

**MADA MONEY MARKET INVESTMENT FUND "AWAYD"
DUBAI**

Annual report and financial statements

Period ended December 31, 2024

MADA MONEY MARKET INVESTMENT FUND "AWAYD", DUBAI

Annual report and financial statements for the period ended December 31, 2024

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Fund Manager Report Mada Money Market Investment Fund “Awayd”

The Fund Manager has the pleasure of submitting the statements of MADA Money Market Investment Fund “Awayd” (the “Fund”)’s for its first financial year ended December 31, 2024.

The Fund

MADA Money Market Investment Fund “Awayd” is a public open-ended money market investment fund, registered with UAE Securities and Commodities Authority under the decree of Chairman of the Authority’s Board of Directors’ No. (1/2023 RT) concerning the system for investment funds. The Fund was incorporated on 14 December 2023 and had its initial closing date on 19 December 2023.

The Fund Manager

Mada Capital Investment Management PSC, the Fund’s founder and investment manager, (the “Fund Manager”) is responsible for the management, operation and control of the business and affairs of the Fund and, subject to the terms of its Offering Memorandum, have the power and authority to do all things necessary to carry out the purposes of the Fund.

The Fund Manager is a Private Joint Stock Company established in Dubai, holding commercial license number 881634, and is licensed by the UAE Securities and Commodities Authority (“SCA”) under license number 20200000014 to establish and manage investment funds among other activities.

The Fund Investment Objective

MADA Money Market Investment Fund “Awayd” is a low-risk fund that aims to preserve and maintain capital and materializes returns on excess cash liquidity of institutions and individual investors, by providing a savings and investment liquidity pool that provides a cumulative daily return by distributing its investments over short-term financial instruments. The Fund accrues a cumulative daily return on the Fund’s investments, while providing cash to investors upon request through the daily redemption mechanism of the issued Fund Investment Units.

Fund Offering Memorandum ‘Prospectus’

The Fund’s Offering Memorandum was approved by the Securities and Commodities Authority in the United Arab Emirates on 26 October 2023.

Term

The Fund has a term of 99 years starting from the date of Fund licensing by the Authority to conduct its business (i.e. 14 December 2023).

The Fund Performance

The Fund generated a net profit of AED 1,516,144 during the reporting period and ended the year with a net equity of AED 51,066,898.

The Fund Auditor

The financial statements for the period ending 31 December 2024 have been reviewed by BDO Chartered Accountants & Advisors who have been assigned by the Fund Manager as the Fund's auditor under the terms of an engagement letter.

For Mada Capital Investment Management PSC

Tarek Elshabrawy
Activity Manager and Deputy CEO



Independent Auditor's Report

To the Unit Holders of Mada Money Market Investment Fund "Awayd", Dubai

Opinion

We have audited the financial statements of Mada Money Market Investment Fund "Awayd", Dubai (the "Fund") which comprise the statement of financial position as at December 31, 2024, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the period then ended and a summary of material accounting policies.

In our opinion, the accompanying financial statements of the Fund give a true and fair view of the financial position of the Fund as at December 31, 2024, and of its financial performance and its cash flows for the period then ended in accordance with International Financial Reporting Standards (IFRS Accounting Standards).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Fund in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Management is responsible for the other information. The other information comprises the information included in the Fund Manager Report but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusions thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report the fact. We have nothing to report in this regard.

Responsibilities of Fund Manager and Those Charged with Governance for the Financial Statements

The fund manager is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the fund manager is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Independent Auditor's Report (Continued)

To the Unit Holders of Mada Money Market Investment Fund "Awayd", Dubai (Continued)

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



BDO CHARTERED ACCOUNTANTS AND ADVISORS

Dubai

Prasad Ramachandran

Reg. No. 5467

March 31, 2025

MADA MONEY MARKET INVESTMENT FUND "AWAYD", DUBAI

Statement of financial position as at December 31, 2024

	Note	AED
Current assets		
Financial assets	7	50,713,696
Interest receivables	8	388,793
Bank balances	9	10,725
Total current assets		<u>51,113,214</u>
Current liabilities		
Accruals and other payables		22,530
Due to related party	10	23,786
Total current liabilities		<u>46,316</u>
Net current assets		<u>51,066,898</u>
Net assets		<u><u>51,066,898</u></u>
Equity		
Capital	11	49,550,754
Retained earnings		1,516,144
Total equity		<u><u>51,066,898</u></u>

