

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt as to the action you should take, it is recommended that you seek your own (i) independent financial advice from a financial advisor licensed by SCA and (ii) independent legal advice from your lawyer or other appropriate independent legal advisor.

If you have sold or otherwise transferred all of your DAT Shares or Watania Shares, please send this document as soon as possible to the stockbroker, bank or other agent through whom the sale or transfer was effected for delivery to the purchaser or transferee. However, this document should not be forwarded or transmitted in or into or to any Restricted Jurisdiction. If you have sold or transferred only part of your holding of DAT Shares or Watania Shares, you should retain this document and consult the stockbroker, bank or other agent through whom the sale or transfer was effected.

This document is not being published or distributed, and should not be forwarded or transmitted, in or into or to any Restricted Jurisdiction. Implementation of the Merger is conditional upon, amongst other things, each of the resolutions set out in the notice of the DAT GM (set out in Schedule 2) receiving a vote in favour by holders of the requisite majority of DAT Shares represented at the DAT GM and each of the resolutions set out in the notice of the Watania GM (set out in Schedule 3) receiving a vote in favour by holders of the requisite majority of Watania Shares represented at the Watania GM. The conditions to, and process for, implementing the Merger are set out in full in paragraph 15 of this document.



Shareholder Circular in respect of the merger of Dar Al Takaful PJSC and National Takaful Company (Watania) PJSC by way of a merger pursuant to Article 285(1) of the UAE Federal Decree Law No. 32 of 2021 concerning Commercial Companies

For a discussion of certain risk factors which should be taken into account when considering whether to vote in favour of the resolutions to be considered at the DAT GM and the Watania GM, see paragraph 13 of this document.

Unless the context requires otherwise, capitalised terms used in this document have the meanings given in Schedule 1 of this document. References to times and dates in this document are to United Arab Emirates time and the Gregorian calendar, respectively, unless otherwise stated.

Notices of the DAT GM, to be held electronically/from distance at 1 P.M. on Monday 25 April 2022 , and the Watania GM, to be held electronically/from distance at 11 A.M. on Monday 25 April 2022 , are set out in Schedule 2 and Schedule 3, respectively.

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1. IMPORTANT NOTICE

Statements contained in this document are made as at the date of this document, unless some other time is specified in relation to them, and the publication of this document (or any action taken pursuant to it) shall not give rise to any implication that there has been no change in the facts or affairs of DAT or Watania as set out in this document since such date. Nothing contained in this document is intended to be or shall be deemed to be a forecast, projection or estimate of the future financial performance of DAT or Watania and no statement in this document should be interpreted to mean that earnings per share for current or future financial periods of DAT or Watania will necessarily match or exceed historical published earnings per share.

No person has been authorised to give any information or to make any representations other than those expressly contained in this document and, if given or made, such information or representations must not be relied on as having been authorised by DAT, Watania, EMCAP, KPMG, Milliman or any of the other advisers in connection with the Merger.

No person should construe the contents of this document as legal, financial or tax advice. If you are in any doubt as to the action you should take, it is recommended that you seek your own independent financial advice from your stockbroker, accountant or other appropriate independent financial adviser.

Copies of this document can be obtained (without charge) from the head offices of each of DAT (in the case of DAT Shareholders) and Watania (in the case of Watania Shareholders), at the DAT GM and the Watania GM and from each of DAT's or Watania's websites at <https://dat.ae/> and <https://www.watania.ae/>, respectively. Except in respect of the foregoing and DAT's and Watania's financial statements for the financial years ended 31 December 2018, 31 December 2019 and 31 December 2020 and the unaudited interim consolidated financial statements for the period ending 30 September 2021, neither the content of any website of DAT or Watania nor the content of any website accessible from hyperlinks on any of such websites is incorporated into, or forms part of, this document and no person accepts any responsibility for the contents of such websites.

The directors of DAT, whose names are set out in paragraph 10.5 of this document, accept responsibility for the information contained in this document other than that relating to Watania. To the best of the knowledge and belief of these directors (who have taken all reasonable care to ensure that such is the case), the information contained in this document for which they are responsible is in accordance with the facts and does not omit anything likely to affect the import of such information.

The directors of Watania, whose names are set out in paragraph 11.5 of this document, accept responsibility for the information contained in this document other than that relating to DAT. To the best of the knowledge and belief of these directors (who have taken all reasonable care to ensure that such is the case), the information contained in this document for which they are responsible is in accordance with the facts and does not omit anything likely to affect the import of such information.

IBRAHIM & PARTNERS (**InP**) are acting exclusively as legal adviser to DAT and for no one else in connection with the Merger and will not be responsible to anyone other than DAT for providing the protections afforded to clients of InP nor for providing advice in relation to the Merger, the content of this document or any other matter referred to in this document.

Hadef & Partners (**Hadef**) are acting exclusively as legal adviser to Watania and for no one else in connection with the Merger and will not be responsible to anyone other than Watania for providing the protections afforded to clients of Hadef nor for providing advice in relation to the Merger, the content of this document or any other matter referred to in this document.

Emirates NBD Capital Limited (**EMCAP**), which is registered in the Dubai International Financial Centre and regulated by the Dubai Financial Services Authority, is acting as the financial advisor to both DAT and Watania to carry out the services of managing and organizing the Merger transaction and assist in preparing the step

plans for each of DAT and Watania and advise the merger committee to facilitate the completion of the Merger.

KPMG Lower Gulf Limited, which is registered in Abu Dhabi and regulated by the Abu Dhabi Department of Economic Development is acting as the independent valuer as approved by SCA, to both DAT and Watania. KPMG is also acting as the financial, VAT and IT due diligence advisor to both DAT and Watania.

Milliman, LLC. (**Milliman**), which is registered in the Dubai International Financial Centre and Regulated by the Dubai Financial Services Authority and also a registered actuary with the UAE Central Bank, is acting as actuarial diligence advisor to both DAT and Watania.

The formal shareholder circular is published in the Arabic language. No reliance should be placed on this English translation, which may not entirely reflect the official Arabic language shareholder circular.

2. CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This document contains certain forward-looking statements with respect to DAT and Watania. These forward-looking statements can be identified by the fact that they do not relate only to historical or current facts. Forward-looking statements often use words such as "anticipate", "target", "expect", "estimate", "intend", "plan", "will", "goal", "believe", "aim", "may", "would", "could" or "should" or other words of similar meaning or the negative thereof. Forward-looking statements in this document include, without limitation, statements relating to the following: (i) future capital expenditures, expenses, revenues, economic performance, financial conditions, dividend policy, losses and future prospects; and (ii) business and management strategies and the expansion and growth of the operations of the Combined Group.

These forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of any such person, industry results, strategies or events, to be materially different from any results, performance, achievements or other events or factors expressed or implied by such forward-looking statements. Many of the risks and uncertainties relating to forward-looking statements are beyond the Companies' abilities to control or estimate precisely, such as future market conditions and the behaviour of other market participants, and therefore undue reliance should not be placed on such statements. Forward-looking statements are not guarantees of future performance. They have not, unless otherwise indicated, been reviewed by the auditors of DAT or Watania. Forward-looking statements are based on numerous assumptions, including assumptions regarding the present and future business strategies of DAT and Watania and the environment in which each will operate in the future. All subsequent oral or written forward-looking statements made by or attributable to DAT or Watania or any persons acting on their behalf are expressly qualified in their entirety by the cautionary statement above.

From December 2019 onwards, an outbreak of novel coronavirus ("**COVID-19**"), a viral respiratory illness, has spread globally, including the UAE. The COVID-19 outbreak poses potential risks and material uncertainty to the Companies' businesses, results of operations, financial condition and prospects. For more details, see paragraph 13 of this document. This document and the statements herein should be read in light of the ongoing COVID-19 pandemic and its continuing and unprecedented impact on the global economy and market conditions.

The overarching risks and uncertainties of such forward-looking statements include, but are not limited to:

- the global economic recession and financial crisis due to the ongoing global COVID-19 pandemic;
- the economic and financial markets conditions in the UAE generally and in particular;
- the Companies' relationship with the Government generally, including their ability to obtain requisite governmental or regulatory approvals and permits;
- the Companies' ability to achieve and manage the growth of their businesses;
- the Companies' ability to obtain financing or maintain sufficient capital to fund their existing and future operations;
- changes in political, social, legal or economic conditions in the markets in which the Companies and their customers operate;
- changes in the competitive environment in which the Companies operate; and
- failure to comply with regulations applicable to the Companies' businesses.

DAT and Watania assume no obligation to, and do not intend to, update any forward-looking statements, except as required pursuant to applicable law and regulation.

You are advised to read this document in its entirety, and in particular the risk factors discussed in paragraph 13 of this document, for discussion of the factors that could affect the Combined Group's future performance and the industries in which it will operate.

3. PUBLICATION AND DISTRIBUTION RESTRICTIONS

This document is not being and must not be published or distributed, in whole or in part, in, into or from, any Restricted Jurisdiction.

DAT are not taking any action to permit an offering of the New DAT Shares in any Restricted Jurisdiction.

4. NOTICE TO WATANIA SHAREHOLDERS IN NON-UAE JURISDICTIONS

The Merger of DAT and Watania relates to the shares of a UAE company and is proposed to be made by means of a merger pursuant to Article 285(1) of the Companies Law and the Merger Agreement. Accordingly, the Merger is subject to the disclosure requirements and practices applicable in the UAE to statutory mergers, which differ from the disclosure requirements of other jurisdictions.

Financial information included in this document has been prepared in accordance with IFRS and other mandatory reporting requirements applicable in the UAE and thus may not be comparable to the financial information of companies in other jurisdictions or companies whose financial statements are prepared in accordance with generally accepted accounting principles in jurisdictions other than the UAE.

It may be difficult for investors to enforce their rights and any claim they may have arising under any other securities' laws, since DAT is a UAE company, and some or all of its officers and directors are residents of the UAE. Investors may not be able to sue a UAE company or its officers or directors in the UAE Courts for violations of securities laws in other jurisdictions. It may be difficult to compel a non-US company and its affiliates to subject themselves to a US court's judgment.

The receipt of New DAT Shares pursuant to the Merger by a Watania Shareholder may be a taxable transaction for tax purposes under applicable state and local, as well as foreign and other tax laws in other jurisdictions. Each Watania Shareholder is urged to consult an independent tax adviser immediately regarding applicable tax consequences of the Merger.

5. PRESENTATION OF FINANCIAL AND OTHER INFORMATION

DAT's financial statements for the financial years ended 31 December 2018, 31 December 2019 and 31 December 2020 and the unaudited interim consolidated financial statements for the period ending 30 September 2021 are available on DAT's website at <https://dat.ae/> and are incorporated into this document by reference. Watania's financial statements for the financial years ended 31 December 2018, 31 December 2019 and 31 December 2020 and the unaudited interim consolidated financial statements for the period ending 30 September 2021 are available on Watania's website at <https://www.watania.ae/> and are incorporated into this document by reference.

DAT's and Watania's respective audited financial statements for the financial years ended 31 December 2018, 31 December 2019 and 31 December 2020 and the unaudited interim consolidated financial statements for the period ending 30 September 2021 are prepared in accordance with IFRS. Save where expressly stated otherwise, financial information contained in this document other than in paragraph 12 is based solely on management estimates. Save as disclosed otherwise, all financial information is set out in AED.

This document has been prepared for the purpose of complying with applicable laws and regulations of the UAE and the information disclosed may not be the same as that which would have been disclosed if this document had been prepared in accordance with the laws and/or regulations of jurisdictions outside the UAE. The New DAT Shares constitute securities of a UAE company and you should be aware that this document and any other

documents relating to the Merger and the New DAT Shares have been or will be prepared in accordance with UAE disclosure requirements, format and style, all of which may differ from those applicable in other jurisdictions.

6. EXPECTED TIMETABLE OF PRINCIPAL EVENTS

The following dates are indicative only and will depend, among other things, on whether (and the dates on which) the conditions of the Merger (including, without limitation, the receipt of all applicable regulatory consents and the DAT Shareholders and the Watania Shareholders as at the relevant Record Date approving the Merger at the DAT GM and the Watania GM, respectively) are satisfied. The full conditions of the Merger are set out in paragraph 15 of this document.

