4,148	4,260
Borrowings and lease liabilities	13	162,264	148,888
Other liabilities	14	31,506	31,141
Provisions		3,637	3,673
Deferred tax liabilities		5,261	5,215
Liabilities directly associated with assets classified as held for sale	4	<u>3,964</u>	<u>4,104</u>
Total liabilities		<u>210,780</u>	<u>197,281</u>
Equity			
Share capital		56,136	56,136
Additional shareholder contributions		117,860	117,860
Shareholder current account		46,717	46,669
Retained earnings		125,464	107,777
Other reserves	15	1,793	2,838
Government grants		<u>367</u>	<u>367</u>
Total equity attributable to the Owner of the Company		348,337	331,647
Non-controlling interests		<u>16,139</u>	<u>10,494</u>
Total equity		<u>364,476</u>	<u>342,141</u>
TOTAL EQUITY AND LIABILITIES		<u>575,256</u>	<u>539,422</u>

//Signed//

Waleed Al Mokarrab Al Muhairi
Chairman

//Signed//

Carlos Obeid
Director

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 2024 (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 Company</i>	<i>Non-controlling interests</i>	<i>Total equity</i>
At 1 January 2023 (audited)	<u>56,136</u>	<u>117,860</u>	<u>46,107</u>	<u>77,939</u>	<u>2,897</u>	<u>367</u>	<u>301,306</u>	<u>9,627</u>	<u>310,933</u>
Profit for the period	-	-	-	15,324	-	-	15,324	345	15,669
Other comprehensive income / (loss)	-	-	-	-	144	-	144	(42)	102
Total comprehensive income	-	-	-	<u>15,324</u>	<u>144</u>	-	<u>15,468</u>	<u>303</u>	<u>15,771</u>
Transfer from entities under common control (<i>see note (i)</i>)	-	-	562	-	-	-	562	-	562
Dividends to non-controlling interests	-	-	-	-	-	-	-	(144)	(144)
Share-based payments (<i>see note (ii)</i>)	-	-	-	-	-	-	-	605	605
Disposal of interest in a subsidiary	-	-	-	-	-	-	-	(292)	(292)
Other movements	-	-	-	(135)	-	-	(135)	(50)	(185)
At 30 June 2023 (unaudited)	<u>56,136</u>	<u>117,860</u>	<u>46,669</u>	<u>93,128</u>	<u>3,041</u>	<u>367</u>	<u>317,201</u>	<u>10,049</u>	<u>327,250</u>

(i) During the six-month period ended 30 June 2023, an entity under common control transferred investment property with a fair value of AED 562 million to the Group, which the Group acquired with an intention to sell. During the same period, the asset was sold to a third party by the Group.

(ii) Share based payment consists of shares issued to key management personnel of GlobalFoundries Inc (“GlobalFoundries”).

Mamoura Diversified Global Holding PJSC

INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY continued

For the period ended 30 June 2024 (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 Company</i>	<i>Non-controlling interests</i>	<i>Total equity</i>
At 1 January 2024 (audited)	<u>56,136</u>	<u>117,860</u>	<u>46,669</u>	<u>107,777</u>	<u>2,838</u>	<u>367</u>	<u>331,647</u>	<u>10,494</u>	<u>342,141</u>
Profit for the period	-	-	-	15,979	-	-	15,979	425	16,404
Other comprehensive (loss) / income	-	-	-	-	(1,045)	-	(1,045)	9	(1,036)
Total comprehensive income / (loss)	-	-	-	<u>15,979</u>	<u>(1,045)</u>	-	<u>14,934</u>	<u>434</u>	<u>15,368</u>
Dividends to non-controlling interests	-	-	-	-	-	-	-	(130)	(130)
Share-based payments of a subsidiary (<i>see note (i)</i>)	-	-	-	-	-	-	-	322	322
Disposal of interest in subsidiaries (<i>see note (ii)</i>)	-	-	-	1,683	-	-	1,683	909	2,592
Acquisition of interest in a subsidiary (<i>see note 11(a)(ii)</i>)	-	-	-	-	-	-	-	3,459	3,459
Other movements	-	-	48	25	-	-	73	651	724
At 30 June 2024 (unaudited)	<u>56,136</u>	<u>117,860</u>	<u>46,717</u>	<u>125,464</u>	<u>1,793</u>	<u>367</u>	<u>348,337</u>	<u>16,139</u>	<u>364,476</u>

(i) Share based payment consists of shares issued to key management personnel of GlobalFoundries.

(ii) In May 2024, the Group sold 19 million of its shares in GlobalFoundries at a price of USD 50.75 per share, out of which 4 million shares were bought back and cancelled by GlobalFoundries. After this transaction, the Group holds 81.7% shareholding and continues to exercise control over GlobalFoundries and therefore the resultant gain of AED 1,683 million, net of expenses incurred was recognised directly in the retained earnings.

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 continued

30 June 2024 (Unaudited)

	Notes	Six-month period ended 30 June	
		2024 AED millions	2023 AED millions
Cash flows from operating activities			
Profit for the period		16,404	15,669
<i>Adjustments for:</i>			
Depreciation, amortisation and net impairment of property, plant and equipment, right of use and intangible assets		5,306	4,658
Investment income (<i>net</i>)	7	(9,180)	(8,344)
Other income (<i>net</i>)		(714)	(534)
Impairment losses related to financial assets at amortised cost (<i>net</i>)		252	8
Gain on disposal of discontinued operations (<i>net</i>)		(4,235)	(4,381)
Income from equity accounted investees (<i>net</i>)	11(b)	(2,859)	(219)
Impairment of investments in equity accounted investees		2,121	221
Net finance income		(1,143)	(628)
Income tax expense (<i>net</i>)		628	427
Net decommissioning and other provisions		-	55
Share-based payments		322	501
Non-cash income and expense from discontinued operations		(12)	31
		6,890	7,464
Change in inventories		(873)	(195)
Change in trade and other receivables and prepayments		5,949	5,968
Change in trade payables and other liabilities		(1,763)	(9,099)
Income taxes paid		(210)	(197)
Net cash generated from operating activities		9,993	3,941
Cash flows from investing activities			
Acquisition of other financial assets		(34,855)	(26,079)
Proceeds from distributions, disposals and redemptions of other financial assets		11,993	10,215
Acquisition of and contribution to equity accounted investees		(7,111)	(5,027)
Proceeds from disposal of equity accounted investees		18,965	210
Proceeds from disposal of subsidiaries (<i>net of cash disposed</i>)		-	134
Acquisition of non-current assets (<i>see note (i)</i>)		(3,744)	(4,737)
Proceeds from disposal of non-current assets (<i>see note (i)</i>)		418	716
Proceeds from maturity of long-term deposits (<i>see note (ii)</i>)		21,183	26,905
Placements of long-term deposits (<i>see note (ii)</i>)		(35,967)	(20,554)
Dividend received		2,403	7,099
Interest income received		4,071	3,068
Net cash used in investing activities		(22,644)	(8,050)

Mamoura Diversified Global Holding PJSC

INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS continued

30 June 2024 (Unaudited)

	<i>Notes</i>	<i>Six-month period ended</i>	
		<i>30 June</i>	
		<i>2024</i>	<i>2023</i>
		<i>AED</i>	<i>AED</i>
		<i>millions</i>	<i>millions</i>
Cash flows from financing activities			
Receipts of government grants		5	17
Contribution by the non-controlling shareholders in a partially owned subsidiary	11(a)(ii)	3,459	-
Proceeds on disposal of partial interest in a subsidiary		2,742	-
Proceeds from issuance of borrowings	13	26,661	14,162
Repayment of borrowings and lease liabilities		(14,055)	(11,640)
Interest paid		(3,821)	(2,806)
Dividends paid to non-controlling interests		<u>(130)</u>	<u>(144)</u>
Net cash generated / (used in) from financing activities		<u>14,861</u>	<u>(411)</u>
Net increase / (decrease) in cash and cash equivalents			
Cash and cash equivalents at 1 January		23,543	32,258
Net foreign exchange fluctuation		<u>(580)</u>	<u>(388)</u>
Cash and cash equivalents at 30 June	7	<u>25,173</u>	<u>27,350</u>

- (i) Non-current assets comprise of property, plant and equipment, intangible assets and investment properties.
- (ii) See note 24 for changes in comparative figures.

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

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 2024.

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 2023, prepared in accordance with IFRS Accounting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”).

(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) measured at fair value;
- 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 in accordance with IAS 19 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 the Group’s presentational 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 IFRS 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.

30 June 2024 (Unaudited)

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 sources of material estimation uncertainty were similar to those described in the Group's consolidated financial statements for the year ended 31 December 2023.