The financial statements have been approved by the Fund Manager on March 31, 2025 and signed on its behalf by:




 Tarek Adel Zaki Elshabrawy
 Activity Manager and Deputy CEO

MADA MONEY MARKET INVESTMENT FUND "AWAYD", DUBAI

Statement of profit or loss and other comprehensive income for the period ended December 31, 2024

	Note	AED
Revenue	13	1,753,838
Administration and general expenses	14	<u>(237,694)</u>
Profit before tax		1,516,144
Tax expense	15	<u>-</u>
Net profit for the period		<u><u>1,516,144</u></u>

The notes on pages 9 to 21 form part of these financial statements

MADA MONEY MARKET INVESTMENT FUND "AWAYD", DUBAI

Statement of changes in equity for the period ended December 31, 2024

	Capital	Retained earnings	Total equity
	AED	AED	AED
Capital introduced	49,550,754	-	49,550,754
Net profit for the period	-	1,516,144	1,516,144
Balance at December 31, 2024	49,550,754	1,516,144	51,066,898

The notes on pages 9 to 21 form part of these financial statements

MADA MONEY MARKET INVESTMENT FUND "AWAYD", DUBAI

Statement of cash flows for the period ended December 31, 2024

	Note	AED
Cash flows from operating activities		
Net profit for the period		1,516,144
Movement in financial assets	7	(50,713,696)
Increase in interest receivables	8	(388,793)
Increase in accruals and other payables		22,530
Increase in due to related party	10	23,786
Cash used in operations		<u>(49,540,029)</u>
<i>Net cash generated from operating activities</i>		<u>(49,540,029)</u>
Cash flows from financing activities		
Capital introduced	11	49,550,754
<i>Net cash generated from financing activities</i>		<u>49,550,754</u>
Net increase in cash and cash equivalents		10,725
Cash and cash equivalents at beginning of the period		-
Cash and cash equivalents at end of the period	9	<u>10,725</u>

The notes on pages 9 to 21 form part of these financial statements

1 Status and activity

Mada Money Market Investment Fund "Awayd", Dubai ("the Fund") is a local investment fund established, licensed and regulated by Securities and Commodities Authority ("SCA") under the decree of Chairman of the Authority's Board of Directors' Resolution No. (01 /Chairman) of 2023 Concerning the Regulation of Investment Funds and the Chairman of the Authority's Board of Directors' Decision No. (13/Chairman) of 2021. The Fund was incorporated on December 14, 2023.

The principal activity of the Fund is to preserve and maintain capital and materializes returns on excess cash liquidity of institutions and individual investors, by providing a savings and investment liquidity pool that provides a cumulative daily return by distributing its investments over short-term financial instruments.

The Fund's investment activities are managed and administrated by Mada Capital Investment Management PSC ("the Fund Manager").

The principal place of business of the Fund is located at Office #2301, Floor 23, Marina Plaza Tower, Jumeirah, Marsa, P.O. Box 478513, Dubai, United Arab Emirates.

The financial statements for the period ended December 31, 2024 were authorised for issue by the Fund Manager on March 31, 2025.

These financial statements are presented in United Arab Emirates (AED), which is the functional and presentation currency of the Fund.

The term of the Fund is 99 years from the date on which the Fund commences its activity.

2 Accounting period

These financial statements relate to the period from date of incorporation on December 14, 2023 to December 31, 2024 .

3 Basis of preparation

These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS Accounting Standards) as issued by the International Accounting Standards Board (IASB).

4 Adoption of new and revised International Financial Reporting Standards (IFRS Accounting Standards)

a) New standards, interpretations and amendments effective from January 1, 2024

The Fund has adopted the following new standards and amendments in the financial statements for the period ended 31 December 2024 which have not had a significant effect on the Fund:

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

b) New standards, interpretations and amendments not yet effective

There are a number of standards, amendments to standards, and interpretations which have been issued by the IASB that are effective in future accounting periods that the fund has decided not to adopt early.

The following amendments are effective for the period beginning January 1, 2025:

- Lack of Exchangeability (Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates).