Event	Time and/or Date
Record Date for the DAT GM	22 April 2022
Record Date for the Watania GM	22 April 2022
DAT GM ⁽¹⁾	25 April 2022
Watania GM ⁽²⁾	25 April 2022
Filing of resolutions passed at the DAT GM with the Commercial Registry	26 April 2022
Filing of resolutions passed at the Watania GM with the Commercial Registry	26 April 2022
Commencement of creditor objection period	27 April 2022
Expiry of creditor objection period	26 May 2022
Effective Date of Merger	14 June 2022
Issue of New DAT Shares to Watania Shareholders, the delisting of Watania Shares and dissolution of Watania ^{(3), (4)}	Effective Date or next Business Day

Notes

- (1) The quorum for the DAT GM is Shareholders representing at least 50% of DAT's share capital. If this quorum is not achieved, the DAT GM will be called to a second meeting to be held on 09 May 2022. The second meeting shall be considered valid irrespective of the number of present shareholders. If the DAT GM is called to a second meeting, the remaining dates in this expected timetable will be extended accordingly.
- (2) The quorum for the Watania GM is Shareholders representing at least 50% of Watania's share capital. If this quorum is not achieved, the Watania GM will be called to a second meeting to be held on 09 May 2022. The second meeting shall be considered valid irrespective of the number of present shareholders. If the Watania GM is called to a second meeting, the remaining dates in this expected timetable will be extended accordingly.
- (3) Subject to the conditions of the Merger having been satisfied, it is expected that de-listing will occur on, or on the Business Day immediately following, the Effective Date.
- (4) The New DAT Shares will be issued to Watania Shareholders.

7. JOINT LETTER FROM THE CHAIRMEN OF DAT AND Watania



06 April 2022

Dear DAT Shareholders and Watania Shareholders,

Recommended Merger of DAT and Watania

On 17 March 2022: (a) the DAT Board and the Watania Board announced that they had agreed the terms of a proposed merger between DAT and Watania (the **Merger**). The Merger is intended to be effected by way of a merger pursuant to Articles 74, 75 and 76 of the Insurance Law, Article 285(1) of the Companies Law, Chapter 2 of the Mergers and Acquisitions Rules and the Merger Agreement. Subject to the satisfaction of the conditions to the Merger set out in paragraph 15 of this document, upon the Effective Date, the assets and liabilities of Watania will be assumed by DAT in consideration for the issue of New DAT Shares to existing Watania Shareholders appearing on the share register of Watania immediately after close of trading on the trading day before the Effective Date. On the Effective Date, all Watania Shares will be delisted from ADX and Watania will be dissolved pursuant to the provisions of Article 293 of the Companies Law.

The Board of Directors of both DAT and Watania believe that the Merger will be strategically beneficial to all relevant key stakeholders by consolidating the market to increase the potential for growth and profitability, create synergies to reduce cost and diversify the lines of business. The Merger is expected to create several benefits to both DAT and Watania shareholders with significant potential for creating shareholder value driven by a larger, more integrated and diverse Combined Group that is financially and operationally more resilient and better positioned to capture growth opportunities. The Merger is also expected to strengthen strategic alignment across the DAT Group and create efficiencies that will flow through to shareholders, creditors, customers, business partners and employees.

For the purposes of operational efficiency and complying with the legal requirements of the CB, DAT intends to re-assign the various insurance portfolios (including the rights and obligations of the policies therein) down to NTG and NTF (as appropriate) and continue its intended reconstruction of DAT for it to become a holding company of the two separate and wholly owned subsidiaries, NTG and NTF. Accordingly, upon completion of the Merger, the business and assets of Watania will be held and operated by NTG if it falls into the 'property and liability insurance operations' insurance category (including motor insurance) or NTF if it falls into the 'persons and funds accumulation insurance operations' insurance category (including medical insurance).

The Merger has the unanimous support and recommendation of the DAT Board and Watania Board. We urge you to attend the DAT GM and the Watania GM (as applicable) (as described in paragraph 8.7 of this document) and recommend that you vote in favour of the resolutions proposed at those meetings.

Mr. Matar Hamdan Sultan Hamad Al Ameri

Dr. Ali Saeed Bin Harmel Aldhaheeri

Chairman of DAT

Chairman of Watania

8. GENERAL INFORMATION

8.1. INTRODUCTION

On 17 March 2022, DAT announced that the DAT Board had voted unanimously to recommend the Merger and Watania announced that the Watania Board had voted unanimously to recommend the Merger to their respective shareholders.

8.2. TERMS OF THE MERGER

The Merger is intended to be effected by way of a merger by amalgamation [*in accordance with Article 47 of the Merger and Acquisition Rules*]. The Merger is intended to be effected by way of a merger pursuant to Articles 74, 75 and 76 of the Insurance Law, Article 285(1) of the Companies Law, Chapter 2 of the Mergers and Acquisitions Rules and the Merger Agreement. Subject to the satisfaction of the conditions to the Merger set out in paragraph 15 of this document and upon the Effective Date, the assets and liabilities of Watania will be assumed by DAT in consideration for the issue of New DAT Shares to the existing Watania Shareholders that appear on the share register of Watania immediately after close of trading on the trading day before the Effective Date. On the Effective Date, all Watania Shares will be delisted from ADX and Watania will be dissolved pursuant to the provisions of Article 293 of the Companies Law.

If effected, the Merger will result in New DAT Shares (which will have equal rights and liabilities as the existing DAT Shares and will be listed on the DFM) being issued to Watania Shareholders on the following basis:

for each Watania Share

the relevant Watania Shareholder shall receive

0.734375 New DAT Shares

corresponding to a total of 110,156,250 New DAT Shares to be issued to existing Watania Shareholders.

In the event that the Exchange Ratio calculation set out in this paragraph 8.2 produces a fractional share, the resulting figure will be rounded down to the nearest share.