(e) Taxation

On 9 December 2022, the UAE Ministry of Finance released Federal Decree-Law No. 47 of 2022 on the Taxation of Corporations and Businesses (the "CIT" Law) to enact a federal corporate tax regime in the UAE, effective for accounting periods beginning on or after 1 June 2023. A tax rate of 9% applies to taxable income exceeding AED 375,000. Where certain requirements are met, Government Controlled Entities and their wholly owned entities are exempt from CIT and qualifying free zone entities subject to a CIT rate of 0%. The Ministry of Finance continue to issue supplemental decisions of the Cabinet of Ministers of the UAE to further clarify certain aspects of the CIT Law. Such decisions, and other interpretive guidance of the UAE Federal Tax Authority, are required to fully evaluate the impact of the CIT Law on the Group.

The Group has not identified any material temporary differences that would trigger any deferred taxes, as of and for the six-months period ended 30 June 2024. In performing this assessment, the Group considered the provisions of the Law and the Cabinet Decisions issued. The Group will review future Cabinet decisions to assess if there is any impact on previously concluded position on deferred tax.

International Tax Reform – Pillar II

In December 2021, the Organisation for Economic Co-operation and Development (OECD)/G20 Inclusive Framework on Base Erosion and Profit Shifting (BEPS) released the Pillar II Anti Global Base Erosion Rules ("GloBE Rules"). These rules mandate a global minimum tax rate of 15% for multinational enterprises that meet a threshold of consolidated revenue exceeding EUR 750 million. Currently there is not enough legislative guidance available in this regard, however, it is not expected to have a material impact on the Group.

In 2024, the UAE Ministry of Finance released a Consultation document on implementation of the OECD Base Erosion and Profit Shifting Pillar II (Minimum tax). The consultation aims to gather views from stakeholders on potential policy choices and design options.

3 MATERIAL ACCOUNTING POLICIES

The material 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 2023, except for the adoption of new standards effective as of 1 January 2024 as listed below:

- Amendments to IAS 7 and IFRS 7 - Supplier Finance Arrangements
- Amendments to IFRS 16 - Lease Liability in a Sale and Leaseback
- Amendments to IAS 1 - Classification of Liabilities as Current or Non-current

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

Mamoura Diversified Global Holding PJSC

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 June 2024 (Unaudited)

4 DISCONTINUED OPERATIONS

	<i>Six-month period ended</i>	
	30 June	
	2024	2023
	AED	AED
	millions	millions
	(unaudited)	(unaudited)
Profit for the period from discontinued operations, net of tax		
OMV Aktiengesellschaft (“OMV”) (<i>see note 4(i)</i>)	4,238	-
Al Yah Satellite Communications Company PJSC (“Yahsat”) (<i>see note 4(ii)</i>)	253	150
Mubadala Health LLC (“Mubadala Health”) (<i>see note 4(iii)</i>)	-	4,114
Busrakham Oil and Gas Limited (“Busrakham”)	-	437
Others	<u>(3)</u>	<u>32</u>
Profit for the period from discontinued operations	<u>4,488</u>	<u>4,733</u>

The total assets classified as held for sale as at 30 June 2024 was AED 7,330 million (*31 December 2023: AED 24,105 million*) which mainly includes assets related to Yahsat (*31 December 2023: includes investment in OMV and assets related to Yahsat*). The total liabilities directly associated with the assets classified as held for sale as at 30 June 2024 is AED 3,964 million (*31 December 2023: AED 4,104 million*) which mainly represents the liabilities of Yahsat.

(i) OMV

In December 2022, subsequent to the approval by the Board of Directors of the Parent, the Group signed an agreement with Abu Dhabi National Oil Company (“ADNOC”) to transfer its 24.9% interest in OMV to ADNOC. In February 2024, the Group completed the sale and recorded a gain of AED 4,238 million in the interim condensed consolidated financial statements. OMV was a significant associate of the Group, and its operations and cash flows were clearly distinguished, both operationally and for financial reporting purposes, from the rest of the Group. Accordingly, OMV was classified as discontinued operations of the Group as per IFRS 5 *Non-current Assets Held for Sale and Discontinued Operations*.

(ii) Yahsat

On 19 December 2023, Yahsat and Bayanat AI PLC (“Bayanat”) announced that they had agreed to the terms of a proposed merger between the two companies. In 2024, their respective Board of Directors and shareholders approved the proposed merger. Yahsat and Bayanat continue to operate independently until the merger is effective. It is expected that the Group will not exercise control over the merged entity which has been renamed as “Space42”. Accordingly, Yahsat has been classified as held for sale and disclosed as discontinued operations in these interim condensed consolidated financial statements. On 1 October 2024, the merger between Yahsat and Bayanat has been completed. The Group holds 28.97% interest in Space42 (*see note 25*).

Mamoura Diversified Global Holding PJSC

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 30 June 2024 (Unaudited)

4 DISCONTINUED OPERATIONS continued

(ii) Yahsat continued

The results of operations of Yahsat for the current and comparative periods are set out below:

	<i>Six-month period ended</i>	
	<i>30 June</i>	
	<i>2024</i>	<i>2023</i>
	<i>AED</i>	<i>AED</i>
	<i>millions</i>	<i>millions</i>
	<i>(unaudited)</i>	<i>(unaudited)</i>
Revenue	734	753
Cost of sales	<u>(284)</u>	<u>(300)</u>
Gross profit	450	453
Finance income (<i>net</i>)	15	12
Other expense (<i>net</i>)	<u>(212)</u>	<u>(315)</u>
Profit from discontinued operations	<u>253</u>	<u>150</u>

The total value of assets and liabilities of Yahsat recorded in the interim condensed consolidated financial statements as held for sale are as follows:

	<i>30 June</i>
	<i>2024</i>
	<i>AED</i>
	<i>millions</i>
	<i>(unaudited)</i>
Non-current assets	4,818
Cash and cash equivalents	1,463
Other current assets	<u>841</u>
Assets held for sale	<u>7,122</u>
Non-current liabilities	(2,714)
Current liabilities	<u>(1,207)</u>
Liabilities held for sale	<u>(3,921)</u>

4 DISCONTINUED OPERATIONS continued

(iii) Mubadala Health

In December 2022, subsequent to the approval by the Board of Directors of the Parent, the Group entered into a share purchase and subscription agreement with Group 42 Holding Limited (“G42”) to transfer the Group’s interest in its 100% owned subsidiary Mubadala Health in exchange for acquiring 45% interest in M42 Ltd (“M42”). The Group and G42 own 45% and 55% interest in M42, respectively. In January 2023, all conditions precedent to the transaction were completed. Accordingly, the Group recognised the sale effective January 2023.

The gain on disposal of Mubadala Health was calculated as follows:

	<i>January 2023 AED millions (unaudited)</i>
Net assets of Mubadala Health	4,623
Sale consideration	<u>8,737</u>
Gain on disposal of Mubadala Health	<u>4,114</u>

5 OPERATING SEGMENTS

The Group is organised into four business platforms namely, UAE Investments, Direct Investments, Diversified 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 champions, fostering vibrant industrial and commercial clusters and partnering with world-class global entities. The platform’s key portfolio assets include: (i) its investments in subsidiaries such as Mubadala Energy Holding Company LLC (“Mubadala Energy”), Dolphin Investment Company LLC, Yahsat, Strata Manufacturing PJSC, Sanad Aero Solutions Holdings LLC (“Sanad”), Aerospace Turbine Services & Solutions LLC and Masdar City Services LLC (“Masdar City”), (ii) associates such as Aldar Properties PJSC (“Aldar”), National Central Cooling Company PJSC, M42 and (iii) joint ventures such as Emirates Global Aluminium PJSC and Abu Dhabi Future Energy Company PJSC. The aspiration of the platform 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.

5 OPERATING SEGMENTS continued

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 and sustainability, technology, life sciences, consumer, industrials and business services and financial services. The platform's primary geographical focus is North America, Europe and Asia. Key portfolio assets include: (i) subsidiaries such as GlobalFoundries and NOVA Chemicals Corporation ("NOVA"), (ii) joint ventures such as Compañía Española de Petróleos S.A.U. ("CEPSA") and Dental Care Alliance, and (iii) its financial investments in Reliance Retail Ventures Limited, PCI Pharma Services, Envirotainer Holdings AB, Avalara Inc., Medallia Inc., Culligan International Co., Independent Vetcare Limited trading under the name IVC Evidensia, Truist Insurance Holdings and United States Infrastructure Corporation.

Diversified Investments

This platform encompasses: (i) investments in late stage/high growth companies and funds across a range of sectors, with a focus on enterprise software, fin-tech and frontier technologies primarily in the US and Europe (including the UK), (ii) credit investments primarily in the form of direct lending in North America, Western Europe and the APAC region and across different asset classes and industries, (iii) investments in special opportunities across a wide range of sectors and geographies (including the management of some of the platform's key portfolio assets), (iv) commercially driven country investment programs alongside select global counterparts, and (v) Mubadala Capital, a wholly-owned asset management subsidiary. The platform's key portfolio assets include its investments in Silver Lake Partnership, Softbank Vision Fund 1, Fortress Investment Group, Getir B.V., Waymo LLC, Bpifrance's LAC I Fund and direct lending programmes with Apollo Global Management, Ares Management Corporation, Barings, Carlyle, Goldman Sachs Asset Management APAC Partnership, BlackRock and Kohlberg Kravis Roberts & Co. L.P.

