

Dar Al Takaful (DAT) announces its FY22 preliminary results

Combined Group positioned for significant recovery and return to more normal levels of profitability in 2023

Dubai, UAE, 14 February 2023 – Dar Al Takaful PJSC (“DAT”, the “Company” or the “Group”) reported today its preliminary, unaudited, financial results for 4Q’22 and FY’22.

The Company continues to make significant progress on the revenue and cost synergies resulting from the merger with Watania which completed on 1 July 2022. The combined Group remains on track to deliver net cost savings of approximately AED 20 million as a result of the merger in 2023. On a consolidated merged basis, the Group’s Gross Written Contribution (“GWC”) was more than AED 1 billion.

The Company has made marked progress to put in place the technological platform and operational infrastructure to become a data led business with a strong and scalable insurtech capability which will characterize its product mix, providing customers with a simple, trusted solution and enhancing its competitive advantage in the marketplace. Functional streamlining, human capital optimization and unification of the IT platforms from the first legal day of the merger have all been actioned to drive the targeted efforts supporting its return to profitability in 2023 which is expected to be augmented by double digit growth year on year in GWC and a significantly improved investment yield. Anticipated, one off, merger and integration expenses to effect these changes and integrate the two companies amounted to AED 14 million in FY22. In 2023, the combined Group will be a single larger business, operating under a single name, benefiting, and taking advantage of revised pricing policies and the normalization of trading conditions.

The Group intends to outline in more detail the drivers for its future success, strategy and the actions to be taken to underpin its strategy when it announces its full audited results.

The FY22 results for DAT reflect the outcome of the pandemic impacted period in 2020 and 2021:

- FY22 total GWC were AED 807.59 million, an increase of 14% versus 2021. On a combined basis for the period GWC was more than AED 1 billion
- The combined impacts of one-off merger costs, the increased hospital utilization post covid and market driven pricing pressure during the pandemic resulted in a post exceptional loss of AED 55.04million

Dr. Ali Saeed Bin Harmal Aldhaheri, Chairman of DAT, said:

“2022 has been a year of transition whereby we made concerted efforts towards executing and implementing the merger, which completed in July, and resetting the DAT business to benefit from more normalized market conditions post Covid and its aftermath. The Group is better positioned both operationally and strategically to ensure that 2023 is the year where significant recovery and a return to more normal levels of profitability can be achieved.

We can now take advantage of potential growth opportunities provided by the combined businesses in both the Abu Dhabi and Dubai markets, leveraging our scale, data, state of the art technology platform and the ability to offer a greater range of products. In addition, we will continue to actively explore the wide opportunities available

Head Office: 0 -14 Tower-Business Bay | Tel: +97143041500 | Fax: +97145530389 | P.O.BOX: 235353, Dubai, UAE info@dat.ae |

www.dat.ae | 800-Takaful (8252385)

through our insuretech platforms to rollout more efficient, cost effective and higher quality services to our members whilst maintaining and continuously improving our business processes to benefit all stakeholders.

We are confident that we are on track to deliver profitable progress in 2023 and excited for the future of the new company."

Gautam Datta, CEO of DAT, commented:

"This has been an exceptionally active period operationally shaping the business for the future. To maximise the effectiveness of the merger, we have optimised our human resources, unified and upgraded our IT systems to be fit for purpose in today's digital era and most importantly ensured that we are able to capitalise on the huge potential by implementing practices throughout the business which make us even more focused on the customer.

I am looking forward to the next step of the journey where the hard work and dedication of every person within the combined business will be acknowledged by our stakeholders and reflected in our growth and profitability."

About Dar Al Takaful PJSC

Dar Al Takaful PJSC was established in 2008 as a Shari'ah-Compliant insurance company. In 2020, it completed the acquisition of Noor Takaful Family PJSC and Noor Takaful General PJSC. An award-winning insurance company, Noor Takaful has won the prestigious Insurance Brand of The Year 2021 award, conferred by Global Banking and Finance Review, as well as the Best Takaful Company 2021 and Most Innovative Takaful Company 2021, both awarded by World Business Outlook.

In July 2022, Dar Al Takaful completed the merger with National Takaful Company PJSC (Watania), forming one of the leading national Takaful providers in the UAE with share capital of AED 260 million. The merged entity, Dar Al Takaful, trades on the DFM under the ticker [DARTAKAFUL] It focuses on deepening customer reach, leveraging economies of scale, and delivering best-in-class protection and financial security to its policyholders. By capitalizing on its larger underwriting capacity, the company looks to offer more comprehensive and favorable coverage to meet the needs of a wider client base in the UAE's addressable market, with further growth across the GCC region.

Dar Al Takaful PJSC's vision is to provide protection and peace of mind. In line with its vision, Dar Al Takaful offers innovative ethical insurance solutions and promotes a culture of excellence among its staff. It offers a full range of takaful products - general, medical, and family - to both individuals and companies in the UAE. The products are offered at its head office in Dubai, online, and through its branches in Abu Dhabi, Sharjah, and Ajman.