The terms of the Merger, including the Exchange Ratio have been unanimously approved separately by the DAT Board and the Watania Board in their respective meetings held on 13th June 2021 and 10th June 2021, respectively *in accordance with Article 47 of the Merger and Acquisition Rules*. In approving the terms of the Merger, the DAT Board and Watania Board have considered in detail: (i) the independent valuation report on DAT and Watania from KPMG, a summary of such report is set out at Schedule 4 (ii) the right of any Watania Shareholder or any DAT Shareholder, in each case which owns 20% or more of Watania or DAT, respectively, to appeal the Merger within 30 Days from the date of the relevant Watania GM or DAT GM in accordance with Article 287(2) of the Companies Law. In addition, the DAT Board has, amongst other things, considered in detail the: (i) financial, actuarial, VAT and IT due diligence reports on Watania prepared for the DAT Board; (ii) legal due diligence report on Watania prepared for the DAT Board; and (iii) the independent valuation report from KPMG in relation to the calculation, from a financial point of view, of the Exchange Ratio to the DAT Shareholders. In addition, the Watania Board (acting through its independent directors) has, amongst other things, considered in detail the: (i) financial, actuarial, VAT and IT due diligence reports on DAT prepared for the Watania Board; (ii) legal due diligence report on DAT prepared for the Watania Board; and (iii) the independent valuation report from KPMG in relation to the calculation, from a financial point of view, of the Exchange Ratio to the Watania Shareholder. A summary of the independent valuation report appears at Schedule 4. Finally, the DAT Board and Watania Board have carefully considered the interest of the DAT and Watania shareholders, a summary of which is set out at paragraph 8.5.3 below.

In accordance with Article 47 of the Merger and Acquisition Rules, the Merger shall not be completed without

the approval of SCA and CB, applications with supporting documents have been submitted by both DAT and Watania to SCA and CB and initial approval received.

The Merger is conditional upon, amongst other matters as set out in paragraph 15 of this document, separate approvals at the respective GMs by the DAT Shareholders and the Watania Shareholders, the procedure for approval of such GMs are set out under paragraph 8.7 below.

The Merger is also conditional upon the execution of the Merger Agreement. On 17 March 2022, DAT and Watania entered into the Merger Agreement setting out the terms and conditions of the Merger (including, without limitation, the terms and conditions of the Merger set out in paragraph 15 of this document and DAT and Watania's obligations regarding implementation of the Merger.

8.3. EFFECT OF THE MERGER

Upon the Merger becoming effective, Watania Shareholders that appear on the share register of Watania immediately after close of trading on the trading day before the Effective Date will receive on, or on the Business Day immediately following, the Effective Date (without any action required on the part of the Watania Shareholders) New DAT Shares based upon the Exchange Ratio. If a Watania Shareholder has granted a pledge over all or part of his or her Watania Shares, the pledge will automatically be replaced with a pledge of the New DAT Shares received by that Watania Shareholder pursuant to the Merger, without any further action by that Watania Shareholder. It is recommended that Watania Shareholders who have granted a pledge over all or part of their Watania Shares should, however, take any steps which may be required under the terms of the agreement governing such pledge.

Upon the Merger becoming effective, the assets and liabilities of Watania will be assumed by DAT on the Effective Date in consideration for the issue of New DAT Shares to Watania Shareholders. Following the Merger, Watania will be dissolved pursuant to the provision of Article 293 of the Companies Law.

For the purposes of operational efficiency and complying with the legal requirements of the CB, DAT intends to re-assign the various insurance portfolios down to NTG and NTF (as appropriate) and continue its intended reconstruction of DAT for it to become a holding company of the two separate and wholly owned subsidiaries, NTG and NTF. Accordingly, upon completion of the Merger, the business and assets of Watania will be held and operated by NTG if it falls into the 'property and liability insurance operations' insurance category (including motor insurance) or NTF if it falls into the 'persons and funds accumulation insurance operations' insurance category (including medical insurance).

8.4. RATIONALE OF THE DETERMINATION OF THE MERGER EXCHANGE RATIO

The Exchange Ratio was agreed between DAT and Watania following detailed commercial negotiations between the Companies based on the independent valuation report, a summary of which is set out in Schedule 4. In negotiating the Exchange Ratio, DAT and Watania referred to advice and assistance from their respective advisers and a review of due diligence information on each other's businesses.

In reaching agreement on the Exchange Ratio, DAT and Watania considered a number of valuation methodologies and other items including market based and fundamental valuation methodologies, including real estate asset valuation reports prepared by independent real estate valuers; and (b) the results of the Companies' respective financial, actuarial, VAT, IT and legal due diligence processes.

The Board of DAT and the Board of Watania reviewed the valuation report issued by KPMG (the independent valuer appointed in relation to the merger transaction) as well as the range proposed by KPMG for the share swap ratio. The two Boards negotiated the fair share swap ratio within the range proposed by KPMG. Accordingly, the Board of DAT and the Board of Watania confirm that the share swap ratio set out in this Circular is the result of such negotiation between the two Boards and represents the share swap ratio that is fair to the

shareholders of both companies based on the independent valuation conducted by KPMG.

8.5. BENEFITS OF THE MERGER

8.5.1. Cautionary note

This paragraph 8.5 contains the views of the DAT Board and the Watania Board on the benefits that they currently anticipate will result from the Merger becoming effective, including information and estimates compiled by the DAT Board and the Watania Board.

You should note, in particular, that this paragraph 8.5 contains forward-looking statements, which are subject to risks and uncertainties, and that undue reliance should not be placed on such statements.

Nothing contained in this paragraph 8.5 is intended to be or shall be deemed to be a forecast, projection or estimate of the current or future financial performance of DAT or Watania and no statement in this document should be interpreted to mean that earnings per share for current or future financial periods of DAT or Watania would necessarily match or exceed historical published earnings per share.

8.5.2. Overview

Each of the DAT Board and the Watania Board believes that the Combined Group is well positioned to provide support for the UAE's economic vision, and to play a key role in the country's growth, diversification and development of the local Takaful market.

The Merger is expected to boost the financial and operational resilience of the Combined Group which is expected to benefit from an increase in scale, improvement in portfolio mix and balance sheet whilst enhancing the Combined Group's standing in regional capital markets.