Effective January 2024, Disruptive Investments has been renamed to Diversified Investments. On the same date, a portfolio of investments was transferred from Disruptive Investments to UAE Investments and Direct Investments. Segment disclosures of the comparative period have been adjusted in accordance with IFRS 8 Operating Segments to reflect these transfers, effective January 2024.

Real Estate and Infrastructure Investments

This platform deploys capital into international real estate and infrastructure assets that offer long-term stable and predictable cash flows across business cycles. The platform partners with best-in-class investment managers and capital partners to create long-term sustainable value. The platform is geographically diversified across North America, Europe and Asia. The platform's key portfolio assets include its investments in Jio Platforms Limited, CityFibre, Princeton Digital Group, Calisen Limited, Tata Power Renewable Energy Limited, Terminal Investment Limited Holding SA, Skyborn Renewables GmbH, Nordic Connectivity AB (which owns GlobalConnect Group (GlobalConnect), Aligned Energy Holdings LP, Rio Grande LNG LLC and Zenobe Energy Limited. The real estate portfolio is heavily focused on the logistics, living, healthcare/life sciences and credit sectors, with investment managers such as 3650 REIT, Crow Holdings, Barings, Starz Real Estate, ESR and CBC Group.

Corporate

The segment is responsible for developing and driving the strategy of the Group as whole as well as focusing on the economic development by establishing business in services-based sectors, such as insurance and financing. Furthermore, this segment includes strategy acceleration program and treasury activities that include liquidity management program, structuring and raising debt, and providing banks and investors relationships management. The segment's key investments include investment in a fund of MGX.

Mamoura Diversified Global Holding PJSC

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 June 2024 (Unaudited)

5 OPERATING SEGMENTS continued

AED millions	UAE Investments		Diversified Investments		Direct Investments		Real Estate and Infrastructure Investments		Corporate		Total	
	2024 (unaudited)	2023 (unaudited)	2024 (unaudited)	2023 (unaudited)	2024 (unaudited)	2023 (unaudited)	2024 (unaudited)	2023 (unaudited)	2024 (unaudited)	2023 (unaudited)	2024 (unaudited)	2023 (unaudited)
For the six-month period ended 30 June												
Revenues from contracts with customers	6,015	4,728	395	266	18,377	19,664	-	-	-	2	24,787	24,660
Other revenue	494	446	7	5	-	8	-	-	38	34	539	493
Total revenue	6,509	5,174	402	271	18,377	19,672	-	-	38	36	25,326	25,153
Depreciation and amortisation	800	770	17	24	4,135	3,514	5	6	64	57	5,021	4,371
Investment income (net)	2,708	50	3,269	2,366	1,974	5,123	1,162	736	67	69	9,180	8,344
Share of results from equity accounted investees (net)	2,555	2,377	114	65	262	(1,777)	288	(446)	-	-	3,219	219
Net finance income / (finance cost)	54	(110)	1,782	1,377	(373)	(309)	18	216	(338)	(546)	1,143	628
Profit / (loss) for the period attributable to the Owner of the Company (continuing operations)	6,175	3,390	2,824	3,752	2,565	4,323	1,587	445	(1,579)	(1,365)	11,572	10,545
Profit for the period attributable to the Owner of the Company (discontinued operations)	172	4,747	-	-	4,238	-	(3)	32	-	-	4,407	4,779
Total comprehensive income / (loss) for the period attributable to the Owner of the Company	6,222	7,937	2,933	3,771	6,067	4,521	1,436	678	(1,724)	(1,439)	14,934	15,468
Additions to non-current assets (see note (i))	1,680	736	10	74	2,670	4,162	10	27	45	91	4,415	5,090
At 30 June / 31 December												
Investments in equity accounted investees	52,918	51,751	6,930	3,631	16,535	16,526	11,766	11,087	-	-	88,149	82,995
Total assets	116,612	110,562	150,514	134,088	185,440	194,596	45,912	43,470	76,778	56,706	575,256	539,422
Total liabilities	21,410	21,348	42,580	34,995	49,625	52,218	1,564	1,620	95,601	87,100	210,780	197,281

(i) Additions to non-current assets includes additions to property, plant and equipment, intangible assets and investment properties.

Mamoura Diversified Global Holding PJSC

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 June 2024 (Unaudited)

6 REVENUE

	<i>Six-month period ended</i>	
	<i>30 June</i>	
	<i>2024</i>	<i>2023</i>
	<i>AED</i>	<i>AED</i>
	<i>millions</i>	<i>millions</i>
	<i>(unaudited)</i>	<i>(unaudited)</i>
<i>Revenue from contracts with customers</i>		
Revenue from semiconductor wafers	11,684	13,541
Revenue from petrochemicals	6,651	6,122
Revenue from exploration and production activities	3,016	2,751
Revenue from aircraft maintenance, repairs and sales	2,383	1,553
Revenue from asset management services	218	219
Others	<u>835</u>	<u>474</u>
	<u>24,787</u>	<u>24,660</u>
<i>Other revenue</i>		
Revenue from property leasing	465	405
Revenue from aircraft components leasing	51	61
Others	<u>23</u>	<u>27</u>
	<u>539</u>	<u>493</u>
Total revenue	<u>25,326</u>	<u>25,153</u>
	<i>Six-month period ended</i>	
	<i>30 June</i>	
	<i>2024</i>	<i>2023</i>
	<i>AED</i>	<i>AED</i>
	<i>millions</i>	<i>millions</i>
	<i>(unaudited)</i>	<i>(unaudited)</i>
<i>Timing of revenue recognition</i>		
Over a period of time	4,031	3,021
At a single point in time	<u>20,756</u>	<u>21,639</u>
Revenue from contracts with customers	<u>24,787</u>	<u>24,660</u>

Mamoura Diversified Global Holding PJSC

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 June 2024 (Unaudited)

7 INVESTMENT INCOME (NET)

	<i>Six-month period ended</i>	
	30 June	
	2024	2023
	AED	AED
	millions	millions
	(unaudited)	(unaudited)
Fair value gains from non-derivative financial instruments (<i>net</i>)	6,874	6,423
Fair value gains from derivative financial instruments (<i>net</i>)	1,346	128
Dividend income from equity investments	542	1,371
Distribution income from funds	413	412
Fair value gain from investment properties	<u>5</u>	<u>10</u>
	<u>9,180</u>	<u>8,344</u>

8 CASH AND CASH EQUIVALENTS

	30 June	31 December
	2024	2023
	AED	AED
	millions	millions
	(unaudited)	(audited)
Bank balances (<i>see note (i)</i>):		
- deposit accounts	6,948	7,996
- call and current accounts	11,364	8,466
Money market funds (<i>see note (ii)</i>)	3,765	5,515
Treasury bills (<i>see note (iii)</i>)	3,093	1,563
Cash in hand	<u>3</u>	<u>3</u>
Cash and cash equivalents (<i>see note (iv)</i>)	<u>25,173</u>	<u>23,543</u>

- (i) Bank deposit, call and current accounts are placed with commercial banks. Deposits have a maturity of less than 3 months. Deposit and call accounts earn interest at prevailing market rates. Bank balances include AED 4,252 million (*31 December 2023: AED 4,254 million*) placed with financial institutions which are considered related parties (*see note 16(d)*) as part of normal course of business.
- (ii) Money market funds include investments in fixed income and other liquid assets, made through a third-party manager. The investments are primarily made in United States, France, United Kingdom and Japan and have average maturity of less than 3 months.
- (iii) Treasury bills represent US treasury bills which are convertible into known amounts of cash.
- (iv) Cash and cash equivalents include AED 10,692 million (*31 December 2023: AED 10,156 million*) managed by Corporate.

Mamoura Diversified Global Holding PJSC

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 June 2024 (Unaudited)

9 RECEIVABLES, PREPAYMENTS, AND OTHER ASSETS

	<i>30 June</i> 2024 <i>AED</i> <i>millions</i> <i>(unaudited)</i>	<i>31 December</i> 2023 <i>AED</i> <i>millions</i> <i>(audited)</i>
Restricted and long-term deposits (<i>see note (i)</i>)	42,557	26,879
Amounts due from related parties (<i>see notes (ii) and 16(d)</i>)	15,820	16,201
Interest receivables	1,346	1,124
Advances to suppliers and contractors	1,013	1,019
Prepaid expenses	944	674
Contract assets	807	559
Tax receivables	758	703
Finance lease receivables	505	548
Receivables against government grants	422	210
Defined benefit plan assets	279	262
Receivables against disposal of assets	191	1,769
Others	<u>2,816</u>	<u>3,141</u>
	67,458	53,089
Less: expected credit losses	<u>(623)</u>	<u>(417)</u>
	<u>66,835</u>	<u>52,672</u>

(i) Includes long-term deposits amounting to AED 41,878 million (*31 December 2023: AED 25,898 million*) which represent deposits with an original maturity of more than three months and which are managed by Corporate. Long term deposits include AED 9,920 million (*31 December 2023: AED 3,857 million*) placed with financial institutions which are considered related parties (*see note 19(d)*).

