

**Condensed consolidated statement of financial position  
as at 31 March 2017**

|                                                                                              | Note | 31 March<br>2017<br>AED<br>(Un-audited) | 31 December<br>2016<br>AED<br>(Audited) |
|----------------------------------------------------------------------------------------------|------|-----------------------------------------|-----------------------------------------|
| <b>ASSETS</b>                                                                                |      |                                         |                                         |
| Cash and bank balances                                                                       | 4    | 53,779,209                              | 58,121,643                              |
| Statuary deposit                                                                             | 5    | 10,000,000                              | 10,000,000                              |
| Retakaful contract assets                                                                    |      |                                         |                                         |
| Unearned contribution reserve                                                                | 6    | 104,452,540                             | 117,455,023                             |
| Claims reported unsettled                                                                    | 6    | 114,988,211                             | 122,054,316                             |
| Mathematical Reserve                                                                         | 6    | 13,733,705                              | 14,157,992                              |
| Claims incurred but not reported                                                             | 6    | 34,527,347                              | 23,865,175                              |
| Takaful receivables                                                                          |      | 99,066,411                              | 86,293,655                              |
| Other financial assets measured at fair value<br>through other comprehensive income (FVTOCI) | 7    | 97,604,122                              | 97,891,280                              |
| Other financial assets measured at fair value<br>through profit and loss (FVTPL)             | 7    | 613,587,769                             | 607,353,075                             |
| Prepayments and other receivables                                                            |      | 11,966,272                              | 12,002,157                              |
| Deferred policy acquisition costs                                                            |      | 9,906,872                               | 9,069,308                               |
| Due from related parties                                                                     | 16   | 3,576,276                               | 3,164,112                               |
| Investment property                                                                          | 8    | 66,500,000                              | 66,500,000                              |
| Furniture and equipment                                                                      |      | 3,800,705                               | 4,122,383                               |
| <b>Total Assets</b>                                                                          |      | <b>1,237,489,439</b>                    | <b>1,232,050,119</b>                    |
| <b>LIABILITIES, POLICYHOLDERS' FUND AND EQUITY</b>                                           |      |                                         |                                         |
| <b>Liabilities</b>                                                                           |      |                                         |                                         |
| Due to Bank                                                                                  |      | 18,380,695                              | 10,667,340                              |
| Trade and other payables                                                                     |      | 68,343,550                              | 74,702,816                              |
| Takaful payables                                                                             |      | 82,606,313                              | 77,655,047                              |
| Due to related parties                                                                       | 16   | 4,254,640                               | 6,142,519                               |
| Takaful contract liabilities                                                                 |      |                                         |                                         |
| Unearned contribution reserve                                                                | 6    | 168,398,627                             | 180,529,905                             |
| Claims reported unsettled                                                                    | 6    | 144,030,517                             | 148,137,195                             |
| Mathematical Reserve                                                                         | 6    | 16,512,784                              | 16,999,857                              |
| Claims incurred but not reported                                                             | 6    | 56,629,849                              | 48,428,978                              |
| Unallocated loss adjustment expenses                                                         | 6    | 1,464,945                               | 1,646,397                               |
| Unit Linked Liabilities                                                                      | 6    | 603,618,341                             | 595,587,545                             |
| Murabaha and Ijara payables                                                                  |      | 10,250,000                              | 10,250,000                              |
| Deferred discount                                                                            |      | 4,977,408                               | 4,850,101                               |
| Amounts held under Retakaful treaties                                                        |      | 4,761,417                               | 3,879,455                               |
| <b>Total Liabilities</b>                                                                     |      | <b>1,184,229,086</b>                    | <b>1,179,477,155</b>                    |

The accompanying notes form an integral part of these condensed consolidated financial statements.

**Condensed consolidated statement of financial position (continued)**  
**as at 31 March 2017**

|                                                          | Note | 31 March<br>2017<br>AED<br>(Un-audited) | 31 December<br>2016<br>AED<br>(Audited) |
|----------------------------------------------------------|------|-----------------------------------------|-----------------------------------------|
| <b>Policyholders' fund</b>                               |      |                                         |                                         |
| Deficit in policyholders' fund                           |      | (196,037,941)                           | (189,367,124)                           |
| Qard Hassan from shareholders                            |      | 196,037,941                             | 189,367,124                             |
| Policyholders' investments revaluation reserve           | 9    | (17,443,831)                            | (17,390,119)                            |
| <b>Total deficit in policyholders' fund</b>              |      | <b>(17,443,831)</b>                     | <b>(17,390,119)</b>                     |
| <b>Total Policyholders' Fund and Liabilities</b>         |      | <b>1,166,785,255</b>                    | <b>1,162,087,036</b>                    |
| <b>Equity</b>                                            |      |                                         |                                         |
| Share capital                                            | 10   | 225,750,000                             | 225,750,000                             |
| Legal reserve                                            | 11   | 18,729,615                              | 18,729,615                              |
| General reserve                                          | 12   | 18,729,615                              | 18,729,615                              |
| Investments revaluation reserve - FVTOCI                 |      | (75,042,125)                            | (74,808,679)                            |
| Accumulated losses                                       |      | (116,969,651)                           | (118,029,974)                           |
| <b>Equity attributable to shareholders of the Parent</b> |      | <b>71,197,454</b>                       | <b>70,370,577</b>                       |
| Non-controlling interest                                 |      | (493,270)                               | (407,494)                               |
| <b>Total Equity</b>                                      |      | <b>70,704,184</b>                       | <b>69,963,083</b>                       |
| <b>Total Liabilities, Policyholders' Fund and Equity</b> |      | <b>1,237,489,439</b>                    | <b>1,232,050,119</b>                    |

Abdul Nazar Moopentakath  
Director - Finance & Investments

Jihad Faitrouni  
Chief Executive Officer

The accompanying notes form an integral part of these condensed consolidated financial statements.