8.5.3. Benefits to shareholders

The anticipated Merger is expected to deliver strategic benefits to both DAT and Watania shareholders:

- consolidate the market share and build scale for the Combined Group.
- geographic and product diversification of the existing businesses.
- generate meaningful revenue and cost synergies driven by economies of scale and elimination of redundancies and overlapping functions to enhance profitability.
- Increased scale, diversification and meaningful synergies embedded in the Merger would reduce the risk profile of the Combined Group and would potentially benefit shareholders in the long term.

8.5.4. Selected Financial Information

Financially, the Merger will have an impact on the presentation of the financial statements of DAT and the total assets, total equity and net income attributable to DAT Shareholders are expected to change as a result of the Merger. Watania shareholders will become part of a larger Combined Group and the Merger would potentially improve the earnings profile of such Watania Shareholders driven by a potential uplift in earnings per share realized due to the benefits highlighted in 8.5.3. Below sets out key financial metrics of the Merger based on the consolidated financial statements of DAT and Watania for:

(a) the year ended 31 December 2020:

	DAT	Watania
Gross Written Premium (AED '000)	433,047	321,505
Net Takaful Income (AED '000)	116,883	91,146
Net profit (AED '000)	22,644	18,429
Basic and diluted earnings per share (AED)	0.15	0.12
Total assets (AED '000)	1,662,528	516,293
Total liabilities (AED '000)	1,517,092	412,192
Total equity (AED '000)	145,435	104,101
Total equity attributable to shareholders (AED '000)	145,435	104,101

(b) the period from 1 January 2021 to 30 September 2021:

	DAT	Watania
Gross Written Premium (AED '000)	581,502	250,759
Net Takaful Income (AED '000)	117,975	50,673
Net profit (AED '000)	15,522	7,657
Basic and diluted earnings per share (AED)	0.103	0.05
Total assets (AED '000)	1,667,891	503,409
Total liabilities (AED '000)	1,521,713	397,305
Total equity (AED '000)	146,178	106,104
Total equity attributable to shareholders (AED '000)	146,178	106,104

8.6. LISTING OF THE NEW DAT SHARES AND DE-LISTING OF THE WATANIA SHARES

Applications will be made to the SCA and the DFM in due course for the New DAT Shares to be admitted to listing and trading on the DFM.

Subject to the conditions of the Merger having been satisfied, it is expected that listing of the New DAT Shares to be issued in respect of the Merger will occur on, or on the Business Day immediately following, the Effective Date. It is expected that the Watania Shares will be delisted by the ADX on the Effective Date.

8.7. GENERAL ASSEMBLY MEETINGS

The Merger is conditional upon, amongst other matters as set out in paragraph 15 of this document, separate approvals at the respective GMs by the DAT Shareholders and the Watania Shareholders [*in accordance with Article 47 of the Merger and Acquisition Rules*] as follows:

- (a) a vote "in favour" of each of the resolutions proposed at the DAT GM by a requisite majority of the DAT Shareholders represented in the DAT GM; and
- (b) a vote "in favour" of each of the resolutions proposed at the Watania GM by a requisite majority of the Watania Shareholders represented in the Watania GM.

Notices of the respective GMs of DAT and Watania are set out in Schedule 2 and Schedule 3, respectively, to this document.

8.7.1. DAT GM

The DAT GM has been convened for 1 P.M. on Monday 25 April 2022 electronically/from distance, to consider and if appropriate, approve:

- (a) The Merger Agreement entered into between DAT and Watania in accordance with Article 285(1) of the Companies Law and the indicative timeline for the Merger.
- (b) The Merger through the issuance of 0.734375 New DAT Shares for every 1 share(s) in Watania and the Reassignment, subject to the terms and conditions of the Merger Agreement.
- (c) The independent valuation report issued by KPMG, the appointed independent valuer, regarding the independent valuation of the assets of Watania and DAT.
- (d) The following resolutions and the consequential amendments to DAT Articles (a draft of which is attached at Schedule 5) upon the Merger being effective:
 - the increase of share capital of DAT from AED 150,000,000 to AED 260,156,250 subject to the terms and conditions of the Merger and with effect from the Merger becoming effective;
 - the amendment of Article 7 of DAT Articles to reflect the increase of share capital of the Company described in (a) above; and
 - subject to the approval of the concerned authorities, the approval of the amended DAT Articles as published on DAT’s website and uploaded to the DFM portal.
- (e) The appointment of 7 members to the DAT Board for a term of three years and with effect from the Merger becoming effective, such members being:
 - Dr. Ali Saeed Bin Harmal Al Dhaheri
 - Dr. Mohamed Ali Al Barwani
 - Mr. Usama Mohamed Al Barwani
 - Mr. Shahab Ahmed Lutfi Ali Harmoozi
 - Mr. Matar Hamdan Sultan Hamad Al Ameri
 - Mr. Mohamed Nael Al Shamsi
 - Mr. Abdallah Malek Osseiran
- (f) The authorisation of the DAT Board, or any person so authorised by the DAT Board to adopt any resolution or take any action as may be necessary to implement any of the above resolutions including, without limitation, to: (a) apply for a certificate to be issued by the SCA to declare the Merger, the increase in share capital and the amendments to the DAT Articles effective; (b) request the CB to publish a decision approving the Merger (c) apply for the listing of the New DAT Shares on the DFM; and (d) correspond and negotiate with any person, entity (official or otherwise) within and outside the United Arab Emirates, adopt such resolutions and take any such action as may be necessary to obtain the necessary approvals to effect the Merger [*in accordance with Article 47 of the Merger and Acquisition Rules*].