(ii) As at 30 June 2024, amounts due from related parties include service concession receivables amounting to AED 3,365 million (*31 December 2023: AED 3,579 million*) 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.

Amounts due from related parties also include present value deferred consideration of AED 715 million on the disposal of Mubadala Health.

10 OTHER FINANCIAL ASSETS

	<i>30 June</i> 2024 <i>AED</i> <i>millions</i> <i>(unaudited)</i>	<i>31 December</i> 2023 <i>AED</i> <i>millions</i> <i>(audited)</i>
Loans receivable (<i>see note 10(a)</i>)	12,520	11,975
Investment in non-derivative financial instruments (<i>see note 10(b)</i>)	257,348	224,362
Derivative financial instruments	<u>3,512</u>	<u>2,749</u>
	<u>273,380</u>	<u>239,086</u>

Mamoura Diversified Global Holding PJSC

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 June 2024 (Unaudited)

10 OTHER FINANCIAL ASSETS continued

(a) Loans receivable

	<i>30 June 2024 AED millions (unaudited)</i>	<i>31 December 2023 AED millions (audited)</i>
Loans to related parties	1,224	542
Less: expected credit losses	<u>(22)</u>	<u>(17)</u>
Loans to related parties (net) (see note 16(d))	<u>1,202</u>	<u>525</u>
Loans to third parties (see note (i))	13,225	13,415
Less: expected credit losses	<u>(1,907)</u>	<u>(1,965)</u>
Loans to third parties (net)	<u>11,318</u>	<u>11,450</u>
Total loans receivable	<u>12,520</u>	<u>11,975</u>

- (i) Loans given to third parties include loan investments made by a consolidated credit fund of the Group amounting to AED 9,375 million (31 December 2023: AED 8,489 million) and is represented by senior secured loans provided to middle-market businesses across multiple industries primarily located in the United States. These loans are secured, through share pledges, by the enterprise value of the obligors. As at 30 June 2024, this collateral represents approximately 263% (31 December 2023: 253%) of the carrying value of the senior secured loan portfolio.

(b) Investment in non-derivative financial instruments

	<i>30 June 2024 AED millions (unaudited)</i>	<i>31 December 2023 AED millions (audited)</i>
i. Fair value through profit or loss (“FVTPL”) financial assets		
<u>Quoted investments</u>		
Equity securities (see note (i))	10,353	9,872
Debt securities (see note (ii))	15,061	9,322
Exchange traded fund	<u>1,730</u>	<u>2,067</u>
<i>Total quoted investments</i>	<u>27,144</u>	<u>21,261</u>

Mamoura Diversified Global Holding PJSC

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 June 2024 (Unaudited)

10 OTHER FINANCIAL ASSETS continued

(b) Investment in non-derivative financial instruments continued

	30 June 2024 AED millions (unaudited)	31 December 2023 AED millions (audited)
i. Fair value through profit or loss (“FVTPL”) financial assets continued		
<u>Unquoted investments</u>		
Convertible bonds and preference shares	15,113	12,185
Equity securities (<i>see note (iii)</i>)	57,287	47,376
Funds (<i>see note (iv)</i>)	110,156	105,184
Loans receivable (<i>see note (v)</i>)	<u>40,223</u>	<u>32,624</u>
<i>Total unquoted investments</i>	<u>222,779</u>	<u>197,369</u>
Total financial assets fair valued through profit or loss	<u>249,923</u>	<u>218,630</u>
ii. Fair value through other comprehensive income		
Quoted debt securities (<i>see note (vi)</i>)	7,353	5,660
Unquoted equity securities	<u>72</u>	<u>72</u>
Total financial assets fair valued through other comprehensive income	<u>7,425</u>	<u>5,732</u>
	<u>257,348</u>	<u>224,362</u>

Details of fair value hierarchy and fair value methodology are disclosed in note 19.

- (i) In May 2024, Abu Dhabi Aviation Company PJSC (“AD Aviation”), an associate of the Group, issued new shares to ADQ Aviation and Aerospace Services LLC (“ADQ Aviation”) subsequent to which, the Group’s interest in AD Aviation has diluted and the Group assessed that it ceased to have significant influence over AD Aviation. Accordingly, the Group classified its retained interest in AD Aviation as an investment in equity securities measured at FVTPL. The carrying value of investment in AD Aviation as at 30 June 2024 AED 902 million.
- Additionally, the Group recognised a net fair value gain of approximately AED 145 million on its investment in quoted equity securities (*for the period ended 30 June 2023: net fair value gain of approximately AED 1,253 million*).
- (ii) Investments in quoted debt securities include investments made by Corporate in fixed income and other debt securities directly and through external managers. During the period, the net amount invested in fixed income and debt securities by Corporate was AED 4,598 million (*31 December 2023: AED 8,310 million*).
- (iii) The Group made new investments of approximately AED 5,051 million and recognised a net fair value gain of approximately AED 4,069 million on its investment in other unquoted equity securities (*for the period ended 30 June 2023: net fair value gain of approximately AED 3,213 million*).

10 OTHER FINANCIAL ASSETS continued

(b) Investment in non-derivative financial instruments continued

- (iv) During the period, the Group made an additional investment in Truist Insurance Holdings LLC (“Truist Insurance”) of AED 2,571 million, subsequent to which the Group’s investment was reclassified from investment in equity securities to investment in funds measured as FVTPL. The carrying value investment in Truist Insurance as at 30 June 2024 is AED 4,473 million.

Additionally, the Group made new investments of approximately AED 3,663 million and received capital distributions of approximately AED 3,198 million from the funds. The Group also recognised a net fair value gain of approximately AED 2,229 million (*for the period ended 30 June 2023: net fair value gain of approximately AED 1,828 million*) on its unquoted fund investments.

- (v) During the six-month period ended 30 June 2024, the consolidated credit funds of the Group disbursed net additional loans of approximately AED 7,784 million.

Loans receivable measured at FVTPL amounting to AED 36,754 million (*31 December 2023: AED 31,913 million*) are represented by middle market-based first lien senior secured loans, unitranche loans, second lien loans across multiple industries primarily located in United States, United Kingdom and Europe. As at 31 December 2023, this collateral represents approximately a range of 167% - 409% (*31 December 2023: a range of 204% - 314%*) of the carrying value of the secured loan portfolio.

- (vi) During the six-month period ended 30 June 2024, a subsidiary of the Group made additional investment in quoted marketable debt securities of AED 1,732 million.

11 INVESTMENTS IN EQUITY ACCOUNTED INVESTEEES

(a) Investments in equity accounted investees

	<i>30 June 2024 AED millions (unaudited)</i>	<i>31 December 2023 AED millions (audited)</i>
Investments in associates (<i>see notes (i) and (ii)</i>)	33,276	30,483
Investments in joint ventures	<u>54,873</u>	<u>52,512</u>
	<u>88,149</u>	<u>82,995</u>

(i) MIC Global Mining Ventures, S.L.U (“MIC GMV”)

In June 2024, the Group entered into an investment agreement with Aris Mining Corporation (“Aris Group”) through which the Group’s interest in MIC Global Mining Ventures, S.L.U (“Minesa”) reduced from 80% to 49%. The Group ceased to exercise control over Minesa. Accordingly, the Group’s retained interest of 49% is accounted for as an associate with a carrying amount of AED 563 million. As per the terms of the transaction, the Group is entitled to receive an additional 6 million shares of Minesa upon Aris Group obtaining environmental license for Minesa.

(ii) Fortress Investment Group (“Fortress”)

In May 2024, the Group, through a partially owned subsidiary, made investment in Fortress. Based on the terms of the transaction, the investment has been classified as an associate. The carrying value of investment in Fortress is AED 5,395 million as at 30 June 2024. As part of this transaction, the non-controlling shareholders of the partially owned subsidiary contributed an amount of AED 3,459 million (USD 942 million), out of which the Group’s Parent has contributed an amount of AED 1,840 million (USD 501 million).

