# TAKAFUL EMARAT - INSURANCE (PSC)
# AND ITS SUBSIDIARY

## Review report and condensed consolidated interim financial information for the three month period ended 31 March 2021

**TAKAFUL EMARAT - INSURANCE (PSC) AND ITS SUBSIDIARY**

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# INDEPENDENT AUDITOR'S REVIEW REPORT

**The Board of Directors of**
**Takaful Emarat – Insurance (PSC) and its Subsidiary**
**Dubai, United Arab Emirates**

*Introduction*

We have reviewed the accompanying condensed consolidated statement of financial position of **Takaful Emarat – Insurance (PSC) (the "Company") and its Subsidiary (together the "Group") – Dubai, United Arab Emirates** as at 31 March 2021 and the related condensed consolidated statements of profit or loss, comprehensive income, changes in equity and cash flows for the three month period then ended. Management is responsible for the preparation and presentation of these condensed consolidated interim financial information in accordance with International Accounting Standard 34: "*Interim Financial Reporting*" as issued by International Accounting Standards Board (IASB). Our responsibility is to express a conclusion on these condensed consolidated interim financial information 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 condensed consolidated 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 condensed consolidated interim financial information is not prepared, in all material respects, in accordance with International Accounting Standard 34: "*Interim Financial Reporting*".

Deloitte & Touche (M.E.)



Signed by:
Akbar Ahmad
Registration No. 1141
15 May 2021
Sharjah, United Arab Emirates

Akbar Ahmad (1141), Cynthia Corby (995), Georges Najem (809), Mohammad Jallad (1164), Mohammad Khamees Al Tah (717), Musa Ramahi (872), Mutasem M. Dajani (726), Obada Alkowatly (1056), Rama Padmanabha Acharya (701) and Samir Madbak (386) are registered practicing auditors with the UAE Ministry of Economy.

## Condensed consolidated statement of financial position at 31 March 2021

| | Notes | 31 March 2021 (Unaudited) AED | 31 December 2020 (Audited) AED | 31 December 2019 (Restated) AED |
|---|---|---|---|---|
| **Takaful Operations' Assets** | | | | |
| Investment properties | **6** | **52,536,776** | 51,627,510 | 41,390,000 |
| Financial instruments | **7** | **329,815,920** | 330,844,336 | 300,952,361 |
| Takaful receivables and other assets | | **239,530,177** | 171,474,974 | 207,978,959 |
| Retakaful contract assets | **8** | **133,982,210** | 131,680,923 | 222,171,164 |
| Deposit | | **-** | - | 7,373,754 |
| Deferred policy acquisition cost | | **63,842,017** | 65,612,689 | 52,827,343 |
| Cash and bank balances | **9** | **76,099,322** | 83,890,515 | 57,583,140 |
| **Total Takaful Operations' Assets** | | **895,806,422** | 835,130,947 | 890,276,721 |
| **Shareholders' Assets** | | | | |
| Property and equipment | | **47,360,363** | 48,230,479 | 50,528,844 |
| Intangible assets | | **2,757,901** | 3,068,261 | 4,182,116 |
| Financial instruments | **7** | **42,903,980** | 29,471,332 | 24,079,343 |
| Other receivables | | **11,615,893** | 11,201,350 | 25,394,182 |
| Statutory deposit | **10** | **4,000,000** | 4,000,000 | 4,000,000 |
| Receivable from policyholders | | **77,655,295** | 98,944,155 | 73,240,962 |
| Cash and bank balances | **9** | **25,915,601** | 16,631,013 | 11,796,580 |
| **Total Shareholders' Assets** | | **212,209,033** | 211,546,590 | 193,222,027 |
| **Total Assets** | | **1,108,015,455** | 1,046,677,537 | 1,083,498,748 |
| **Takaful Operations' Liabilities and Deficit** | | | | |
| **Takaful Operations Liabilities** | | | | |
| Takaful and other payables | | **111,064,103** | 161,542,107 | 190,030,708 |
| Takaful contract liabilities | **8** | **706,984,374** | 573,397,902 | 611,888,530 |
| Payable to shareholders | | **77,655,295** | 98,944,155 | 73,240,962 |
| **Total Takaful Operations liabilities** | | **895,703,772** | 833,884,164 | 875,160,200 |
| **Deficit in Policyholders' Fund and Qard Hassan from Shareholders** | | | | |
| Deficit in policyholders' fund | **11** | **(102,650)** | (1,246,783) | (9,268,009) |
| Qard Hassan from shareholders | **11** | **102,650** | 1,246,783 | 9,268,009 |
| **Deficit in Policyholders' Fund and Qard Hassan from Shareholders** | | **-** | - | - |
| **Total Operations' Liabilities and Surplus** | | **895,703,772** | 833,884,164 | 875,160,200 |

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

## Condensed consolidated statement of financial position at 31 March 2021 (continued)

| | Notes | 31 March 2021 (Unaudited) AED | 31 December 2020 (Audited) AED | 31 December 2019 (Restated) AED |
|---|---|---|---|---|
| **Shareholders' Liabilities and Equity** | | | | |
| **Shareholders' Liabilities** | | | | |
| Takaful and other payables | | **75,939,512** | 70,602,473 | 58,209,041 |
| Borrowings | **12** | **24,850,000** | 25,900,000 | 40,322,432 |
| Provision for employees' end of service benefits | | **2,501,853** | 2,714,527 | 2,914,064 |
| **Total Shareholders' Liabilities** | | **103,291,365** | 99,217,000 | 101,445,537 |
| **Shareholders' and Policyholders Equity** | | | | |
| Share capital | **13** | **150,000,000** | 150,000,000 | 150,000,000 |
| Statutory reserve | | **6,567,600** | 6,567,600 | 6,526,302 |
| Accumulated losses | | **(71,810,145)** | (67,254,090) | (67,113,722) |
| Regulatory reserve | | **128,567** | 128,567 | - |
| Cumulative changes in fair value of investments - policyholders | | **24,134,296** | 24,134,296 | 17,480,431 |
| **Total Shareholders' and Policyholders' Equity** | | **109,020,318** | 113,576,373 | 106,893,011 |
| **Total Shareholders' Liabilities and Equity** | | **212,311,683** | 212,793,373 | 208,338,548 |
| **Total Takaful Operations' Liabilities and Deficit and Shareholders' Liabilities and Equity** | | **1,108,015,455** | 1,046,677,537 | 1,083,498,748 |