4 Adoption of new and revised International Financial Reporting Standards (IFRS Accounting Standards) (Continued)

b) New standards, interpretations and amendments not yet effective (Continued)

The following amendments are effective for the period beginning January 1, 2026

- Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 Financial instruments and IFRS 7.

The following standards and amendments are effective for the annual reporting period beginning 1 January 2027:

- IFRS 18 Presentation and Disclosure in Financial Statements
- IFRS 19 Subsidiaries without Public Accountability: Disclosures.

The Fund is currently assessing the impact of these new accounting standards and amendments. The Fund does not expect any other standards issued by the IASB, but are yet to be effective, to have a material impact on the Fund.

5 Material accounting policies

These financial statements are prepared under the historical cost convention and in accordance with International Financial Reporting Standards. The material accounting policies adopted are as follows:

Financial assets

The Fund classifies its financial assets into one of the following categories depending on the purpose for which the asset was acquired. The Fund's accounting policy for each category is as follows:

Fair value through profit or loss

These financial assets are carried in the statement of financial position at fair value with changes in fair value recognised in the statement of profit or loss and other comprehensive income in the finance income or expense line. The Fund does not have any assets held for trading nor does it voluntarily classify any financial assets as being at fair value through profit or loss.

Amortised cost

These assets arise principally from the provision of services to customers but also incorporate other types of financial assets where the objective is to hold these assets in order to collect contractual cash flows and the contractual cash flows are solely payments of principal and interest. They are initially recognised at fair value plus transaction costs that are directly attributable to their acquisition of issue and are subsequently carried at amortised cost using the effective interest rate method, less provision for impairment.

Impairment provisions for receivables from related party are recognised based on a forward looking expected credit loss model. The methodology used to determine the amount of the provision is based on whether there has been a significant increase in credit risk since initial recognition of the financial asset. For those where the credit risk has not increased significantly since initial recognition of the financial asset, twelve month expected credit losses along with gross interest income are recognised. For those, where credit risk has increased significantly, lifetime expected credit losses along with the gross interest income are recognised. For those that are determined to be credit impaired, lifetime expected credit losses along with interest income on a net basis are recognised.

The Fund's financial assets measured at amortised cost comprise financial assets, interest receivables and cash and bank balances in the statement of financial position.

5 Material accounting policies (Continued)

Financial assets (Continued)

Fair value through other comprehensive income

For strategic investments in listed and unlisted entities which are not accounted for as subsidiaries, associates or jointly controlled entities investments, the Fund should decide if they want to irrevocably elect to classify the investments at fair value through other comprehensive income rather than through profit or loss as the Fund considers this measurement to be the most representative of the business model for these assets. They are carried at fair value with changes in fair value recognised in other comprehensive income and accumulated in the fair value through other comprehensive income reserve. Upon disposal any balance within fair value through other comprehensive income reserve is reclassified directly to retained earnings and is not reclassified to profit or loss.

Dividends are recognised in profit or loss, unless the dividend clearly represents a recovery of part of the cost of the investment, in which case the full or partial amount of the dividend is recorded against the associated investments carrying amount.

Purchases and sales of financial assets measured at fair value through other comprehensive income are recognised on settlement date with any change in fair value between trade date and settlement date being recognised in the fair value through other comprehensive income reserve.

The Fund does not have any investments or financial assets which are designated at fair value through other comprehensive income.

Cash and cash equivalents

For the purposes of the statement of cash flows, cash and cash equivalents include bank balances and cash free of encumbrance.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount reported in the statement of financial position if, and only if, there is a current enforceable legal right recognised and there is an intention to settle on net basis, or to realise the assets and liabilities simultaneously.

Financial liabilities

The Fund classifies its financial liabilities into one of two categories, depending on the purpose for which the liability was acquired. The Fund's accounting policy for each category is as follows:

Fair value through profit or loss

They are carried in the statement of financial position at fair value with changes in fair value recognised in the statement of profit or loss and other comprehensive income. The Fund does not have any liabilities which are to be designated as financial liabilities carried at fair value through profit or loss.

Other financial liabilities

Other financial liabilities include accruals and other payables which are initially recognised at fair value and subsequently carried at amortised cost using the effective interest method.