Mamoura Diversified Global Holding PJSC

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 June 2024 (Unaudited)

11 INVESTMENTS IN EQUITY ACCOUNTED INVESTEEES continued

(b) Income from equity accounted investees (*net*) continued

	<i>Six-month period ended</i>	
	30 June	
	2024	2023
	AED	AED
	millions	millions
	(unaudited)	(unaudited)
Share of results from equity accounted investees	3,219	219
Loss on disposal of equity accounted investees	<u>(360)</u>	<u>-</u>
	<u>2,859</u>	<u>219</u>

12 PROPERTY, PLANT AND EQUIPMENT

During the six-month period ended 30 June 2024, the Group acquired and constructed property, plant and equipment with a cost of AED 3,197 million (*six-month period ended 30 June 2023: AED 4,520 million*).

13 BORROWINGS AND LEASE LIABILITIES

	30 June	31 December
	2024	2023
	AED	AED
	millions	millions
	(unaudited)	(audited)
Borrowings (<i>see note (a)</i>)	158,339	145,691
Lease liabilities	<u>3,925</u>	<u>3,197</u>
	<u>162,264</u>	<u>148,888</u>

(a) Borrowings

	30 June	31 December
	2024	2023
	AED	AED
	millions	millions
	(unaudited)	(audited)
Unsecured corporate bonds	80,591	81,209
Unsecured bank borrowings	22,775	17,580
Secured bank borrowings	47,100	45,457
Sukuk (<i>see note (i)</i>)	3,659	-
Other secured borrowings	2,767	-
Secured bonds	<u>1,447</u>	<u>1,445</u>
	<u>158,339</u>	<u>145,691</u>

Mamoura Diversified Global Holding PJSC

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 June 2024 (Unaudited)

13 INTEREST-BEARING BORROWINGS continued

(a) Borrowings continued

Included in unsecured corporate bonds and unsecured bank borrowings at 30 June 2024 were borrowings of AED 7,765 million (*31 December 2023: AED 14,645 million*) which have been designated as a hedge of net investments in certain foreign operations of certain asset.

Total undrawn borrowing facilities, as at the reporting date, amounted to AED 33,261 million (*31 December 2023: AED 32,077 million*), of which AED 11,021 million pertains to Corporate (*31 December 2023: AED 15,802 million*). Total undrawn borrowing facilities with financial institutions classified as related parties is AED 2,873 million as at 30 June 2024 (*31 December 2023: AED 3,306 million*).

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

	30 June 2024 AED millions (unaudited)	31 December 2023 AED millions (audited)
Corporate (<i>see note (i)</i>)	96,826	88,633
NOVA (<i>see note (ii)</i>)	14,078	13,938
GlobalFoundries	8,159	8,715
GR Sowwah Retail Mezz Ltd	2,661	2,689
Al Maqsed Development Company PJSC	2,050	2,124
Mubadala Energy	1,156	1,195
Sanad	977	1,038
Consolidated credit funds (<i>see note (iii)</i>)	30,123	25,036
Other subsidiaries	<u>2,309</u>	<u>2,323</u>
	<u>158,339</u>	<u>145,691</u>

- (i) In April 2024, the Company, through its subsidiary SPV MDGH Sukuk Limited, issued its inaugural Sukuk of AED 3,673 million (USD 1,000 million) with a tenor of 10 years.

In September 2023, the Company entered into an Islamic loan facility with Abu Dhabi Islamic Bank PJSC of AED 1,837 million (USD 500 million). During the six-month period ended 30 June 2024, the facility was fully utilized by the Group.

During the six-month period ended 30 June 2024, the Group recognised expense of AED 78 million (*six-month period ended 30 June 2023: nil*) on the above Islamic facilities which is included in ‘Finance costs’.

- (ii) In February 2024, NOVA completed a private offering of AED 2,388 million (USD 650 million) senior unsecured notes with an interest rate of 9.0% due in 2030 and repaid an amount of AED 2,388 million (USD 650 million) relating to the senior unsecured notes due in June 2024.
- (iii) During the six-month period ended 30 June 2024, the consolidated credit funds of the Group utilised their loan facilities, drawing approximately AED 7,379 million. Additionally, the consolidated credit funds repaid AED 2,756 million.

Mamoura Diversified Global Holding PJSC

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 June 2024 (Unaudited)

13 INTEREST-BEARING BORROWINGS continued

(a) Borrowings continued

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

	<i>30 June 2024 AED millions (unaudited)</i>	<i>31 December 2023 AED millions (audited)</i>
At 1 January	145,691	134,315
Additions	26,661	39,029
Repayments	(13,789)	(26,855)
Transfer to liabilities associated with assets classified as held for sale (<i>see note 4(ii)</i>)	-	(1,597)
Foreign exchange fluctuations and other movements	<u>(224)</u>	<u>799</u>
At the end of the period / year	<u>158,339</u>	<u>145,691</u>

The estimated fair value of interest-bearing borrowings is as follows:

	<i>30 June 2024 AED millions (unaudited)</i>	<i>31 December 2023 AED millions (audited)</i>
Level 1	76,472	74,354
Level 2	1,131	1,163
Level 3	<u>74,035</u>	<u>64,387</u>
	<u>151,638</u>	<u>139,904</u>

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

	<i>30 June 2024 AED millions (unaudited)</i>	<i>31 December 2023 AED millions (audited)</i>
Secured bank borrowings and bonds:		
Property, plant and equipment	27,797	29,530
Debt and equity securities	45,382	30,149
Loans receivable from third parties	10,174	9,127
Inventory	2,700	2,575
Bank balances and restricted cash	2,436	1,876
Investment properties	1,732	1,717
Finance lease receivables	<u>168</u>	<u>157</u>
	<u>90,389</u>	<u>75,131</u>

In addition to the above, borrowings with a carrying value of AED 1,156 million (*31 December 2023: AED 1,195 million*) are secured through net investment in joint operations.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 June 2024 (Unaudited)

14 OTHER LIABILITIES

	30 June 2024 AED millions (unaudited)	31 December 2023 AED millions (audited)
Amounts due to related parties (<i>see note 16(d)</i>) (<i>see note (i)</i>)	8,549	6,846
Advances from customers (<i>see note (ii)</i>)	6,193	6,044
Accrued expenses	4,467	5,075
Advances, loans and deposits from related parties (<i>see note 16(d)</i>) and (<i>iii</i>)	3,560	5,477
Unearned revenue	1,882	2,346
Amounts payable to unit holders (<i>see note (iv)</i>)	1,806	-
Other liabilities	<u>5,049</u>	<u>5,353</u>
	<u>31,506</u>	<u>31,141</u>

- (i) Included in amounts due to related parties are financial liabilities designated at FVTPL amounting to AED 2,391 million (*31 December 2023: AED 2,205 million*) and are classified as “Level 3” within the fair value hierarchy.
- (ii) This includes amounts received by GlobalFoundries relating to multiple long-term supply agreement with its customers. Many of these contracts include customer advanced payments and capacity reservation fees in order to secure future supply.
- (iii) During 2021, a subsidiary of the Group and one of its joint ventures entered into an agreement pursuant to which the joint venture made available to each of its shareholder certain amount of cash advances. The advances received by the subsidiary of the Group is interest free and is repayable on demand. As at 30 June 2024, the outstanding balance of advance is AED 2,820 million (USD 768 million) (*31 December 2023: AED 3,007 million (USD 819 million)*).
- (iv) Amounts payable to unit holders are equity contributions of minority interest of consolidated Structured Entities (*see note 23*) and these have been classified as liability as they are mandatorily redeemable.

Mamoura Diversified Global Holding PJSC

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 June 2024 (Unaudited)

15 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 2024 (<i>audited</i>)	1,582	(522)	1,272	506	2,838
Exchange difference on translation of foreign operations	-	(917)	-	-	(917)
Gain on hedge of net investment in foreign operations	-	445	-	-	445
Effective portion of changes in fair values of cash flow hedges and other reserves (<i>net of tax</i>)	-	-	(55)	-	(55)
Share of other comprehensive loss of associates and joint ventures	-	-	(139)	-	(139)
Net movement in defined benefit plan (<i>net of tax</i>)	-	-	21	-	21
Recycling of reserve on disposal of OMV (<i>see note 4(i)</i>)	<u>-</u>	<u>253</u>	<u>(147)</u>	<u>(506)</u>	<u>(400)</u>
At 30 June 2024 (<i>unaudited</i>)	<u>1,582</u>	<u>(741)</u>	<u>952</u>	<u>-</u>	<u>1,793</u>
At 1 January 2023 (<i>audited</i>)	1,582	(844)	1,866	293	2,897
Exchange difference on translation of foreign operations	-	654	-	-	654
Loss on hedge of net investment in foreign operations	-	(338)	-	-	(338)
Effective portion of changes in fair values of cash flow hedges and other reserves (<i>net of tax</i>)	-	-	(42)	-	(42)
Share of other comprehensive loss of associates and joint ventures	-	-	(113)	-	(113)
Net movement in defined benefit plan (<i>net of tax</i>)	-	-	(17)	-	(17)
Transfer of reserves related to asset classified as held for sale	<u>-</u>	<u>(133)</u>	<u>-</u>	<u>133</u>	<u>-</u>
At 30 June 2023 (<i>unaudited</i>)	<u>1,582</u>	<u>(661)</u>	<u>1,694</u>	<u>426</u>	<u>3,041</u>

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.