To the best of our knowledge, and in accordance with the applicable reporting principles for interim financial reporting, the condensed consolidated interim financial information presents fairly in all material respects the condensed consolidated financial position, condensed consolidated financial performance and condensed consolidated cash flows of the Group.

| | | |
|---|---|---|
| Wael Al Sharif | Adnan Sabaalaish | H.E Mohamed Haji Al Khoori |
| Chief Executive Officer | Senior Manager - Finance | Chairman |

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

## Condensed consolidated statement of profit or loss (unaudited) for the three month period ended 31 March 2021

| | Notes | Three month period ended 31 March 2021 AED | 2020 AED (Restated) |
|---|---|---|---|
| **Attributable to policyholders:** | | | |
| Gross contributions written | **14** | **229,663,565** | 200,565,430 |
| Changes in unearned contributions | **14** | **(79,758,382)** | (53,675,024) |
| Takaful contributions earned | | **149,905,183** | 146,890,406 |
| Retakaful contributions | **14** | **(27,742,790)** | (34,164,181) |
| Change in unearned contributions | **14** | **(11,757,016)** | (13,331,614) |
| Retakaful contributions earned | | **(39,499,806)** | (47,495,795) |
| **Net earned contributions** | | **110,405,377** | 99,394,611 |
| Gross claims incurred | | **(121,690,591)** | (94,101,022) |
| Retakaful share of claims incurred | | **47,790,787** | 34,390,635 |
| **Net claims incurred** | | **(73,899,804)** | (59,710,387) |
| Change in reserve | **8.1** | **(9,596,691)** | (47,245,511) |
| Net change in fair value of policyholders investment linked contracts | | **(8,192,945)** | 26,351,452 |
| | | **(91,689,440)** | (80,604,446) |
| **Net takaful income** | | **18,715,937** | 18,790,165 |
| Wakalah fees | **15** | **(19,270,108)** | (18,437,159) |
| Investment Income | | **1,698,304** | 3,152,369 |
| Net surplus from takaful operations | | **1,144,133** | 3,505,375 |
| **Attributable to Shareholders:** | | | |
| Wakalah fees from policyholders | **15** | **19,270,108** | 18,437,159 |
| Investment income/ (loss) | | **27,187** | (472,293) |
| Other income | | **5,322,143** | 3,106,535 |
| Commission incurred | | **(14,015,271)** | (11,147,369) |
| General, administrative and other expenses | | **(16,304,355)** | (15,984,665) |
| Recovery of Qard Hassan to policyholders' fund | | **1,144,133** | 3,505,375 |
| **Loss for the period attributable to shareholders** | | **(4,556,055)** | (2,555,258) |
| Basic and diluted loss per share (AED) | **16** | **(0.030)** | (0.017) |

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

## Condensed consolidated statement of comprehensive income (unaudited) for the three month period ended 31 March 2021

| | Three month period ended 31 March | |
|---|---|---|
| | **2021** | 2020 |
| | **AED** | AED |
| | | (Restated) |
| **Net profit attributable to Policyholders** | **1,144,133** | 3,505,375 |
| **Other comprehensive income** | | |
| *Other comprehensive income that could be reclassified to profit or loss in subsequent periods* | | |
| Net unrealised gain on available-for-sale investments | - | 4,105,576 |
| Other comprehensive income for the period | - | 4,105,576 |
| **Total comprehensive income for the period** | **1,144,133** | 7,610,951 |
| **Loss for the period attributable to Shareholders** | **(4,556,055)** | (2,555,258) |
| Other comprehensive income for the period | - | - |
| **Total comprehensive ~~(~~loss~~)/income~~ for the period** | **(4,556,055)** | (2,555,258) |

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

## Condensed consolidated statement of changes in equity for the three month period ended 31 March 2020

| | Attributable to shareholders' | | | | Attributable to policyholders' | |
|---|---|---|---|---|---|---|
| | Share capital AED | Statutory reserve AED | Accumulated losses AED | Regulatory reserve AED | Cumulative changes in fair value AED | Total AED |
| **Balance at 1 January 2019 (as previously reported)** | 150,000,000 | 6,526,302 | (55,481,803) | - | 17,480,431 | 118,524,930 |
| Effect of prior year error (Note 23) | - | - | (11,631,919) | - | - | (11,631,919) |
| Balance at 1 January 2020 (Restated) | 150,000,000 | 6,526,302 | (67,113,722) | - | 17,480,431 | 106,893,011 |
| Total comprehensive income for the period (Restated) | - | - | (2,555,258) | - | 4,105,576 | 1,550,318 |
| Zakat | - | - | (364,500) | - | - | (364,500) |
| Balance at 31 March 2020 (Unaudited and Restated) | 150,000,000 | 6,526,302 | (70,033,480) | - | 21,586,007 | 108,078,829 |
| Balance at 1 January 2021 | 150,000,000 | 6,567,600 | (67,254,090) | 128,567 | 24,134,296 | 113,576,373 |
| Total comprehensive loss for the period | - | - | (4,556,055) | - | - | (4,556,055) |
| **Balance at 31 March 2021 (Unaudited)** | **150,000,000** | **6,567,600** | **(71,810,145)** | **128,567** | **24,134,296** | **109,020,318** |