Foreign currencies

Transactions entered into by the Fund in a currency other than the currency of the primary economic environment in which it operates ("its functional currency") are recorded at the ruling rates when the transaction occurs. Foreign currency monetary assets and liabilities are translated at the rates prevailing at the reporting date. Exchange differences arising on the retranslation of unsettled monetary assets and liabilities are recognised immediately in the statement of profit or loss and other comprehensive income.

5 Material accounting policies (Continued)

Revenue recognition

Performance obligations and timing of revenue recognition

Interest on Treasury Bills and Time Deposits

Revenue from interest on Treasury Bills is recognized on an accrual basis using the effective interest method. Interest is recognized over time as it is earned, based on the terms of the Treasury Bill. Interest from time deposits is also recognized on an accrual basis using the effective interest method. Revenue is recognized over the term of the deposit as it is earned.

Accrued Interest on Other Securities

Interest revenue from other securities (e.g., bonds) is accrued daily and recognized periodically using the effective interest method, as the interest becomes due.

Accretion of Market Discount

Revenue from the accretion of market discounts is recognized over the life of the instrument using the amortization method, systematically increasing the carrying value of the security to its face value.

Determining the transaction price

The transaction price for interest and accretion revenue is based on the nominal value of the financial instrument and the applicable contractual interest rate. For market discount accretion, the transaction price is the difference between the purchase price and face value, recognized over the instrument's life.

Allocating amounts to performance obligations

Revenue is recognized for each financial instrument over time, based on the effective interest method, which reflects a single performance obligation for each instrument. There is no need for further allocation, as the revenue is recognized consistently as interest is earned and market discounts are accreted.

Leasing

Identifying Leases

The Fund accounts for a contract, or a portion of a contract, as a lease when it conveys the right to use an asset for a period of time in exchange for consideration. Leases are those contracts that satisfy the following criteria:

- a. There is an identified asset;
- b. The Fund obtains substantially all the economic benefits from use of the asset; and
- c. The Fund has the right to direct use of the asset.

The Fund considers whether the supplier has substantive substitution rights. If the supplier does have those rights, the contract is not identified as giving rise to a lease.

In determining whether the Fund obtains substantially all the economic benefits from use of the asset, the Fund considers only the economic benefits that arise of the asset, not those incidental to legal ownership or other potential benefits.

5 Material accounting policies (Continued)

Leasing (Continued)

Identifying Leases (Continued)

In determining whether the Fund has the right to direct use of the asset, the Fund considers whether it directs how and for what purpose the asset is used throughout the period of use. If there are no significant decisions to be made because they are pre-determined due to the nature of the asset, the Fund considers whether it was involved in the design of the asset in a way that predetermines how and for what purpose the asset will be used throughout the period of use. If the contract or portion of a contract does not satisfy these criteria, the Fund applies other applicable IFRSs rather than IFRS 16.

All leases are accounted for by recognising a right-of-use asset and a lease liability except for:

- Leases of low value assets; and
- Leases with a duration of 12 months or less.

Lease liabilities are measured at the present value of the contractual payments due to the lessor over the lease term, with the discount rate determined by reference to the rate inherent in the lease unless (as is typically the case) this is not readily determinable, in which case the Fund's incremental borrowing rate is used. Variable lease payments are only included in the measurement of the lease liability if they depend on an index or rate. In such cases, the initial measurement of the lease liability assumes the variable element will remain unchanged throughout the lease term. Other variable lease payments are expensed in the period to which they relate.

On initial recognition, the carrying value of the lease liability also includes:

- amounts expected to be payable under any residual value guarantee;
- the exercise price of any purchase option granted in favour of the Fund if it is reasonably certain to assess that option;
- any penalties payable for terminating the lease, if the term of the lease has been estimated on the basis of termination option being exercised.

Right of use assets are initially measured at the amount of the lease liability, reduced for any lease incentives received, and increased for:

- lease payments made at or before commencement of the lease;
- initial direct costs incurred; and
- the amount of any provision recognised where the Fund is contractually required to dismantle, remove or restore the leased asset.

Subsequent to initial measurement lease liabilities increase as a result of interest charged at a constant rate on the balance outstanding and are reduced for lease payments made. Right-of-use assets are amortised on a straight-line basis over the remaining term of the lease or over the remaining economic life of the asset if, rarely, this is judged to be shorter than the lease term.