15 OTHER RESERVES continued

Foreign currency translation reserve

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

As at 30 June 2024, borrowings with notional amounts of EUR 1,980 million (AED 7,791 million) (30 June 2023: EUR 1,975 million (AED 7,913 million)) were designated as a hedge of the net investments for the Group's foreign currency exposure to CEPESA.

The Group, as at 30 June 2024, has also designated the various EUR swaps as hedging instruments for its net investments in CEPESA, with notional amount of EUR 514 million (AED 2,023 million) (30 June 2023: EUR 514 million (AED 2,060 million)).

Disposal of OMV in 2024

Prior to disposal of OMV (*see note 4(i)*), the Group had designated a borrowing with notional amount of EUR 1,640 million (AED 6,510 million) (30 June 2023: EUR 1,640 million (AED 6,573 million)) and various EUR swaps with notional amount of EUR 423 million (AED 1,679 million) (30 June 2023: EUR 423 million (AED 1,695 million)) as hedging instruments in relation to the Group's net investment in OMV.

Upon disposal of the Group's interest in OMV, the hedge relationships between the Group's net investment in OMV and the above hedging instruments ended and a gain of AED 465 million on hedging reserves was recycled from other comprehensive income to profit or loss during the six-month period ended 30 June 2024.

16 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, key management personnels and parties which are under common control of the above entities.

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

During the six-month period, the Parent recharged key management personnel's compensation amounting to AED 31 million (six-month period ended 30 June 2023: AED 30 million).

(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 2024 (Unaudited)

16 SIGNIFICANT RELATED PARTY TRANSACTIONS AND BALANCES continued

(c) Related party transactions continued

Transactions with related parties during the period were as follows:

All amounts in AED millions	Revenue	Purchases of goods and services	Borrowings and lease liabilities drawn	Borrowings and lease liabilities repaid	Loans given	Loans recovered	Finance income	Finance cost
<i>Six-month period ended 30 June 2024 (unaudited)</i>								
Entities under common control	771	17	433	46	-	-	320	286
Associates (see note (i))	42	4	-	76	477	-	48	51
Joint ventures (see note (i))	293	113	-	-	72	28	-	-
Ultimate Parent	<u>7</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>1,113</u>	<u>134</u>	<u>433</u>	<u>122</u>	<u>549</u>	<u>28</u>	<u>368</u>	<u>337</u>
<i>Six-month period ended 30 June 2023 (unaudited)</i>								
Entities under common control	686	12	317	39	-	-	311	98
Associates (see note (i))	-	6	-	43	-	-	71	36
Joint ventures (see note (i))	206	151	-	-	82	16	-	-
Ultimate Parent	<u>42</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>934</u>	<u>169</u>	<u>317</u>	<u>82</u>	<u>82</u>	<u>16</u>	<u>382</u>	<u>134</u>
<i>For the six-month period ended 30 June</i>							2024	2023
							<i>(unaudited)</i>	<i>(unaudited)</i>
<i>Other significant transactions:</i>								
Settlement by Ultimate Parent for recoverable projects							<u>-</u>	<u>5,617</u>
Recharge of expenses from Parent							<u>879</u>	<u>549</u>
Dividend and distributions from equity accounted investees							<u>1,860</u>	<u>4,103</u>
Contributions and investments in equity accounted investees							<u>7,675</u>	<u>13,236</u>
Income from provision of manpower, project management and consultancy services to joint ventures							<u>112</u>	<u>193</u>
Other miscellaneous transactions with associates, joint ventures and to entities under common control							<u>570</u>	<u>19</u>
Net additions to shareholder current account							<u>48</u>	<u>562</u>
Gain on sale of OMV to ADNOC (see note 4(i))							<u>4,238</u>	<u>-</u>
Non-controlling interest contributed by the Parent and subsidiary of the Parent							<u>2,374</u>	<u>-</u>
Other significant transaction (see (i) and (ii) of Consolidated Statement of Changes in Equity)							<u>-</u>	<u>-</u>

(i) Associates and joint ventures include associates and joint ventures of the Parent

Mamoura Diversified Global Holding PJSC

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 June 2024 (Unaudited)

16 SIGNIFICANT RELATED PARTY TRANSACTIONS AND BALANCES continued

(d) Related party balances

<i>All amounts in AED millions</i>	<i>Bank balances</i>	<i>Long term deposits</i>	<i>Amounts due to related parties (see notes (i) and (ii))</i>	<i>Amounts due from related parties (see note (iii))</i>	<i>Advances from related parties (see note (ii))</i>	<i>Loans to related parties (see note (iv))</i>	<i>Borrowings and lease liabilities</i>	<i>Derivative Assets</i>	<i>Derivative Liabilities</i>	<i>Additional shareholder contributions (see note (v))</i>
Entities under common control	1,022	6,613	2,681	8,317	-	-	13,637	24	355	-
Associates (<i>see note (vi)</i>)	3,230	3,306	-	590	-	477	3,225	36	7	-
Joint ventures (<i>see note (vi)</i>)	-	-	168	901	2,820	725	-	-	-	-
Ultimate parent	-	-	25	5,538	740	-	-	-	-	-
Shareholder	-	-	5,675	-	-	-	-	-	-	117,860
30 June 2024	<u>4,252</u>	<u>9,919</u>	<u>8,549</u>	<u>15,346</u>	<u>3,560</u>	<u>1,202</u>	<u>16,862</u>	<u>60</u>	<u>362</u>	<u>117,860</u>
Entities under common control	1,072	3,857	2,864	8,779	-	-	13,019	58	394	-
Associates (<i>see note (vii)</i>)	3,182	-	-	802	-	-	2,961	61	3	-
Joint ventures (<i>see note (vii)</i>)	-	-	129	876	4,676	525	-	-	-	-
Ultimate parent	-	-	25	5,472	801	-	-	-	-	-
Shareholder	-	-	3,828	-	-	-	-	-	-	117,860
31 December 2023	<u>4,254</u>	<u>3,857</u>	<u>6,846</u>	<u>15,929</u>	<u>5,477</u>	<u>525</u>	<u>15,980</u>	<u>119</u>	<u>397</u>	<u>117,860</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 9*), net of impairment of AED 539 million (*31 December 2023: AED 320 million*).

(iv) Loans to related parties are included in loan receivable (*see note 10(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) Associates and joint ventures include associates and joint ventures of the Parent

(vii) 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 2024 (Unaudited)

17 COMMITMENTS AND CONTINGENT LIABILITIES

(a) Commitments - Group

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

	30 June 2024 AED millions (unaudited)	31 December 2023 AED millions (audited)
Commitments for capital expenditure (<i>see note (i)</i>)	3,958	6,099
Commitments for equity and debt instruments (<i>see note (ii)</i>)	90,228	65,416
Other commitments, including feedstock and raw materials	60,273	59,314
Unfunded loan commitments	5,858	3,092
Commitments for exploration of oil and gas	<u>65</u>	<u>66</u>
	<u>160,382</u>	<u>133,987</u>

(i) Commitment for capital expenditures includes commitment for construction of property plant and equipment and development of investment properties of the Group.

(ii) Significant commitments for equity and debt instruments include the following:

	30 June 2024 AED millions (unaudited)	31 December 2023 AED millions (audited)
Equity accounted investments, excluding funds	8,554	5,628
Unquoted funds	69,870	55,140
Unquoted equity securities (<i>see note (iii)</i>)	10,876	3,657
Unquoted debt securities	<u>928</u>	<u>991</u>
	<u>90,228</u>	<u>65,416</u>

(iii) This includes the Group outstanding commitment of AED 7,329 million (USD 1,995 million) to MGX. In May 2024, the Group along with G42 as foundational partners, set up MGX, a new technology investment vehicle specialised in Artificial Intelligence and advanced technology.

17 COMMITMENTS AND CONTINGENT LIABILITIES continued

(b) Contingencies

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

	30 June 2024 AED millions (unaudited)	31 December 2023 AED millions (audited)
Contingent liabilities of the Group (<i>see note (i)</i>)	<u>473</u>	<u>907</u>

- (i) Contingent liabilities include bank guarantees, performance bonds, advance payment bonds and completion guarantees.

18 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 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. 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. Discovery and dispositive motion practice has been completed. Trial is scheduled to commence on 3 February 2025. GlobalFoundries believes, based on discussions with legal counsel, that it has meritorious defenses against IBM's claims and intends to vigorously defend against them. GlobalFoundries does not currently anticipate this proceeding to have a material impact on its results of operations, financial condition, business and prospects.