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

## Condensed consolidated statement of cash flows (unaudited) for the three month period ended 31 March 2021

| | Three month period ended 31 March | |
|---|---|---|
| | **2021** | 2020 |
| | **AED** | AED |
| | | (Restated) |
| **Cash flows from operating activities** | | |
| Loss for the period | **(4,556,055)** | (2,555,258) |
| Adjustments for: | | |
| Depreciation of property and equipment and amortisation intangible assets | **1,180,476** | 1,169,040 |
| Other investment (income)/loss | **(7,423,574)** | 23,089,501 |
| Provision for employees' end of service benefits | **6,697** | 326,659 |
| Provision for doubtful debts | **12,261** | - |
| **Operating cash flows before changes in operating assets and liabilities** | **(10,780,195)** | 22,029,942 |
| (Increase)/decrease in retakaful contract assets | **(2,301,287)** | 60,273,062 |
| Increase in takaful receivables and other assets | **(68,482,007)** | (18,430,720) |
| Decrease/(increase) in deferred policy acquisition cost | **1,770,672** | (4,358,925) |
| Increase/(decrease) in takaful contract liabilities | **133,586,472** | (1,956,318) |
| Decrease in takaful and other payables | **(45,140,965)** | (77,107,972) |
| **Net cash generated from/(used in) operations** | **8,652,690** | (19,550,931) |
| Employees' end of service benefits paid | **(219,371)** | (256,805) |
| **Net cash generated from/(used in) operating activities** | **8,433,319** | (19,807,736) |
| **Cash flows from investing activities** | | |
| Purchase of investments at FVTPL | **(48,736,720)** | (35,762,443) |
| Proceeds from sale of investments at FVTPL | **43,756,062** | 28,877,179 |
| Purchase of property and equipment | **-** | (617,894) |
| Purchase of intangible assets | **-** | (76,000) |
| Purchase of investments properties | **(909,266)** | - |
| **Net cash used in investing activities** | **(5,889,924)** | (7,579,158) |
| **Cash flows from financing activities** | | |
| Repayment of borrowings | **(1,050,000)** | (875,000) |
| **Cash used in financing activities** | **(1,050,000)** | (875,000) |
| **Net increase/(decrease) in cash and cash equivalents** | **1,493,395** | (28,261,894) |
| Cash and cash equivalents at the beginning of the period | **83,271,528** | 52,129,720 |
| **Cash and cash equivalents at the end of the period** | **84,764,923** | 23,867,826 |
| **Non - cash Transaction:** | | |
| Zakat | **-** | (364,500) |

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

**Notes to the condensed consolidated interim financial information for the three month period ended 31 March 2021**

## 1. General information

Takaful Emarat - Insurance (PSC), Dubai, United Arab Emirates (the "Company") is a public stock company incorporated in the Emirate of Dubai – United Arab Emirates, pursuant to decree No. 62 for the year 2007 issued by the Ministry of Economy on 6 February, 2007, and is subject to the provisions of the UAE Federal Law No. 2 of 2015 ("Companies Law").

The Company carries out takaful activities in Health Insurance, Life Insurance and Credit and Saving Insurance in accordance with the Islamic Sharia'a and within the provisions of the Articles of Association of the Company.

The registered address of the Company is P.O. Box 64341, Dubai, United Arab Emirates.

These condensed consolidated interim financial statements incorporate the financial statements of the Company and its subsidiary (collectively referred to as the "Group").

| Subsidiary | Principal activity | Country of incorporation | Ownership | |
|---|---|---|---|---|
| *Directly owned* | | | 2021 | 2020 |
| Modern Tech Investment | Investment | United Arab Emirates | 100% | 100% |

*Coronavirus (COVID-19) outbreak and its impact on the Group*

With the recent and rapid development of the coronavirus disease (COVID-19) outbreak, the world economy entered a period of unprecedented health care crisis that has already caused considerable global disruption in business activities and everyday life. Many countries have adopted extraordinary and economically costly containment measures. Certain countries have required companies to limit or even suspend normal business operations including the United Arab Emirates (UAE).

Management has considered the unique circumstances and the risk exposures of the Group that could have a material impact on the business operations and has concluded that the main impacts on the Group's profitability/liquidity position may arise from:

- Recoverability of takaful and other receivables,
- Fair value measurement of financial instruments,
- Fair value measurement of investment properties,
- Provision for outstanding claims and claims incurred but not reported, and
- Reduction in gross contribution due to non-renewal of policies.

Based on the above consideration, management has concluded that there is no significant impact on the Group's profitability position as at reporting date and business operations, except for what is disclosed in the condensed consolidated interim financial information.

The Group has performed stress testing as required by the Insurance Authority of UAE on a monthly basis approved by the Board of Directors, who are satisfied that the Group will continue to operate as a going concern. Accordingly, these condensed consolidated interim financial information have been prepared on a going concern basis. Management will continue to monitor the situation and, will take necessary and appropriate actions on a timely basis to respond to this unprecedented situation.

**Notes to the condensed consolidated interim financial information for the three month period ended 31 March 2021 (continued)**

## 2. Application of new and revised International Financial Reporting Standards (IFRSs)

### 2.1 New and revised IFRSs applied with no material effect on the condensed consolidated interim financial information

The following new and revised IFRSs, which became effective for annual periods beginning on or after 1 January 2021, have been adopted in these condensed consolidated interim financial information. The application of these revised IFRSs has not had any material impact on the amounts reported for the current and prior years but may affect the accounting for future transactions or arrangements.

Interest Rate Benchmark Reform – Phase 2: Amendments to IAS 39, IFRS 7, IFRS 4 and IFRS 16. The amendments provide temporary reliefs which address the financial reporting effects when an interbank offered rate (IBOR) is replaced with an alternative nearly risk-free interest rate (RFR).

The amendments include the following practical expedients:

- A practical expedient to require contractual changes, or changes to cash flows that are directly required by the reform, to be treated as changes to a floating interest rate, equivalent to a movement in a market rate of interest;
- Permit changes required by IBOR reform to be made to hedge designations and hedge documentation without the hedging relationship being discontinued;
- Provide temporary relief to entities from having to meet the separately identifiable requirement when an RFR instrument is designated as a hedge of a risk component.

These amendments had no impact on the interim condensed financial information of the Company. The Company intends to use the practical expedients in future periods if they become applicable.

### 2.2 New and revised IFRS standards and interpretations but not yet effective

The Group has not yet applied the following new and revised IFRSs that have been issued but are not yet effective:

- IFRS 17 ‘Insurance Contracts’ relating to providing a more uniform measurement and presentation approach for all insurance contracts (effective for annual periods beginning after 1 January 2023).
- Amendments to IFRS 10 ‘Consolidated Financial Statements’ and IAS 28 ‘Investments in Associates and Joint Ventures’ (2011) relating to the treatment of the sale or contribution of assets from an investor to its associate or joint venture (effective date deferred indefinitely, early adoption permitted).
- IAS 1 ‘Presentation of Financial Statements’ – Amendments on Classifications. Effective for annual period beginning on or after 1 January 2023.
- Amendments relating IAS 16, IAS 37, IFRS 3 and some annual improvements on IFRS 1, IFRS 9, IAS 41 and IFRS 16 (effective for annual periods beginning on or after 1 January 2022).
- IFRS 4 relating to amendments regarding the expiry date of the deferral approach. The fixed expiry date for the temporary exemption in IFRS 4 from applying IFRS 9 is now 1 January 2023.
- Amendments to IFRS 16 to extend the exemption from assessing whether a COVID-19 related rent concession is a lease modification (effective for annual periods beginning on or after 1 April 2021).
- Amendments regarding Disclosure of Accounting policies (IAS 1 and IFRS practice statement 2) and amendments regarding Definition of Accounting estimates, IAS 8 (effective for annual periods beginning on or after 1 January 2023).