8.7.2. Watania GM

The Watania GM has been convened for 11.00 A.M. Monday 25 April 2022 electronically/from distance, to consider and if appropriate, approve:

- (a) The Merger through the issuance of 0.734375 new DAT Shares for every 1 share(s) in Watania, and the Reassignment subject to the terms and conditions of the Merger.
- (b) The Merger Agreement entered into between DAT and Watania in accordance with Article Article 285(1) of the Companies Law and the indicative timeline for the Merger.
- (c) The independent valuation report issued by KPMG, the appointed independent valuer, regarding the independent valuation of the assets of Watania and DAT.
- (d) The transfer of the shares held by the shareholders of the Watania to DAT in exchange for the issuance of the new shares in DAT to each shareholder of Watania in accordance with the approved Exchange Ratio.
- (e) The delisting and then dissolution of Watania, subject to the terms and conditions of the Merger and with effect from the Merger, becoming effective and termination of the corporate personality of Watania and for DAT to become the legal successor of Watania in all its rights and obligations.
- (f) The authorisation of the Watania Board, or any person so authorised by the Watania Board, to adopt any resolution or take any action as may be necessary to implement any of the above resolutions including, without limitation, to apply for a certificate to be issued by the SCA to declare the Merger, and the dissolution of Watania, effective. The Watania Board be authorised to communicate with the CB, SCA, the Minister of Economy and the competent authority to de-register Watania and further to be authorised to take all necessary action to amend the records and register the Merger with all persons and entities whether official or otherwise, including the registration that DAT shall become the legal successor in all rights and obligations of Watania.

8.8. ROLES OF ADVISERS

8.8.1. Legal Advisors

InP has been instructed by DAT to carry out a high-level due diligence of Watania and Hadeef has been instructed by Watania to carry out a high-level due diligence of DAT. InP and Hadeef have each prepared a legal due diligence questionnaire for Watania and DAT, respectively to complete and have reviewed the information, responses and supporting documentation provided by the relevant company, advising its respective client on the legal risks and the effects on the Merger. InP and Hadeef have also been instructed to assist with the implementation of the Merger. Hadeef have additionally been instructed to assist with the regulatory side of the implementation of the Merger.

InP will receive fees from DAT for their services in connection with the Merger and Hadeef will receive fees from Watania for their services in connection with the Merger.

InP and Hadeef have signed the acknowledgement and undertaking attached under Schedule 6.

8.8.2. Financial Advisers

EMCAP has been jointly appointed by DAT and Watania, as a financial adviser in relation to the Merger

EMCAP will receive fees from DAT and Watania for their services in connection with the Merger.

EMCAP have signed the acknowledgement and undertaking attached under Schedule 6.

8.8.3. Independent Valuer

In accordance with Article 47 of the Merger and Acquisition Rules, KPMG has been jointly appointed by DAT and Watania, as independent valuer, to undertake a standalone valuation of the equity shares of DAT and Watania based on historical information and forecasts provided by DAT and Watania with a view to arriving at fair exchange consideration in accordance with Articles 118 and 119 of the Companies Law, a summary of such independent report is set out at Schedule 4. KPMG has also been appointed to undertake financial, VAT and IT due diligence review.

KPMG will receive fees from DAT and Watania for their services in connection with the Merger.

KPMG have signed the acknowledgement and undertaking attached under Schedule 6.

8.8.4. Actuarial Diligence Advisor

Milliman has been jointly appointed by DAT and Watania, as actuarial diligence advisor, to undertake a pro forma business plan with solvency metrics of the Combined Group for the CB.

Milliman will receive fees from DAT and Watania for their services in connection with the Merger.

Milliman have signed the acknowledgement and undertaking attached under Schedule 6.

9. INFORMATION ABOUT THE COMBINED GROUP

9.1. DIRECTORS

The proposed members of the DAT Board (as nominated by DAT and Watania) upon the Merger becoming effective are listed below. The Chairman of DAT will be Dr. Ali Saeed Bin Harmal Al Dhaheri and the Vice Chairman will be Mr. Matar Hamdan Sultan Hamad Al Ameri.

Position	Name
Chairman	Dr. Ali Saeed Bin Harmal Al Dhaheri
Vice-Chairman	Mr. Matar Hamdan Sultan Hamad Al Ameri
Board member	Mr. Usama Mohamed Al Barwani
Board member	Mr. Shahab Ahmed Lutfi Ali Harmoozi
Board member	Dr. Mohamed Ali Al Barwani Mr
Board member	Mr. Mohamed Nael Al Shamsi
Board member	Mr. Abdallah Malek Osseiran

Brief biographical details of the proposed members of the DAT Board following implementation of the Merger are set out below:

Dr. Ali Bin Harmal Al Dhaheri:

Dr. Al Dhaheri holds a Ph.D. from Dorham University in United Kingdom, MBA from the American University in Washington. He is also a member of the Board of Directors of a number of local companies including Abu Dhabi University, Magna Investment, Emirates International Hospital and a number of other positions, and previously held the position of Board Member and Managing Director of ADNEC Axel London.

Mr. Matar Hamdan Al Ameri:

Mr. Al Ameri holds a bachelor's degree in Accounting and Information Systems from the United Arab Emirates University, and the Certified Public Accountant license (CPA) from the United States of America. He has held senior executive positions in public and private institutions and he has over 30-years of experience in finance and investment roles. Previously, he held the position of Director of Finance and Control at Abu Dhabi National Oil Company (ADNOC) and is currently the Director of Finance and Investment Department at ADNOC, which includes ADNOC headquarters and several subsidiaries of the ADNOC Group.

Mr. Usama Mohamed Al Barwani:

Mr. Al Barwani holds a bachelor's degree in Petroleum Engineering from the University of Tulsa, Oklahoma, USA, and a Master's degree in Energy, Commerce and Finance from the Business School of City Case University in London. He is also the Managing Director of United Engineering Services and is a member of the Board of Directors of Arcapita Bank of Bahrain, a Bahraini Islamic Commercial Bank, and a member of Oshino, the world leader in luxury yachts. Recently, Mr. Al Barwani was appointed as Honorary Consul of the Republic of Uganda in the Sultanate of Oman.

Mr. Shahab Ahmed Lutfi:

Mr. Lutfi holds a bachelor's degree in Business Administration from Boston University, USA, and an MBA from City University Cass Business School University, the UK. He has completed executive learning courses at Harvard and Stanford. He has held key management positions in the banking and real estate sectors, and project and facility management for several years, in addition to his family history in the field of business, where he won the award for "Best Building and Design of a New Hotel" from International Property Awards in 2018-2019. Lutfi supervises all investments in addition to further expanding the Bright Star investment portfolio, especially in the

luxury hospitality, high-end residential and retail sectors.