18 LITIGATIONS continued

NOVA Chemicals

In 2006, Dow Chemical Canada ULC and its European affiliate (collectively, "Dow") filed a claim against NOVA in the Court of King's Bench of Alberta (previously known as 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 King's Bench of Alberta awarding Dow damages and interest (for the period 2001-2012 in the aggregate amount of CAD 1,430 million (AED 3,964 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 King's Bench of Alberta for redetermination (the "Base Trial").
- ii. Trial in the Court of King'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. The trial is expected to continue through 2024.

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.

19 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).

Mamoura Diversified Global Holding PJSC

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 June 2024 (Unaudited)

19 FAIR VALUE DISCLOSURES continued

As at 30 June 2024 (unaudited)

All amounts in AED millions	Carrying amount	Fair value	Level 1	Level 2	Level 3
Investments in non-derivative financial assets					
<u>Financial assets at FVTPL</u>					
Quoted investments					
Equity securities	10,353	10,353	10,353	-	-
Debt securities	15,061	15,061	5,271	7,446	2,344
Exchange traded funds	1,730	1,730	1,730	-	-
Unquoted investments					
Convertible bonds and preference shares	15,113	15,113	-	1,048	14,065
Equity securities	57,287	57,287	10	-	57,277
Funds	110,156	110,156	-	1,657	108,499
Loans receivable	40,223	40,223	-	-	40,223
<u>Financial assets at FVOCI</u>					
Quoted debt securities	7,353	7,353	2,244	5,109	-
Unquoted equity securities	<u>72</u>	<u>72</u>	<u>-</u>	<u>-</u>	<u>72</u>
	<u>257,348</u>	<u>257,348</u>	<u>19,608</u>	<u>15,260</u>	<u>222,480</u>
Investments in derivative financial assets and liabilities measured at fair value					
Derivative financial assets (see note (i))	<u>3,512</u>	<u>3,512</u>	<u>-</u>	<u>1,284</u>	<u>2,228</u>
Derivative financial liabilities (see note (i))	<u>919</u>	<u>919</u>	<u>-</u>	<u>919</u>	<u>-</u>

As at 31 December 2023 (audited)

Investment in non-derivative financial assets

Financial assets at FVTPL

Quoted investments					
Equity securities	9,872	9,872	9,872	-	-
Debt securities	9,322	9,322	2,822	4,156	2,344
Exchange traded funds	2,067	2,067	2,067	-	-
Unquoted investments					
Convertible bonds and preference shares	12,185	12,185	-	995	11,190
Equity securities	47,376	47,376	2	-	47,374
Funds	105,184	105,184	-	1,008	104,176
Loans receivable	32,624	32,624	-	294	32,330
<u>Financial assets at FVOCI</u>					
Quoted debt securities	5,660	5,660	4,514	1,146	-
Unquoted equity securities	<u>72</u>	<u>72</u>	<u>-</u>	<u>-</u>	<u>72</u>
	<u>224,362</u>	<u>224,362</u>	<u>19,277</u>	<u>7,599</u>	<u>197,486</u>

Investments in derivative financial assets and liabilities measured at fair value

Derivative financial assets (see note (i))	<u>2,749</u>	<u>2,749</u>	<u>-</u>	<u>1,424</u>	<u>1,325</u>
Derivative financial liabilities (see note (i))	<u>1,241</u>	<u>1,241</u>	<u>-</u>	<u>1,241</u>	<u>-</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 2024 (Unaudited)

19 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.

Type of financial asset / liability	Valuation techniques and key inputs	Significant unobservable inputs	Sensitivity analysis for change on level 3 investments fair value (All amounts in AED millions)		
			Change	Effect of + change	Effect of - change
Financial assets at FVTPL – Quoted					
Quoted equity securities – Level 1	Quoted bid prices in an active market	-	-	-	-
Quoted debt securities – Level 1	Quoted bid prices in an active market	-	-	-	-
Quoted debt securities – Level 2	Quoted bid prices in an inactive market	-	-	-	-
Quoted debt securities – Level 3	Income approach	• Discount rate of 16.9%	+/-5%	(138)	155
Quoted exchange traded funds– Level 1	Quoted bid prices in an active market	-	-	-	-
Financial assets at FVTPL – Unquoted					
Unquoted convertible bonds – Level 2	A combination of bond value and Black Scholes model along with consideration of converted equity value	• Discount rate of 6.6-7% • Volatility of 46.7- 47.7%	-	-	-
Unquoted convertible bonds – Level 3	Net asset value provided by the fund manager calibration and market approach	• -10%/ adjustment to implied EV • 0.2-0.3x EV/LTM GMV • 0.6x-0.8x EV/LTM Revenue;	+/-5%	54	(49)
Unquoted preference shares – Level 3	Combination of calibration and income approach	• PIK – accrued dividend for 6%	-	-	-
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	-	-	-	-

Mamoura Diversified Global Holding PJSC

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 June 2024 (Unaudited)

19 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.

Type of financial asset / liability	Valuation techniques and key inputs	Significant unobservable inputs	Change	Sensitivity analysis for change on level 3 investments fair value (All amounts in AED millions)	
				Effect of + change	Effect of - change
Financial assets at FVTPL – Unquoted					
Unquoted equity securities – Level 3	Combination of market, income approach and transaction price	<ul style="list-style-type: none"> • Cost of equity 9 - 11% • Enterprise value (“EV”)/ EBITDA multiple of 10x to 55x where applicable • 9.5%-11% Weighted average cost of capital 	+/-5%	734	(582)
Loans receivable – Level 3	Discounted cash flows, combination of market and income approach	<ul style="list-style-type: none"> • Discount rate of 3.5 - 42.6% • Market yield of 1%-17.5% • 6.55x to 23x on EBITDA 	+/-5%	(5,780)	(3,318)
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 exchange rates (from observable forward exchange)	<ul style="list-style-type: none"> • Volatility 36,8% • Yield of 1.6% 	+/-5%	66	(61)
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 2024 (Unaudited)

19 FAIR VALUE DISCLOSURES continued

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

	<i>30 June 2024 AED millions (unaudited)</i>	<i>31 December 2023 AED millions (audited)</i>
At 1 January (<i>audited</i>)	198,811	148,066
Additions and other movements	23,621	42,174
Change in fair value recognised in profit or loss (<i>net</i>) (<i>see note (i)</i>)	7,616	18,465
Disposals and other movements	(5,340)	(10,082)
Transfers to level 3	<u>-</u>	<u>188</u>
At the end of the period / year	<u>224,708</u>	<u>198,811</u>

- (i) The total net 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 2024 (Unaudited)

20 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>
30 June 2024 (unaudited)			
Assets			
Cash and cash equivalents	25,173	-	25,173
Trade receivables	6,467	-	6,467
Inventories	10,146	-	10,146
Receivables, prepayments, and other assets	59,251	7,584	66,835
Other financial assets	11,780	261,600	273,380
Investment in equity accounted investees	-	88,149	88,149
Investment properties	-	12,199	12,199
Property, plant and equipment	-	78,382	78,382
Intangible assets	-	6,041	6,041
Deferred tax assets	-	1,154	1,154
Assets classified as held for sale	<u>7,330</u>	<u>-</u>	<u>7,330</u>
Total assets	<u>120,147</u>	<u>455,109</u>	<u>575,256</u>
Liabilities			
Trade and other payables	4,148	-	4,148
Borrowings and lease liabilities	24,911	137,353	162,264
Other liabilities	24,822	6,684	31,506
Provisions	1,443	2,194	3,637
Deferred tax liabilities	-	5,261	5,261
Liabilities directly associated with the assets classified as held for sale	<u>3,964</u>	<u>-</u>	<u>3,964</u>
Total liabilities	<u>59,288</u>	<u>151,492</u>	<u>210,780</u>
Net	<u>60,859</u>	<u>303,617</u>	<u>364,476</u>

Mamoura Diversified Global Holding PJSC

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 June 2024 (Unaudited)

20 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>
31 December 2023 (audited)			
Assets			
Cash and cash equivalents	23,543	-	23,543
Trade receivables	7,275	-	7,275
Inventories	9,272	-	9,272
Receivables, prepayments, and other assets	44,649	8,023	52,672
Other financial assets	7,346	231,740	239,086
Investment in equity accounted investees	-	82,995	82,995
Investment properties	-	12,162	12,162
Property, plant and equipment	-	80,455	80,455
Intangible assets	-	6,622	6,622
Deferred tax assets	-	1,235	1,235
Assets classified as held for sale	<u>24,105</u>	<u>-</u>	<u>24,105</u>
Total assets	<u>116,190</u>	<u>423,232</u>	<u>539,422</u>
Liabilities			
Trade and other payables	4,260	-	4,260
Borrowings and lease liabilities	18,969	129,919	148,888
Other liabilities	23,943	7,198	31,141
Provisions	1,530	2,143	3,673
Deferred tax liabilities	-	5,215	5,215
Liabilities directly associated with assets classified as held for sale	<u>4,104</u>	<u>-</u>	<u>4,104</u>
Total liabilities	<u>52,806</u>	<u>144,475</u>	<u>197,281</u>
Net	<u>63,384</u>	<u>278,757</u>	<u>342,141</u>

21 OTHER RISK MANAGEMENT OBJECTIVES AND POLICIES

Macroeconomics and geopolitics risks

The global operations of the Group are exposed to macro-economic risks across geographies, including inflation, interest rates, monetary policies, global prices of oil, natural gas and other commodities.