## Notes to the condensed consolidated interim financial information for the three month period ended 31 March 2021 (continued)

### 2. Application of new and revised International Financial Reporting Standards (IFRSs) (continued)

### 2.2 New and revised IFRS standards and interpretations but not yet effective (continued)

Management anticipates that these new standards, interpretations and amendments will be adopted in the Group's financial statements as and when they are applicable and adoption of these new standards, interpretations and amendments, except for IFRS 17, mentioned below, may have no material impact on the financial statements of the Group in the period of initial application.

Management anticipates that IFRS 17 will be adopted in the Group's financial statements for the annual period beginning 1 January 2023. The application of IFRS 17 may have significant impact on amounts reported and disclosures made in the Group's financial statements in respect of its insurance contracts. However, it is not practicable to provide a reasonable estimate of the effects of the application of this standard until the Group performs a detailed review.

### 2.3 Applying IFRS 9 *Financial Instruments* with IFRS 4 *Insurance Contracts*

In September 2016, the IASB published an amendment to IFRS 4 which addresses the concerns of insurance companies about the different effective dates of IFRS 9 Financial instruments and the forthcoming new insurance contracts standard. The amendment provides two different solutions for insurance companies: a temporary exemption from IFRS 9 for entities that meet specific requirements (applied at the reporting entity level), and the 'overlay approach'. Both approaches are optional.

IFRS 4 (including the amendments) will be superseded by the forthcoming new insurance contracts standard. Accordingly, both the temporary exemption and the 'overlay approach' are expected to cease to be applicable when the new insurance standards becomes effective.

The Group has performed an assessment of the amendment and concluded that its activities are predominantly connected with insurance. Management has applied the temporary exemption in its reporting period starting on 1 January 2018. The Group has decided to opt for the options to defer application of IFRS 9 given in said amendments to IFRS 4 "Insurance contracts" and concluded to apply IFRS 9 w.e.f. from 1 January 2023.

### 3. Summary of significant accounting policies

### 3.1 Basis of preparation

These condensed consolidated interim financial information have been prepared in accordance with International Accounting Standard (IAS) No. 34, "*Interim Financial Reporting*".

The condensed consolidated interim financial information are presented in U.A.E. Dirhams (AED) since that is the currency in which the majority of the Group's transactions are denominated.

These condensed consolidated interim financial information have been prepared on the historical cost basis, except for the revaluation of certain financial instruments and investment properties.

The accounting policies, presentation and methods in this condensed consolidated interim financial information are consistent with those used in the audited consolidated financial statements for the year ended 31 December 2020.

This condensed consolidated interim financial information does not include all the information required for full audited annual consolidated financial statements and should be read in conjunction with the Group's audited annual consolidated financial statements as at and for the year ended 31 December 2020. In addition, results for the three month period ended 31 March 2021 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2021.

### 4. Changes in judgements and estimation uncertainty

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 December 2020, with the exception of the impact of the novel coronavirus (COVID-19) outbreak on the Group which is detailed below.

**Notes to the condensed consolidated interim financial information for the three month period ended 31 March 2021 (continued)**

## 4. Changes in judgements and estimation uncertainty (continued)

*Recoverability of receivables*

The COVID-19 outbreak led to a significant increase in the credit risk of companies within the economy as a result of operational disruption.

Based on management's assessment, the Group has not identified a material impact to the recoverability of receivables for the period ended 31 March 2021.

*Fair value measurement of financial instruments*

COVID-19 outbreak led to significant market turmoil and price volatility on the global financial markets. The Group is closely monitoring whether the fair values of the financial assets and liabilities represent the price that would be achieved for transactions between market participants in the current scenario.

Based on management's assessment, the Group has not identified a material impact to the fair values of financial assets and liabilities for the period ended 31 March 2021 except for what is disclosed in the condensed consolidated interim financial information.

*Fair value measurement of investment properties*

As the local real estate market becomes slower moving, adjustments may be required to adjust the fair values of the properties in order to reflect the current economic circumstances.

Based on management's assessment, there is limited information available on the 2020 outlook for the real estate market and how the situation will progress in light of COVID-19. The Group has not identified any significant impact to the fair values of investment properties for as at 31 March 2021. The Group will consistently monitor the market and ensure that the prices used by the Group are an accurate representation of fair values.

*Provision for outstanding claims and claims incurred but not reported*

The Group has performed an assessment of the impact of COVID-19 on its contractual arrangements, provisions for outstanding claims and claims incurred but not reported which included regular sensitivity analyses. The Group determined that there is no material impact on its risk position and provision balances for outstanding claims and claims incurred but not reported as at 31 March 2021. The Group will continue monitoring its claims experience and the developments around the pandemic and revisit the assumptions and methodologies in future reporting periods.

## 5. Takaful and financial risk management

The Group's activities expose it to a variety of takaful and financial risks: underwriting risk, market risk (which includes foreign currency risk, profit rate risk and price risk), credit risk and liquidity risk.

The condensed interim consolidated financial information does not include all takaful and financial risk management information and disclosures required in the annual consolidated financial statements; therefore, they should be read in conjunction with the Group's audited annual consolidated financial statements for the year ended 31 December 2020.

There have been no changes in the risk management department or in any risk management policies since the year end.

**Notes to the condensed consolidated interim financial information for the three month period ended 31 March 2021 (continued)**

## 6. Investment properties

| | **31 March 2021 AED (Unaudited)** | 31 December 2020 AED (Audited) |
|---|---|---|
| Land | **15,401,896** | 15,401,896 |
| Residential apartments | **16,713,000** | 16,713,000 |
| | **32,114,896** | 32,114,896 |
| Work in progress | **20,421,880** | 19,512,614 |
| | **52,536,776** | 51,627,510 |

Management estimates that there has been no change in the fair value of investment properties. Investment properties are classified as Level 3 in the fair value hierarchy as at 31 March 2021 (31 December 2020: Level 3).

