takaful emarat

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Detailed analysis of accumulated losses

Date:	08/03/2020
Listed Company Name:	TAKAFUL EMARAT – INSURANCE PSC
Define the period of the financial statements	Q4 2019 (For period ended 31 December 2019)
Accumulated losses:	AED 55,481,803
Accumulated losses to capital ratio:	36.99%
The main reasons leading to these accumulated losses and their history:	The medical insurance portfolio has recorded losses due to reduced margin and incurred higher medical claims expenses than expected. The investments have generated lower returns during the period. Furthermore, in the past couple of years the company has invested into technology digitizing its sales and operations processes. However, some of these investments did not yield the desired output leading to writing off these investments during the period.
Measures to be taken to address accumulated losses:	Certain measures already taken such as reducing overhead and discretionary expenses and work is in progress for other measures such as reviewing underwriting guidelines and loss making portfolio with a view to appropriately price them

Head Office

Authorized signatory