Dr. Mohamed Ali Al Barwani:

Dr. Al Barwani holds a Bachelor of Science degree from the University of Miami in USA and a master's degree and Honorary PhD in Petroleum Engineering from the University of Heriot-Watt in the United Kingdom. He is the founder and chairman of the Mohammed Al Barwani Holding Group and has held several positions in the Sultanate of Oman. He served as a non-executive board member in numerous publicly traded companies, Oman Air, Al Madina Insurance Company, National Bank of Oman, Shell Oman Marketing and a leasing company in Oman.

Mr. Mohammed Nayel Al Shamsi:

Mr. Al Shamsi holds a bachelor's degree in Business Administration from Emirates University. He is the General Manager of Nael and Bin Hermel, one of the largest companies in the contracting sector. In addition, he held the position of General Manager for a diverse group of companies in the fields of contracting, education, hospitality, and property management.

Mr. Abdallah Malek Osseiran:

Mr. Osseiran holds a bachelor's degree in Business Administration from the Lebanese American University, and a Diploma in Banking from Saint Joseph's University. He started his career at the Arab Bank, one of the leading banking institutions in the Arab world, where he spent 16 years during which he could develop solid foundations in the financial and administrative fields. He has held numerous positions and has managed to excel in a several disciplines ranging from corporate finance, corporate banking, private equity, strategic planning, and business development. In late 2001, he moved to the United Arab Emirates as a financial advisor to a member of the royal family. He devoted his four-year career to overseeing a large investment portfolio and he successfully negotiated strategic investments in various sectors such as real estate, fixed income, and private equity, as well as providing sound financial advice and secured strategic business partnerships.

9.2. CHIEF EXECUTIVE OFFICER

The Chief Executive Officer of DAT following implementation of the Merger (with effect from the Effective Date) will be determined by the Board following completion of the Merger.

9.3. STRATEGIC PRIORITIES

The Combined Group's objective is to produce sustainable and secure long-term returns from the development and management of, and investment in, its Takaful insurance activities and to continue to create value for its shareholders while maximising shareholder returns. Its strategy to achieve this objective involves growing its position in its core markets and focusing on diversifying its revenue streams in order to increase the proportion of revenues. In particular, DAT intends to:

Consolidate the Market: DAT and Watania seek to consolidate the Takaful industry since it is highly fragmented with several players that lack product diversification, which has considerably impacted their profitability and solvency. Market consolidation will support further organic growth and provide the requisite scale for the Combined Group to enhance profitability and serve its policyholders better and fulfill one of the core objectives of Takaful which is to broaden its base of policyholders and achieve profitability.

Potential Synergies: there are significant revenue and cost synergies which could enhance the profitability that will be possible as a result of the Merger, such as (i) eliminating duplicate head office costs and shared services (IT, marketing, HR, treasury, corporate, etc.), (ii) optimising sales distribution channels and rental expenses, (iii) integrating the IT platform and migrating to a single system and (iv) increasing the scale will allow for negotiation of better re-takaful terms which could benefit policyholders

Diversify Business Mix and Potentially Optimise Risk:

The combined portfolio of DAT and Watania will have a mix of medical, motor and family takaful, and a more balanced business mix between Dubai and Abu Dhabi. The Combined Group's larger scale will also permit individual family takaful offering across a broader customer base. A larger portfolio will allow the Combined Group to enhance its technical analysis capability and expand product portfolio and mitigate risks related to "single events".

10. INFORMATION ABOUT DAT

10.1. INTRODUCTION

10.1.1. Incorporation

DAT is a public joint stock company that was incorporated on 4 August 2008 with Commercial Registration number 1032437 with its registered office at O-14 Tower, Al Abraj St, Business Bay, Dubai and its contact telephone number is +971 (0) 4 3041500.

10.1.2. Capital structure

The issued and fully paid-up share capital of DAT, as at the date of this document, is AED 150,000,000 (one hundred and fifty million Dirhams) divided into 150,000,000 shares of AED 1.00 (one Dirham) each. The DAT Shares are admitted to listing and trading on the DFM.

10.1.3. Major shareholders

As at 11 March 2022, (being the last practicable date before the publication of this document), the shareholders known by DAT who own 5% or more of the share capital of DAT are:

Shareholder	Percentage of total issued share capital of DAT
Mohammed Sultan Mohammed Hashel Alkhyeli	19.8114
Magna Investment LLC	9.9933
Mohammed Qusai Mohammed Alghussein	9.9338

10.1.4. UAE national and non-UAE national shareholdings

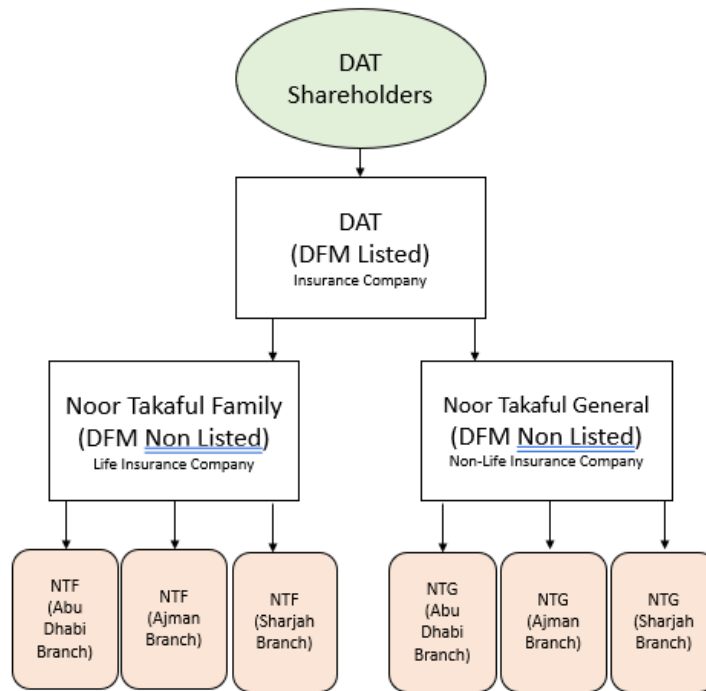
As at 11 March 2022, the share capital of DAT was divided between UAE nationals (86.70%), GCC nationals 4.82% and non-UAE/GCC nationals (8.48%).