## 7. Financial instruments

| | **31 March 2021 AED (Unaudited)** | 31 December 2020 AED (Audited) |
|---|---|---|
| *Takaful operations' assets* | | |
| At fair value through profit or loss (Note 7.1) | **288,760,156** | 289,788,572 |
| Available-for-sale (Note 7.2) | **41,055,764** | 41,055,764 |
| | **329,815,920** | 330,844,336 |
| *Shareholders' assets* | | |
| At fair value through profit or loss (Note 7.1) | **42,903,980** | 29,471,332 |
| **Total** | **372,719,900** | 360,315,668 |

### 7.1 Financial instruments at fair value through profit or loss

| | **31 March 2021 (Unaudited)** | | | |
|---|---|---|---|---|
| | **Attributable to individual life policyholders AED** | **Attributable to shareholders AED** | **Attributable to takaful operations AED** | **Total AED** |
| Mutual funds | **185,953,575** | **22,503,980** | **-** | **208,457,555** |
| Sukuk investments | **37,880,379** | **-** | **7,381,966** | **45,262,345** |
| Equity investments – quoted | **-** | **-** | **57,544,236** | **57,544,236** |
| Equity investments – unquoted | **-** | **20,400,000** | **-** | **20,400,000** |
| **Total** | **223,833,954** | **42,903,980** | **64,926,202** | **331,664,136** |

**Notes to the condensed consolidated interim financial information for the three month period ended 31 March 2021 (continued)**

**7. Financial instruments** (continued)

**7.1 Financial instruments at fair value through profit or loss** (continued)

| | 31 December 2020 (Audited) | | | |
|---|---|---|---|---|
| | Attributable to individual life policyholders AED | Attributable to shareholders AED | Attributable to takaful operations AED | Total AED |
| Mutual funds | 176,679,413 | 9,071,332 | - | 185,750,745 |
| Sukuk investments | 42,596,489 | - | 7,381,966 | 49,978,455 |
| Equity investments – quoted | - | - | 63,130,704 | 63,130,704 |
| Equity investments – unquoted | - | 20,400,000 | - | 20,400,000 |
| Total | 219,275,902 | 29,471,332 | 70,512,670 | 319,259,904 |

Movements during the period/year were as follows:

| | **31 March 2021 AED (Unaudited)** | 31 December 2020 AED (Audited) |
|---|---|---|
| At beginning of the period/year | **319,259,904** | 290,629,805 |
| Purchases during the period/year | **48,736,720** | 173,684,034 |
| Disposals during the period/year | **(43,756,062)** | (159,499,368) |
| Change in fair value during the period/year | **7,423,574** | 14,445,433 |
| At end of the period/year | **331,664,136** | 319,259,904 |

**7.2 Available-for-sale (AFS)**

| | **31 March 2021 AED (Unaudited)** | 31 December 2020 AED (Audited) |
|---|---|---|
| Shares – quoted | **41,055,764** | 41,055,764 |

The fair value gain amounting to nil (31 March 2020: AED 4.11 million) has been recognised in the condensed consolidated statement of other comprehensive income.

**Notes to the condensed consolidated interim financial information for the three month period ended 31 March 2021 (continued)**

## 7. Financial instruments (continued)

### 7.3 Investment concentration

The UAE Insurance Authority has set the maximum limit for aggregate exposure in various investments category. As at 31 March 2021, the Group has invested over the limit in other invested assets category by AED 1,028,562 (31 December 2020: AED 1,034,562), whereas, it has exceeded the sub-limits in all other categories except real estate investments by AED 102,916,391 (31 December 2020: AED 95,215,574).

## 8. Takaful contract liabilities and retakaful contract assets

| | **31 March 2021 AED (Unaudited)** | 31 December 2020 AED (Audited) |
|---|---|---|
| **Gross takaful contract liabilities** | | |
| Claims reported | **135,134,243** | 90,172,171 |
| Claims incurred but not reported | **36,413,424** | 35,774,861 |
| Unearned contributions | **298,966,858** | 219,208,476 |
| Mathematical reserves | **7,203,186** | 6,057,040 |
| Policyholders' investment linked contracts at fair value | **229,266,663** | 222,185,354 |
| | **706,984,374** | 573,397,902 |
| **Retakaful contract assets** | | |
| Retakaful share of claims reported | **49,984,625** | 35,311,980 |
| Retakaful share of claims incurred but not reported | **14,018,770** | 14,801,241 |
| Retakaful share of unearned contributions | **68,914,787** | 80,671,803 |
| Retakaful share of mathematical reserve | **1,064,028** | 895,899 |
| | **133,982,210** | 131,680,923 |
| **Net takaful contract liabilities** | | |
| Claims reported | **85,149,618** | 54,860,191 |
| Claims incurred but not reported | **22,394,654** | 20,973,620 |
| Unearned contributions | **230,052,071** | 138,536,673 |
| Mathematical reserves | **6,139,158** | 5,161,141 |
| Policyholders' investment linked contracts at fair value | **229,266,663** | 222,185,354 |
| | **573,002,164** | 441,716,979 |

**Notes to the condensed consolidated interim financial information for the three month period ended 31 March 2021 (continued)**

## 8. Takaful contract liabilities and retakaful contract assets (continued)

| | 31 March 2021 AED (Unaudited) | 31 December 2020 AED (Audited) |
|---|---|---|
| **Movement in payable to policyholders of investment linked contracts** | | |
| Opening balance | **222,185,354** | 170,064,606 |
| Gross contribution | **20,993,318** | 97,895,018 |
| Allocation charges | **(2,595,214)** | (8,246,440) |
| Redemptions during the period/ year | **(19,509,740)** | (53,849,076) |
| Change in fair value | **8,192,945** | 16,321,246 |
| Closing balance | **229,266,663** | 222,185,354 |