**Condensed consolidated income statement (Un-audited)**  
**for the period from 1 January 2017 to 31 March 2017**

|                                                          |             | <b>Three months period ended</b> |                   |
|----------------------------------------------------------|-------------|----------------------------------|-------------------|
|                                                          |             | <b>31 March</b>                  |                   |
|                                                          | <b>Note</b> | <b>2017</b>                      | <b>2016</b>       |
|                                                          |             | <b>AED</b>                       | <b>AED</b>        |
|                                                          |             |                                  | <b>(Restated)</b> |
| <b>Attributable to policyholders</b>                     |             |                                  |                   |
| <b><i>Takaful income</i></b>                             |             |                                  |                   |
| Gross takaful contributions                              |             | <b>89,416,155</b>                | 107,024,481       |
| Retakaful share of accepted business                     |             | <b>(35,520,633)</b>              | (46,168,949)      |
| Retakaful share of ceded business                        |             | <b>(18,038,375)</b>              | (11,401,189)      |
| <b>Net Takaful contributions</b>                         |             | <b>35,857,147</b>                | 49,454,343        |
| Net transfer to unearned contributions reserve           |             | <b>(871,205)</b>                 | (7,644,404)       |
| Increase in mathematical reserve                         |             | <b>62,786</b>                    | 744,160           |
| <b>Net Takaful contributions earned</b>                  |             | <b>35,048,728</b>                | 42,554,099        |
| <br>Discount received on ceded Retakaful                 |             | <b>4,071,799</b>                 | 3,635,258         |
| Policy fees                                              |             | <b>3,642,211</b>                 | 5,055,717         |
|                                                          |             | <b>42,762,738</b>                | 51,245,074        |
| <br><b><i>Takaful expenses</i></b>                       |             |                                  |                   |
| Gross claims incurred                                    |             | <b>(34,809,952)</b>              | (57,305,269)      |
| Retakaful share of accepted business claims              |             | <b>5,555,351</b>                 | 16,539,088        |
| Retakaful share of ceded business claims                 |             | <b>6,552,172</b>                 | 7,625,559         |
| <b>Net Takaful claims</b>                                |             | <b>(22,702,429)</b>              | (33,140,622)      |
| Provision for outstanding claims                         |             | <b>4,106,678</b>                 | 3,712,756         |
| Retakaful share of outstanding claims                    |             | <b>(7,066,105)</b>               | (3,979,849)       |
| Increase in incurred but not reported claims             |             | <b>2,461,301</b>                 | 38,168            |
| Increase in unallocated loss adjustment expenses reserve |             | <b>181,452</b>                   | -                 |
| <b>Net claims incurred</b>                               |             | <b>(23,019,103)</b>              | (33,369,547)      |
| Excess of loss of takaful contribution                   |             | <b>(2,158,419)</b>               | (1,536,468)       |
|                                                          |             | <b>(25,177,522)</b>              | (34,906,015)      |
| <br><b>Net Takaful income</b>                            |             | <b>17,585,216</b>                | 16,339,059        |
| Wakala fees                                              | 13          | <b>(24,349,003)</b>              | (21,065,710)      |
| Investment income                                        | 14          | <b>123,960</b>                   | 2,140,018         |
| Mudarib's share                                          | 13          | <b>(30,990)</b>                  | (535,005)         |
| <b>Net loss from takaful operation for the period</b>    |             | <b>(6,670,817)</b>               | (3,121,638)       |

The accompanying notes form an integral part of these condensed consolidated financial statements.

**Condensed consolidated income statement (Un-audited) (continued)**  
**for the period from 1 January 2017 to 31 March 2017**

|                                                           |             | <b>Three months period ended</b> |                   |
|-----------------------------------------------------------|-------------|----------------------------------|-------------------|
|                                                           |             | <b>31 March</b>                  |                   |
|                                                           | <b>Note</b> | <b>2017</b>                      | <b>2016</b>       |
|                                                           |             | <b>AED</b>                       | <b>AED</b>        |
|                                                           |             |                                  | <b>(Restated)</b> |
| <b>Attributable to shareholders</b>                       |             |                                  |                   |
| <b>Income</b>                                             |             |                                  |                   |
| Investment income                                         | 14          | <b>610,476</b>                   | 2,280,518         |
| Wakala fees from policyholders                            | 13          | <b>24,349,003</b>                | 21,065,710        |
| Mudarib's share from policyholders                        | 13          | <b>30,990</b>                    | 535,005           |
| Other operating income                                    |             | <b>4,902,732</b>                 | 5,109,734         |
|                                                           |             | <b>29,893,201</b>                | 28,990,967        |
| <b>Expenses</b>                                           |             |                                  |                   |
| Policy acquisition cost                                   |             | <b>(7,288,775)</b>               | (8,901,119)       |
| General and administrative expenses                       |             | <b>(14,959,062)</b>              | (14,584,128)      |
| Contribution from Qard Hassan to policyholders' fund      |             | <b>(6,670,817)</b>               | (3,121,638)       |
|                                                           |             | <b>(28,918,654)</b>              | (26,606,885)      |
| <b>Profit for the period attributable to shareholders</b> |             | <b>974,547</b>                   | 2,384,082         |
| <b>Attributable to:</b>                                   |             |                                  |                   |
| Shareholders of the parent                                |             | <b>1,060,323</b>                 | 2,586,036         |
| Non-controlling interests                                 |             | <b>(85,776)</b>                  | (201,954)         |
|                                                           |             | <b>974,547</b>                   | 2,384,082         |
| <b>Earnings per share</b>                                 | 15          | <b>0.005</b>                     | 0.011             |

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