Template for discussion report and analysis of the board of directors of the listed public shareholding company

Date	25-March-2021
Name of the Listed Company	Dar Al Takaful PJSC
The period of the financial statements covered by the report	Annual Financial Statements 2020
Overview of the main results during the financial period	Dar Al Takaful PJSC achieved Net Profit of AED 22.6 million as compared to AED 4.9 million of last year, driven by the acquisition of Noor Takaful in July 2020 and strong technical underwriting results. EPS increased 358% from 0.033 to 0.151
Securities issued during the financial period	None
Summary of the most important non-financial events and developments during the financial period	Changes in the majority of Board of Directors during the year gave the company new vision and strategic direction. Addition of the Family Takaful business line has added to the range of general takaful and medical takaful products of the company. The high speed integration of business functions after the acquisition was completed successfully despite the ongoing pandemic Strong business continuity discipline ensured safety for employees via a work-from-home operating model while meeting customer service standards.
Summary of operational performance during the financial period	Ongoing underwriting discipline and improved retakaful arrangements resulted in a 60.14% increase in total takaful income of AED 116.9M compared to AED 73.0M for the same period last year.

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<tr><td></td><td></td></tr>
<tr><td>Summary of profit and loss during the financial period</td><td>
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<tr><th>in AED Mn</th><th>FY 2020</th><th>FY 2019</th><th>Var</th></tr>
<tr><td>Total takaful income</td><td>116.9</td><td>73.0</td><td>60.14%</td></tr>
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<tr><td>Policyholder</td><td>(7.3)</td><td>(46.4)</td><td>-84%</td></tr>
<tr><td>Shareholder</td><td>29.98</td><td>51.30</td><td>-42%</td></tr>
<tr><td>Total Net Profit</td><td>22.64</td><td>4.91</td><td>362%</td></tr>
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<tr><td>Summary of financial position as at the end of the financial period</td><td>
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<tr><th>in AED Mn</th><th>FY 2020</th><th>FY 2019</th><th>Var</th></tr>
<tr><td>Total Assets</td><td>1,662.5</td><td>551.2</td><td>202%</td></tr>
<tr><td>Total Liabilities</td><td>1,517.1</td><td>423.5</td><td>258%</td></tr>
<tr><td>Shareholders’ equity</td><td>145.4</td><td>127.7</td><td>14%</td></tr>
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The increase in assets and liabilities as compared to 2019 is primarily attributed to the acquisition of Noor Takaful General PJSC and Noor Takaful Family PJSC, 100% ownership of both the entities.
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<tr><td>Summary of cash flows during the financial period</td><td>
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<tr><th>in AED Mn</th><th>FY 2020</th><th>FY 2019</th></tr>
<tr><td>Net cash generated from operating activities</td><td>11.2</td><td>35.1</td></tr>
<tr><td>Net cash used in investing activities</td><td>(115.0)</td><td>(32.1)</td></tr>
<tr><td>Net cash generated from/ (used in) financing activity</td><td>208.8</td><td>(0.6)</td></tr>
<tr><td>Net increase in cash and cash equivalents</td><td>104.9</td><td>2.4</td></tr>
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<tr><td>Main performance indicators</td><td>The Earnings Per Share for the year reached to 0.151, recorded a significant increase of 358% as compared to last year of 0.033.</td></tr>
<tr><td>Expectations for the sector and the company's role in these expectations</td><td>2020 has been a challenging year with the onset of Covid-19. Despite these challenging times the company completed its acquisition program as planned and expects to deliver better results for its shareholders going forward.</td></tr>
<tr><td>Expectations regarding the economy and its impact on the company and the sector</td><td>The company expects to see a gradual improvement in the economy as businesses adapt to the new normal, resulting in a positive impact on the company.</td></tr>
<tr><td>Future plans for growth and changes in operations in future periods</td><td>The company is focused on mission to provide protection and deliver peace of mind. Its long-term strategy is to deliver growth and enhance shareholder value via innovation and technological efficiencies.</td></tr>
<tr><td>The size and impact of current and projected capital expenditures on the company</td><td>Net capital expenditure for the year 2020 was AED 3.6M</td></tr>
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The developments of the implementation of projects, plans and transactions and deals that were discussed by the company's board of directors in the report for the previous fiscal year	The Board provided oversight throughout the acquisition process and later on during the integration via the steering committee, in line with the company's strategy.

The name of the chairman of the company or the authorized signatory	Rajesh Sethi, CEO
Signature and date	Rajesh Sethi 25-03-2021
Company's Seal	