## 8.1 Change in reserves

| | 31 March 2021 AED (Unaudited) | 31 March 2020 AED (Audited) |
|---|---|---|
| Changes in mathematical reserve – takaful life | **978,017** | (836,752) |
| Change in reserve relating to takaful life products | **16,811,619** | (20,057,307) |
| Change in fair value-individual life policyholders (Note 8) | **(8,192,945)** | (26,351,452) |
| | **9,596,691** | (47,245,511) |

## 9. Cash and bank balances

| | 31 March 2021 (Unaudited) | | 31 December 2020 (Audited) | |
|---|---|---|---|---|
| | Takaful Operations AED | Shareholders' Operations AED | Takaful Operations AED | Shareholders' Operations AED |
| Cash and bank balances | **58,849,322** | **25,915,601** | 66,640,515 | 16,631,013 |
| Deposit | **17,250,000** | **-** | 17,250,000 | - |
| | **76,099,322** | **25,915,601** | 83,890,515 | 16,631,013 |
| Less: Deposits maturing in more than three months | **(17,250,000)** | **-** | (17,250,000) | - |
| **Total** | **58,849,322** | **25,915,601** | 66,640,515 | 16,631,013 |

The deposits carry profit rates ranging from 1% to 1.25% (2020: 1.75% to 2.40%) per annum with maturity dates ranging from 23 August 2021 to 30 September 2021.

**Notes to the condensed consolidated interim financial information for the three month period ended 31 March 2021 (continued)**

## 10. Statutory deposit

Statutory deposit is maintained in accordance with the requirements of UAE Federal Law No. 6 of 2007 for the purpose of carrying on takaful operations in the United Arab Emirates and is not available to finance the day to day operations of the Company. This deposit carries a profit rate of 1% (2020: 1%) per annum.

## 11. Deficit in policyholders' fund

| | **31 March 2021 (Unaudited) AED** | 31 December 2020 (Audited) AED |
|---|---|---|
| **Deficit in policyholders' fund** | | |
| Balance at the beginning of the period/ year | **(1,246,783)** | (9,268,009) |
| Surplus during the period/year | **1,144,133** | 8,021,226 |
| Balance at the end of the period/ year | **(102,650)** | (1,246,783) |
| **Qard Hassan from shareholders** | | |
| Balance at beginning of period/year | **1,246,783** | 9,268,009 |
| Recovery during the period/year | **(1,144,133)** | (8,021,226) |
| Balance at the end of the period/year | **102,650** | 1,246,783 |
| **Total deficit in policyholders' fund** | **-** | - |

## 12. Borrowings

The borrowings as at reporting date is against AED 35 million loan obtained in 2017 for the purchase of new building being used as office space, of which outstanding principal amount in AED 24.85 million (2020: AED 25.9 million).

The decrease in borrowings of AED 1.1 million (2020: AED 14.42 million) during the period/year consists of settlement of repayment against borrowing of AED 35 million.

Bank credit facilities were secured by mortgage over property, assignment of Islamic insurance policy over property, hypothecation of wakala time deposit and promissory notes.

## 13. Share capital

| | **31 March 2021 AED (Unaudited)** | 31 December 2020 AED (Audited) |
|---|---|---|
| Authorised, Issued and fully paid: | | |
| 150,000,000 ordinary shares of AED 1 each | **150,000,000** | 150,000,000 |
| | **150,000,000** | 150,000,000 |

**Notes to the condensed consolidated interim financial information for the three month period ended 31 March 2021 (continued)**

## 14. Net earned contributions (Unaudited)

| | Three month period ended 31 March 2021 | | |
|---|---|---|---|
| | **Medical AED** | **Life and savings AED** | **Total AED** |
| Gross contributions written | **208,269,094** | **21,394,471** | **229,663,565** |
| Change in unearned contributions | **(80,473,663)** | **715,281** | **(79,758,382)** |
| **Takaful contributions earned** | **127,795,431** | **22,109,752** | **149,905,183** |
| Retakaful contributions | **26,401,054** | **1,341,736** | **27,742,790** |
| Change in unearned contributions | **11,120,892** | **636,124** | **11,757,016** |
| **Retakaful contributions ceded** | **37,521,946** | **1,977,860** | **39,499,806** |
| **Net earned contributions** | **90,273,485** | **20,131,892** | **110,405,377** |

| | Three month period ended 31 March 2020 | | |
|---|---|---|---|
| | Medical AED | Life and savings AED | Total AED |
| Gross contributions written | 173,793,641 | 26,771,789 | 200,565,430 |
| Change in unearned contributions | (54,545,974) | 870,950 | (53,675,024) |
| Takaful contributions earned | 119,247,667 | 27,642,739 | 146,890,406 |
| Retakaful contributions | 32,782,351 | 1,381,830 | 34,164,181 |
| Change in unearned contributions | 12,637,543 | 694,071 | 13,331,614 |
| Retakaful contributions ceded | 45,419,894 | 2,075,901 | 47,495,795 |
| Net earned contributions | 73,827,773 | 25,566,838 | 99,394,611 |

## 15. Wakalah fees

For group life and group medical policies, wakalah fees were charged up to 13.5% to 25% (2020: 16.75% to 25%) of gross takaful contributions. For life takaful policies, wakalah fees were charged at a maximum of 35% of takaful risk contributions. Wakalah fees are approved by the Sharia'a Supervisory Board and is charged to the condensed consolidated statement of profit or loss when incurred.

**Notes to the condensed consolidated interim financial information for the three month period ended 31 March 2021 (continued)**

## 16. Basic and diluted loss per share

| | Three month period ended 31 March | |
|---|---|---|
| | **2021** | 2020 |
| | **(Unaudited)** | (Unaudited) |
| | **AED** | AED |
| Loss for the period attributable to shareholders | **(4,556,055)** | (2,555,258) |
| Weighted average number of shares outstanding during the period | **150,000,000** | 150,000,000 |
| Loss per share | **(0.030)** | (0.017) |

No figures for diluted loss per share are presented as the Group has not issued any instruments which would have an impact on loss per share when exercised.

## 17. Related party transactions and balances

Related parties represent, major shareholders, directors and key management personnel of the Group, and entities controlled, jointly controlled or significantly influenced by such parties. The pricing policies and terms of these transactions are approved by the Group's management.