When the Fund revises its estimate of the term of any lease, it adjusts the carrying amount of the lease liability to reflect the payments to be made over the revised term, which are discounted at the same discount rate that applied on lease commencement. The carrying value of lease liabilities is similarly revised when the variable element of future lease payments dependent on a rate or index is revised. In both cases an equivalent adjustment is made to the carrying value of the right-of-use asset, with the revised carrying amount being amortised over the remaining revised lease term.

5 Material accounting policies (Continued)

Leasing (Continued)

Identifying Leases (Continued)

When the Fund renegotiates the contractual terms of a lease with the lessor, the accounting depends on the nature of the modification:

- if the renegotiation results in one or more additional assets being leased for an amount commensurate with the standalone price for the additional rights-of-use obtained, the modification is accounted for as a separate lease in accordance with the above policy
- in all other cases where the renegotiation increases the scope of the lease (whether that is an extension of the lease term, or one or more additional assets being leased), the lease liability is remeasured using the discount rate applicable on the modification date, with the right-of-use asset being adjusted by the same amount.
- if the renegotiation results in a decrease in the scope of the lease, both the carrying amount of the lease liability and the right-of-use asset are reduced by the same proportion to reflect the partial or full termination of the lease with any difference recognised in profit or loss. The lease liability is then further adjusted to ensure its carrying amount reflects the amount of the renegotiated payments over the renegotiated term, with the modified lease payments discounted at the rate applicable on the modification date. The right-of-use asset is adjusted by the same amount.

For contracts that both convey a right to the Fund to use an identified asset and require services to be provided to the Fund by the lessor, the Fund has elected to account for the entire contract as a lease, i.e. it does not allocate any amount of the contractual payments to, and account separately for, any services provided by the supplier as part of the contract.

Capital

Financial instruments issued by the Fund are classified as equity only to the extent that they do not meet the definition of a financial liability or financial asset. The Fund's capital is classified as equity instruments.

No gain or loss is recognised in the statement of profit or loss and other comprehensive income on the purchase, issuance or cancellation of the Fund's own equity instruments.

Taxation

Income tax expense comprises current and deferred tax. Income tax expense is recognized in the statement of profit and loss and other comprehensive income except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity.

Current tax is the expected tax payable on the taxable income for the period, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous periods.

Deferred tax is recognised for all temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax is not recognised for the following temporary differences: the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss, and differences relating to investments in subsidiaries and jointly controlled entities to the extent that it is probable that they will not reverse in the foreseeable future. In addition, deferred tax is not recognised for taxable temporary differences arising on the initial recognition of goodwill. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

5 Material accounting policies (Continued)

Taxation (Continued)

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

Value added tax (VAT)

VAT liability is recorded in the financial statements of the Fund based on the requirements of the regulations as defined by the Federal Tax Authority (FTA).

Expenses and assets are recognised net of the amount of value added tax, except:

- When the value added tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the value added tax is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable.
- When receivables and payables are stated with the amount of value added tax included.

The net amount of value added tax receivable from the taxation authority is included as part of receivable in the financial statements.

Contingent liabilities

Contingent liabilities are possible obligations that arise from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Fund, or a present obligation that arises from past events where it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be measured reliably. The Fund does not recognise a contingent liability but discloses its existence in the financial statements.

Provisions

Provision is recognised if, as a result of a past event, the Fund has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

Changes in the estimated timing or amount of the expenditure or discount rate are recognised in profit or loss when the changes arise.

6 Critical accounting judgements and key sources of estimation uncertainty

In the application of the Fund's accounting policies, which are described in note 5, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

Key sources of estimation uncertainty

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

6 Critical accounting judgements and key sources of estimation uncertainty (Continued)**Key sources of estimation uncertainty (Continued)****Financial assets at amortised cost**

Classification and measurement of financial assets depends on the results of the Solely Payment of Principal and Interest (SPPI) and the business model test. The Fund determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. The fund monitors financial assets measured at amortised cost that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the fund's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets. No such changes were required during the period.