The Group is also exposed to global political dynamics, policy change and global events. The crisis in Russia, Ukraine and the conflict in Middle East have resulted in increased global economic uncertainty and volatility. Such geopolitical fragmentation has impacted policy decisions, supply chains, trade and has implications for performance and market sentiment.

Market risk impacting valuations

The Group is exposed to public market volatility, either directly (listed equity) or indirectly (sensitivity to public markets). Weaker than expected earnings growth or deterioration of a macro fundamentals could impact valuations, particularly for growth assets (e.g. technology). Value creation may be challenged by declining margins, due to persistent inflation, supply chain issues and tight labor markets.

Legal and regulatory change, and protectionism

The activities carried out by the Group are subject to various legislations, including in new jurisdictions into which the Group expands. As the Group expands its operations, it may become subject to legal uncertainties or regulations to which it is not currently subject or from which it is currently exempt, which may lead to greater exposure to risk or higher compliance costs.

Protectionism poses the risk of increased costs, reduced market access, and supply chain disruptions for parts of the Group that operate in global markets. This can lead to lower profitability, hindered growth opportunities, and heightened regulatory complexity, ultimately impacting competitiveness and long-term sustainability.

Risks relating to service providers and Business Partners

The Group's reliance on third-party providers, including contractors and business partners, is crucial for various operational needs. Failures by these providers or by the Group to maintain these relationships could significantly harm the Group. The industry's structure often limits the Group's ability to renegotiate contracts with key providers, and uncovering deficiencies in vendors may offer few alternative solutions. Transferring contracts between providers can be costly and complex, exposing the Group to heightened risks.

Sustainability and technology

Sustainability risk involves potential environmental impact from the Group's activities, including emissions and waste handling, despite efforts to minimize it through rigorous control measures and compliance with environmental permits. Additionally, the Group's performance may be influenced by stakeholder expectations regarding social, environmental, and governance (ESG) matters, particularly concerning climate change and the transition to net zero emissions.

The emergence of disruptive technologies, such as Artificial Intelligence, may affect the viability of business models of the Group. Technology change in the semiconductor industry, energy and chemicals sector, or a shift towards alternative energy, could have a material detrimental impact on the Group's business or create new business opportunities, in particular those supporting digital and energy transitions.

Data and Cybersecurity

Data security exposes the Group to the risk of revealing confidential or business information/data without permission (e.g., wrong collection, storage, transfer of information/data). There is also the risk that financial data in systems and/or reports is inaccurate, distorted, misunderstood, or used incorrectly.

The rise in cyber-attacks, coupled with the changing landscape of cyber threats and reliance on third-party vendors, heightens the likelihood of data loss, damage, or misuse, as well as disruptions to business operations, potentially resulting in reputational harm.

21 OTHER RISK MANAGEMENT OBJECTIVES AND POLICIES continued

Risks related to tax

The Group's financial results could be adversely affected by changes in tax-related matters. The Group conducts operations and sells products in various countries and, as a result, is subject to taxation and audit by a number of tax authorities. Tax rates vary in the jurisdictions in which the Group operates. Changes in tax laws, regulations and related interpretations in these countries may adversely affect the Group's business and results of operations.

Risks related to specific operations

The Group is exposed to risks relating to specific operations in the energy and semiconductor sectors.

The worldwide semiconductor foundry industry is highly competitive and has been cyclical and subject to downturns in the past, because of global economic conditions as well as industry-specific factors and that may have an adverse impact on the semiconductor operations of the Group. Furthermore, semiconductor manufacturing processes are highly complex, costly, and potentially vulnerable to impurities and other disruptions that can significantly increase the cost related to the semiconductor operations of the Group.

The Group's energy businesses are exposed to a variety of risks including, but not limited to, cyclicity in supply and demand, price fluctuations and disruptions in feedstock availability and project execution risk, which could materially and adversely affect the Group's results of operations. The Group's operations in Oil and Gas could also face significant liabilities for damages, clean-up costs or penalties under environmental and safety laws and changes in such laws could materially increase the Group's operating costs.

Talent and Business Conduct

The performance and standards of operations may be affected by difficulties in finding, keeping or training talent to match changing business needs.

The Group's employees, contractors, or third parties may intentionally or negligently bypass established controls to engage in fraudulent activities, bribery, or other misconduct. There is heightened exposure in the current economic climate, increasing regulatory requirements and by the Group's expansion into new geographies where governance may be less stringent.

22 SIGNIFICANT NON-CASH TRANSACTIONS

The Group had entered into significant non-cash transactions, as disclosed in notes 10(b), 11, and interim condensed consolidated statement of changes in equity, which are not reflected in the interim condensed consolidated statement of cash flows.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 June 2024 (Unaudited)

23 STRUCTURED ENTITIES

The Group has assessed that some of its indirect interests in various General Partners (“GPs”) and funds managed by those GPs can be considered investments in unconsolidated Structured Entities (“Structured Entities”), on the basis that the Limited Partners (“LPs”) or investors in the funds have the ability to replace the GP, whose objectives are to maximize the returns for its investors. The table below describes the types of Structured Entities that the Group does not consolidate but in which it holds an interest:

<i>Type of Structured Entity</i>	<i>Nature and purpose</i>	<i>Interest held by the Group</i>
Various investment funds	To manage assets on behalf of investors, including third party investors and generate income for the GPs and/or the investment manager and the investors.	Investment in units issued by the funds.

The exposure to investments in these Structured Entities at fair value, by strategy, is disclosed in the following table.

	<i>30 June 2024 (unaudited)</i>				<i>31 December 2023 (audited)</i>			
	<i>Number of Structured Entities</i>	<i>Net assets value of the Structured Entities AED millions</i>	<i>Group's share of the Structured Entities fair value AED millions</i>	<i>Net Assets attributable to the Group %</i>	<i>Number of Structured Entities</i>	<i>Net assets value of the Structured Entities AED millions</i>	<i>Group's share of the Structured Entities' fair value AED millions</i>	<i>Net Assets attributable to the Group %</i>
Private Equity	5	15,436	3,285	37%	9	17,654	4,370	61%
Ventures	2	2,028	478	16%	5	4,420	1,668	32%
Multi Strategy	-	-	-	-	1	11,792	10,900	92%

During the period, the governance rights over various Structured Entities were amended which resulted in the Group reassessing that it has control over those Structured Entities. The effect of consolidating those Structured Entities, was a net increase in total assets of AED 3,099 million (net of decrease of FVTPL investments of the Structured Entities of AED 14,809 million), an increase in total liabilities of AED 2,814 million as at 30 June 2024 and an increase in total comprehensive income of AED 194 million for the six-month period ended 30 June 2024.

The Group’s maximum exposure of loss from its interest in Structured Entities is equal to the total fair value of its investments. Once the Group has disposed of its share in a structured entity, the Group ceases to be exposed to any risk from that Structured Entity.

During the six-month period ended 30 June 2024 and year ended 31 December 2023, the Group did not provide any financial support to unconsolidated Structured Entities.

24 COMPARATIVE FIGURES

Certain comparative figures have been reclassified, wherever necessary, to conform to the presentation adopted in the interim condensed consolidated financial statements.

Proceeds from maturity of long-term deposits amounting to AED 26,905 million and placements of long-term deposits amounting to AED 20,554 million for the comparative period ended 30 June 2023 have been presented on a gross basis in the interim consolidated statement of cash flows for the six-month period ended 30 June 2024. Those cash flows were previously presented on a net basis amounting to AED 6,351 million in the interim consolidated statement of cash flows for the period ended 30 June 2023. Accordingly, there is no impact on the previously reported total net cash used in investing activities for the period then ended.

25 MATERIAL SUBSEQUENT EVENTS

- (i) In July 2024, the Board of Directors of the Parent, approved the contribution of the Galleria Luxury Collection retail mall, other Abu Dhabi land plots and certain real estate assets of Masdar City to four entities to be owned by the Group and Aldar. The Group and Aldar are expected to own 40% and 60% interest in those entities, respectively. The definitive agreements have not been signed.
- (ii) In September 2024, the Group acquired 100% interest in Kelix Bio Limited. As per the terms of the transaction, the Group will exercise control over Kelix Bio Limited.
- (iii) On 1 October 2024, Yahsat and Bayanat merger has been completed. The Group holds 28.97% interest in Space42 (*see note 4(ii)*).