The significant balances outstanding at 31 March in respect of related parties included in the condensed consolidated interim financial information are as follows:

| | **31 March** | 31 December |
|---|---|---|
| | **2021** | 2020 |
| | **(Unaudited)** | (Audited) |
| | **AED** | AED |
| *Affiliates of major shareholders:* | | |
| Outstanding claims | **249,787** | 339,864 |

The profit or loss in respect of related parties included in the condensed consolidated interim financial information are as follows:

| | Three month period ended 31 March | |
|---|---|---|
| | **2021** | 2020 |
| | **(Unaudited)** | (Unaudited) |
| | **AED** | AED |
| **Compensation of key management personnel:** | | |
| Short and long term benefits | **897,994** | 814,299 |
| **Transactions with related parties during the period** | | |
| Gross written contribution | **2,861,334** | 4,091,730 |
| Gross claim incurred | **83,375** | 1,099,409 |

Outstanding balances at the period/year-end arise in the normal course of business. The Group has not recorded any impairment of amounts owed by related parties.

**Notes to the condensed consolidated interim financial information for the three month period ended 31 March 2021 (continued)**

## 18. Contingencies and commitments

| | 31 March 2021 (Unaudited) AED | 31 December 2020 (Audited) AED |
|---|---|---|
| Letters of guarantee | **163,593** | 343,593 |

*Capital commitments*

Capital commitments as at 31 March 2021 amounted to AED 7.3 million (31 December 2020: AED 8.2 million)

*Legal claims*

The Group, in common with the significant majority of insurers, is subject to litigation in the normal course of its business. The Group, based on independent legal advice, does not believe that the outcome of these court cases will have a material impact on the Group's income or financial condition.

## 19. Segment information

For management purposes, the Company is organised into two business segments; takaful and investment operations. The takaful operations comprise the takaful business undertaken by the Company on behalf of policyholders. Investment operations comprise investments and cash management for the Company's own account. No operating segments have been aggregated to form the above reportable operating segments.

Segment performance is evaluated based on profit or loss which in certain respects is measured differently from profit or loss in the financial statements.

Except for Wakalah fees, allocation charges and Qard Hassan, no other inter-segment transactions occurred during the period. Segment income, expenses and results include transactions between business segments which will then be eliminated on consolidation shown below.

| | Three month period ended 31 March 2021 (Unaudited) | | | | | |
|---|---|---|---|---|---|---|
| | Underwriting | | | Shareholders | | |
| | Medical AED | Life AED | Total AED | Investments AED | Others AED | Total AED |
| **Segment revenue** | **127,795,431** | **22,109,752** | **149,905,183** | **27,187** | **24,592,251** | **24,619,438** |
| **Segment result** | **16,078,944** | **4,335,297** | **20,414,241** | **27,187** | **24,592,251** | **24,619,438** |
| **Wakala fees** | **(16,058,566)** | **(3,211,542)** | **(19,270,108)** | **-** | **-** | **-** |
| **Commission incurred** | **-** | **-** | **-** | **-** | **(14,015,271)** | **(14,015,271)** |
| **General and administrative expenses** | **-** | **-** | **-** | **-** | **(16,304,355)** | **(16,304,355)** |
| **Provision for Qard Hassan to policyholders' fund** | **-** | **-** | **-** | **-** | **1,144,133** | **1,144,133** |
| **Profit/(loss) attributable to policyholders/ shareholders** | **20,378** | **1,123,755** | **1,144,133** | **27,187** | **(4,583,242)** | **(4,556,055)** |

**Notes to the condensed consolidated interim financial information for the three month period ended 31 March 2021 (continued)**

## 19. Segment information (continued)

| | Three month period ended 31 March 2020 (Unaudited) | | | | | |
|---|---|---|---|---|---|---|
| | Underwriting | | | Shareholders | | |
| | Medical AED | Life AED | Total AED | Investments AED | Others AED (Restated) | Total AED (Restated) |
| Segment revenue | 119,247,667 | 27,642,739 | 146,890,406 | (472,293) | 21,543,694 | 21,071,401 |
| Segment result | 16,755,146 | 5,187,388 | 21,942,534 | (472,293) | 21,543,694 | 21,071,401 |
| Wakala fees | (13,106,072) | (5,331,087) | (18,437,159) | - | - | - |
| Commission incurred | - | - | - | - | (11,147,369) | (11,147,369) |
| General and administrative expenses | - | - | - | - | (15,984,665) | (15,984,665) |
| Provision for Qard Hassan to policyholders' fund | - | - | - | - | 3,505,375 | 3,505,375 |
| Profit/(loss) attributable to policyholders/ shareholders | 3,649,074 | (143,699) | 3,505,375 | (472,293) | (2,082,965) | (2,555,258) |

| | 31 March 2021 (Unaudited) | | | | | | |
|---|---|---|---|---|---|---|---|
| | **Medical AED** | **Life and saving AED** | **Underwriting total AED** | **Shareholders' investments AED** | **Unallocated others AED** | **Total AED** | **Total AED** |
| **Segment assets** | **599,638,496** | **296,167,926** | **895,806,422** | **68,819,581** | **65,734,157** | **134,553,738** | **1,030,360,160** |
| **Segment liabilities** | **573,708,764** | **244,339,713** | **818,048,477** | **-** | **103,291,365** | **103,291,365** | **921,339,842** |

| | As at 31 December 2020 (Audited) | | | | | | |
|---|---|---|---|---|---|---|---|
| | Medical AED | Life and saving AED | Underwriting total AED | Shareholders' investments AED | Unallocated others AED | Total AED | Total AED |
| Segment assets | 529,400,659 | 305,730,288 | 835,130,947 | 46,102,345 | 66,500,090 | 112,602,435 | 947,733,382 |
| Segment liabilities | 498,683,182 | 236,256,827 | 734,940,009 | - | 99,217,000 | 99,217,000 | 834,157,009 |

**Notes to the condensed consolidated interim financial information for the three month period ended 31 March 2021 (continued)**

## 20. Fair value of financial instruments

The fair values of financial assets and financial liabilities that are traded in active markets are based on quoted market prices or dealer price quotations. For all other financial instruments, the Group determines fair values using other valuation techniques.

For financial instruments that trade infrequently and have little price transparency, fair value is less objective, and requires varying degrees of judgement depending on liquidity, concentration, uncertainty of market factors, pricing assumptions and other risks affecting the specific instrument.