7 Financial assets

The investment wise breakdown of the financial assets is as follows:

	AED
Time deposits	13,397,198
Treasury bills	4,972,074
Bonds	32,344,424
	<u>50,713,696</u>

These financial assets are expected to be settled or mature within the next 12 months from the balance sheet date. The following table provides a maturity analysis of the financial assets held by the Fund.

No.of days to Mature	Investments Allocation
1-30 days	28%
31 - 60 days	14%
61 - 90 days	6%
91 - 120 days	17%
121 - 150 days	8%
151 - 180 days	0%
Greater than 181 days	26%

8 Interest receivables

Interest receivables represent accrued income on financial assets which are earned but not received as at the period end.

MADA MONEY MARKET INVESTMENT FUND "AWAYD", DUBAI

Notes to the financial statements for the period ended December 31, 2024 (Continued)

8 Interest receivables (Continued)

Interest receivables breakdown are given as follows:

	AED
Bonds	284,469
Time deposits	104,324
	<u>388,793</u>

9 Bank balances

	AED
Current accounts with bank	<u>10,725</u>

Balances with banks are assessed to have low credit risk of default since these banks are regulated. Accordingly, the management of the Fund estimates the loss allowance on balances with banks at the end of the reporting period at an amount equal to 12 month ECL. None of the balance with bank at the end of the reporting period are past due, and taking into account the historical default experience and the current credit ratings of the bank, the management of the Fund have assessed that there is no impairment, and hence have not recorded any loss allowances on these balances.

10 Related party disclosure

Related parties include the Fund Manager, key management personnel and any businesses which are controlled directly or indirectly by the Fund or over which it exercises significant management influence. The balances due from such parties, which have been disclosed separately in the financial statements, are unsecured, interest-free and are repayable on demand.

The significant related party transactions during the year are as follows:

	AED
Related party	
Mada Capital Investment Management PSC (Fund Manager) (Note 14)	
Fund Management Fees Expense	164,746
Fund Administrator Fees Expense	13,180
Fund Registrar Fees Expenses	3,295
	<u>181,221</u>
Related party balances	
Payables	
Mada Capital Investment Management PSC	<u>23,786</u>

MADA MONEY MARKET INVESTMENT FUND "AWAYD", DUBAI

Notes to the financial statements for the period ended December 31, 2024 (Continued)

11 Capital

The minimum capital of the Fund is AED 1,000,000 divided into 1,000,000 investment units with a nominal value of AED 1 per investment unit.

Units outstanding	Units
Issued during the period	57,914,382
Redeemed during the period	(9,249,695)
At closing balance	<u>48,664,687</u>

12 Net asset value (NAV) per share Unit

	AED
NAV attributable to unit holders	51,066,898
NAV per unit attributable to unit holders	<u>1.0494</u>

13 Revenue

Disaggregation of Revenue

The Fund has disaggregated revenue into various categories in the following table which is intended to:

- depict how the nature, amount, timing and uncertainty of revenue and cash flows are affected by economic date; and
- enable users to understand the relationship with revenue product wise.

<i>Revenue type</i>	AED
- Interest on Corporate bonds and other Securities	698,039
- Accretion of market discount	796,600
- Interest income on Time deposits	259,199
	<u>1,753,838</u>

Timing of recognition of revenue

	AED
- Over a period of time	<u>1,753,838</u>

14 Administration and general expenses

	AED
Management, administrator and registrar fees	181,221
Legal and professional fees	29,885
Foreign exchange loss	233
Custody fees	16,449
Other expenses	9,906
	<u>237,694</u>

15 Corporate Tax

On 9 December 2022, the United Arab Emirates ('UAE') Ministry of Finance ('MoF') released Federal Decree-Law No. 47 of 2022 on the Taxation of Corporations and Businesses ('CT Law') to enact a new corporate tax ('CT') regime in the UAE. The CT regime is effective for annual periods beginning on or after 1 June 2023. As the Mada Money Market Investment Fund was established on 14 December 2023 and prepared the first financial statement for period ended 31 December 2024, the first tax period should be the period from 14 December 2023 to 31 December 2024.

As per the CT law, an investment fund entity that is considered Resident Person will be subject to CT @9% on its taxable income over AED 375,000. However, an investment fund entity can apply to the Federal Tax Authority ('FTA') for exemption from CT as a Qualifying Investment Fund ('QIF') provided that the relevant prescribed conditions are met. Where an application is approved, the QIF will be an Exempt Person and will not be subject to CT.

