Detailed analysis of accumulated losses

This form has been prepared in accordance with the disclosure requirements included in the SCA Board of Directors' Decision No. (32/R.M.) of 2019 concerning procedures for companies whose shares are listed on the market, and whose accumulated losses amount to (20%) or more of their paid-up capital. Listed Companies are required to comply with the provisions of the decision as soon as their accumulated losses reach (20%) or more of their paid-up capital.

Date:	**16-06-2023**
Name of the Listed Company:	**Dar Al Takaful PJSC**
Define the period of the financial statements:	**Q1 2023**
Value of the Accumulated losses:	**AED 53.7mn**
Accumulated losses to paid-up capital ratio (%):	**20.6%**
The main reasons for accumulated losses and the period in which these losses began. (Determine the period in which these losses began to appear in the company's financial statements):	The company reported an exceptional loss of AED 55mn in FY22 due to one-off merger costs, the increased hospital utilization post covid and market driven pricing pressure during the pandemic.
Summary of the steps and initiatives undertaken by the company to address the accumulated losses:	2022 was the year of transition whereby we made concerted efforts towards executing and implementing the merger, which was completed in July 2022, and resetting the Company's business to benefit from more normalized market conditions post Covid and its aftermath. During Q1 FY2023, the loss was significantly reduced driven primarily by the major improvements in both the financial and operational performance of the Company and its subsidiaries respectively. Building on the performance turnaround momentum achieved in the first quarter, and the unlocked revenue growth opportunities from our consolidated operations, we are confident that we are well positioned

	to achieve normalized sustainable net profit levels and a return to growth in FY23 with our focus as always on delivering long-term positive returns to our shareholders.

The Name of the Authorized Signatory	Gautam Datta
Designation	Chief Executive Officer
Signature and Date	16th June 2023
Company's Seal	