The Group measures fair values using the following fair value hierarchy, which reflects the significance of the inputs used in making the measurements

Level 1: Quoted market price (unadjusted) in an active market for an identical instrument.

Level 2: Inputs other than quoted prices included within Level 1 that are observable either directly (i.e. as prices) or indirectly (i.e. derived from prices). This category includes instruments valued using: quoted market prices in active markets for similar instruments; quoted prices for identical or similar instruments in markets that are considered less than active; or other valuation techniques in which all significant inputs are directly or indirectly observable from market data.

Level 3: Inputs that are unobservable. This category includes all instruments for which the valuation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments for which significant unobservable adjustments or assumptions are required to reflect differences.

Valuation techniques include net present value and discounted cash flow models, comparison with similar instruments for which market observable prices exist. Assumptions and inputs used in valuation techniques include risk-free and benchmark interest rates, credit spreads and other premium used in estimating discount rates, bond and equity prices, foreign currency exchange rates, equity and equity index prices and expected price volatilities and correlations.

The objective of valuation techniques is to arrive at a fair value measurement that reflects the price that would be received to sell the asset or paid to transfer the liability in an orderly transaction between market participants at the measurement date.

*Fair value hierarchy of assets and liabilities measured at fair value*

The following table analyses assets and liabilities measured at fair value at the reporting date, by the level in the fair value hierarchy into which the fair value measurement is categorised. The amounts are based on the values recognised in the consolidated statement of financial position.

**Notes to the condensed consolidated interim financial information for the three month period ended 31 March 2021 (continued)**

## 20. Fair value of financial instruments (continued)

*Fair value hierarchy of assets and liabilities measured at fair value (continued)*

| | 31 March 2021 (Unaudited) | | | |
|---|---|---|---|---|
| | **Level 1 AED** | **Level 2 AED** | **Level 3 AED** | **Total AED** |
| **Assets** | | | | |
| Investments at fair value through profit or loss | | | | |
| Equity investments – quoted | 57,544,236 | - | - | 57,544,236 |
| Equity investments – unquoted | - | - | 20,400,000 | 20,400,000 |
| Mutual funds | - | 208,457,555 | - | 208,457,555 |
| Sukuk investments | - | 45,262,345 | - | 45,262,345 |
| Available-for-sale | 41,055,764 | - | - | 41,055,764 |
| | **98,600,000** | **253,719,900** | **20,400,000** | **372,719,900** |
| **Liabilities** | | | | |
| Investment linked contracts | - | **229,266,663** | - | **229,266,663** |

| | 31 December 2020 (Audited) | | | |
|---|---|---|---|---|
| | Level 1 AED | Level 2 AED | Level 3 AED | Total AED |
| **Assets** | | | | |
| Investments at fair value through profit or loss | | | | |
| Equity investments - quoted | 63,130,704 | - | - | 63,130,704 |
| Equity investments - unquoted | - | - | 20,400,000 | 20,400,000 |
| Mutual funds | - | 185,750,745 | - | 185,750,745 |
| Sukuk investments | - | 49,978,455 | - | 49,978,455 |
| Available-for-sale | 41,055,764 | - | - | 41,055,764 |
| | 104,186,468 | 235,729,200 | 20,400,000 | 360,315,668 |
| **Liabilities** | | | | |
| Investment linked contracts | - | 222,185,354 | - | 222,185,354 |

## 21. Seasonality of results

No income of seasonal nature was recorded in the statement of income for the three months period ended 31 March 2021.

**Notes to the condensed consolidated interim financial information for the three month period ended 31 March 2021 (continued)**

## 22. Financial regulations

As per Article (8) of Section 2 of the financial regulations issued for insurance companies in UAE, the Company shall at all times comply with the requirements of Solvency Margin. As at 31 December 2020, the Company had a solvency deficit as compared to the Minimum Capital Requirements of AED 100 million. The Company has made a business plan to meet the solvency requirements by 30 June 2021 or provide a bank guarantee for solvency deficit. The business plan is approved by Insurance Authority and the Company is required to submit monthly progress reports to the Insurance Authority to demonstrate compliance with the business plan.

## 23. Prior period errors

The comparative amounts for the period ended 31 March 2020 have been restated due to correction of prior period error relating to deferred policy acquisition cost which was not disclosed at recoverable amount net off allocation/surrender charges, which resulted in overstatement of deferred policy acquisition cost presented in 2019. This error was rectified by reversing the amounts recognised under deferred policy acquisition cost in the consolidated financial statements for the year ended 31 December 2020 and increasing the commission incurred. Policyholders' investment linked contracts at fair value under takaful contract liabilities was reversed while allocation/surrender charge was recognized in other income.

In accordance with the requirements of 'IAS 1 Presentation of Financial Statements' and 'IAS 8 Accounting policies, Changes in Estimates and Errors', the above items have been corrected retrospectively and accordingly balances in the condensed consolidated interim financial information for the year 2020 were restated in 31 March 2021 reporting.

Impact on the condensed consolidated statement of financial position for the year ended 31 December 2019:

| | As previously reported at 31 December 2019 AED | Adjustment AED | As restated at 31 December 2019 AED |
|---|---|---|---|
| Accumulated loss | (55,481,803) | (11,631,919) | (67,113,722) |

Impact on the condensed consolidated statement of profit or loss for the period ended 31 March 2020:

| | Period ended 31 March 2020 as previously reported AED | Restatements AED | Period ended 31 March 2020 as restated AED |
|---|---|---|---|
| **Attributable to Shareholders** | | | |
| Other income | 3,208,061 | (101,526) | 3,106,535 |
| Commission incurred | (10,873,744) | (273,625) | (11,147,369) |

**Notes to the condensed consolidated interim financial information for the three month period ended 31 March 2021 (continued)**

**23. Prior period errors** (continued)

Impact on the condensed consolidated statement of cash flows for the year ended 31 March 2020:

| | Period ended 31 March 2020 as previously reported AED | Restatements AED | Period ended 31 March 2020 as restated AED |
|---|---|---|---|
| Loss for the period | (2,180,107) | (375,151) | (2,555,258) |
| Decrease in deferred policy acquisition cost | (4,734,076) | 375,151 | (4,358,925) |

**24. Approval of the condensed consolidated financial information**

The condensed consolidated financial information were approved by the Board of Directors and authorised for issue on 15 May 2021.