The management has assessed the prescribed conditions to apply for QIF exemption by the Mada Money Market Investment Fund and it considers that these conditions are duly met during the period ended 31 December 2024. Therefore, the management has filed the application to claim the QIF exemption and it is presently under review with the FTA. In view of this, no corporate tax liability and recognition of deferred tax has been made during the period ended 31 December 2024.

16 Financial instruments - risk management

The Fund is exposed through its operations to the following financial risks:

Capital risk management

The capital is managed by the Fund in a way that it is able to continue as a going concern while maximising returns to unit holders.

The capital structure of the Fund consists of cash and bank balance and equity attributable to equity holder, comprising of issued capital and retained earnings.

As a risk management policy, the Fund reviews its cost of capital and risks associated with capital. The Fund balances its capital structure based on the above review.

The Fund has complied with externally mandated capital requirements.

Market risk management

Market risk is the risk that the value of an asset will fluctuate as a result of changes in market variables such as interest rates, foreign exchange rates, and securities prices, whether those changes are caused by factors specific to the individual investment or its issuer or factors affecting all financial assets traded in the market. The Fund is primarily exposed to the financial risks of changes in interest rates and exchange rates (currency risk).

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

Foreign currency risk management

Foreign exchange risk is the risk that the value of the financial instrument will fluctuate due to changes in foreign exchange rates. But, as UAE Dirham (AED) is pegged to the US Dollar, the Fund is not exposed to any significant exchange rate fluctuations.

16 Financial instruments - risk management (Continued)**Credit risk management**

Credit risk is the risk of financial loss to the Fund if a counterparty to a financial instrument fails to meet its contractual obligations. The Fund is potentially exposed to concentration of credit risk from its financial assets which comprise principally bank balances, other receivables and financial assets (Note 7). The Fund's bank accounts are placed with high credit quality financial institutions. The credit risk on other receivables with trading transactions are subjected to credit evaluations and an expected credit loss allowance has been made based on the Fund's past experience to determine loss rates which are adjusted with reasonable forward-looking information. No credit loss allowances was accounted in the period.

The credit risk associated with the entity's financial assets is mitigated through careful selection of counterparties and investments. The financial assets held by the entity as on period end are supported by credit ratings that range from -A to AAA. The entity's investment portfolio is diversified across various credit ratings to manage and minimize credit exposure.

Credit ratings and the respective percentages of total investments are as follows:

Credit Rating	Investment allocation
AAA	4%
AA+	14%
AA	5%
AA-	20%
A+	20%
A	14%
A-	23%

Liquidity risk management

Liquidity risk is the risk that an Fund will encounter difficulty in meeting obligations associated with financial liabilities.

The Fund has built an appropriate liquidity risk management framework for the management of its short, medium and long term funding and liquidity requirements. The Fund manages liquidity risk by maintaining adequate reserves and by continuously monitoring forecast and actual cashflows.

Please refer to note 7 for the further information on the liquidity of the financial assets.

Financial instruments by category

The carrying amounts for each class of financial instrument are listed below:

	AED
Financial assets	
- Financial assets carried at amortised cost	50,713,696
- Interest receivables	388,793
- Bank balances	10,725
	<u>51,113,214</u>
Financial liabilities	
Other financial liabilities	
- Accruals and other payables	22,530
- Due to related parties	23,786
	<u>46,316</u>

MADA MONEY MARKET INVESTMENT FUND "AWAYD", DUBAI

Notes to the financial statements for the period ended December 31, 2024 (Continued)

16 Financial instruments - risk management (Continued)

Liquidity risk management (Continued)

The carrying value of above stated financial assets and liabilities approximates to its fair value.

The following table sets out the contractual maturities (representing undiscounted contractual cash-flows) of financial liabilities:

At December 31, 2024	0 - 3 months	3 - 12 months
	AED	AED
Accruals and other payables	22,530	-
Due to related party	23,786	-
	<u>46,316</u>	<u>-</u>

17 Contingent liabilities

There are no contingent liabilities at the date of statement of financial position.

18 Comparative figures

These are the first set of financial statements after commencement, therefore there are no comparative figures to disclose.