10.1.5. Financial year and auditors

The financial year of DAT is the calendar year ending on 31 December. The auditors of DAT are Grant Thornton, The Offices, Level 3, office 303 One Central DWTC- Dubai. Grant Thornton have signed the acknowledgement and undertaking in relation to the Merger attached under Schedule 6.

10.2. DAT GROUP STRUCTURE PRIOR TO COMPLETION OF THE MERGER

DAT has two subsidiaries, Noor Takaful General PJSC ("NTG") and Noor Takaful Family PJSC ("NTF"), which in turn each have three (3) branches, which manage and maintain DAT's portfolios.



- (a) As at 31 December 2021 (being the last practicable date before the publication of this document), DAT holds 100% of the entire issued share capital of NTG.
- (b) As at 31 December 2021 (being the last practicable date before the publication of this document), DAT holds 100% of the entire issued share capital of NTF.

10.3. INVESTMENTS IN SUBSIDIARIES AND OTHER COMPANIES

As at 31 December 2021 (being the last practicable date before the publication of this document) DAT holds:

- (a) 100% of the entire issued share capital of NTG;
- (b) 100% of the entire issued share capital of NTF;
- (c) 100% of the entire issued share capital of Auto Crew LLC;
- (d) 7.14% of the entire issued share capital of HHRD Limited; and
- (e) 0.4% of the entire issued share capital of Mawarid Technology LLC

In addition, NTG holds the following equity investments:

- (a) 0.006% of the entire issued share capital of Abu Dhabi Islamic Bank
- (b) 0.004% of the entire issued share capital of Abu Dhabi National Oil Company for Distribution
- (c) 0.026% of the entire issued share capital of Agthia Group
- (d) 0.006% of the entire issued share capital of Al Dar Properties
- (e) 0.004% of the entire issued share capital of Emirates Integrated Telecommunications Company PJSC
- (f) 0.004% of the entire issued share capital of Dubai Islamic Bank
- (g) 0.005% of the entire issued share capital of Emaar Properties PJSC
- (h) 0.009% of the entire issued share capital of Emaar Development PJSC

- (i) 0.014% of the entire issued share capital of National Central Cooling Company - Tabreed
- (j) 0.008% of the entire issued share capital of Dana Gas
- (k) 0.004% of the entire issued share capital of Dubai Financial Market
- (l) 0.031% of the entire issued share capital of ADNOC Drilling
- (m) 0.025% of the entire issued share capital of Al Yah Satellite Communications Company PJSC - Yahsat
- (n) 0.006% of the entire issued share capital of Fertiglobe

In addition, NTF holds the following equity investments:

- (a) 0.008% of the entire issued share capital of Abu Dhabi Islamic Bank
- (b) 0.005% of the entire issued share capital of Abu Dhabi National Oil Company for Distribution
- (c) 0.024% of the entire issued share capital of Agthia Group
- (d) 0.009% of the entire issued share capital of Al Dar Properties
- (e) 0.0002% of the entire issued share capital of Alpha Dhabi
- (f) 0.009% of the entire issued share capital of Air Arabia
- (g) 0.002% of the entire issued share capital of Emirates Integrated Telecommunications Company PJSC
- (h) 0.007% of the entire issued share capital of Dubai Islamic Bank
- (i) 0.007% of the entire issued share capital of Emaar Properties PJSC
- (j) 0.013% of the entire issued share capital of Emaar Development PJSC
- (k) 0.023% of the entire issued share capital of National Central Cooling Company – Tabreed
- (l) 0.053% of the entire issued share capital of RAK Ceramics PJSC
- (m) 0.020% of the entire issued share capital of Dana Gas
- (n) 0.007% of the entire issued share capital of Dubai Financial Market
- (o) 0.042% of the entire issued share capital of ADNOC Drilling
- (p) 0.038% of the entire issued share capital of Al Yah Satellite Communications Company PJSC - Yahsat
- (q) 0.009% of the entire issued share capital of Fertiglobe

10.4. DESCRIPTION OF BUSINESS

DAT provides takaful services through its subsidiaries NTG and NTF, which are duly authorized by the CB to provide takaful services as set out below. NTG's main lines of business include motor, property, casualty, marine, general accident and engineering takaful. NTF's main lines of business include medical, group family and individual family takaful. All DAT products are reviewed and approved by its Sharia Supervisory Committee. The description of its main lines of business is as follows:

10.4.1. Motor

- (f) Comprehensive – this policy covers a vehicle and its accessories against loss or damage caused accidentally and unintentionally by the policyholder or the driver of the vehicle. This policy includes Third Party cover as mentioned below.
- (g) Third Party – this policy is compulsory by UAE Law. It provides coverage for amounts that the owner of the vehicle may be legally liable for in respect of death of or bodily injury to any person including all passengers in the vehicles (except the policyholder, his spouse or the driver) and property damage (except those owned by the policyholder or the driver at the time of accident or property that has been entrusted to the policyholder or is in his custody or control)

10.4.2. Property

- (a) Property All Risk – this policy is suitable for large, commercial and industrial risks. All risk policy provides a broader coverage than Fire & Allied Perils policy. This policy covers accidental loss or damage to the covered property.

- (b) Fire & Allied Perils – this policy covers property such as buildings & contents (residential, commercial, and/or industrial) against the fire, lightning and allied perils.
- (c) Fire & Lightning – this policy covers material damage of the covered property resulting from fire and lightning. However, it specifically excludes any consequential loss.
- (d) Household – this policy provides coverage to residential building and its contents and covers the loss of property due to fire, lightning, burglary or housebreaking, storm, tempest, flood, explosion and the like.
- (e) Business Interruption – this policy covers loss of net profit on account of interruption of business, consequent upon material damage to property due to fire or any other perils under the standard Fire & Allied Perils or All Risk policy. This policy includes cover for increased cost of working following the loss, as well as the standing charges of the business.

10.4.3. Liability

- (a) Public Liability – this policy covers accidental bodily injury to a third party caused by the policyholder in the course of business; and accidental loss or accidental damage caused by the policyholder to property owned by third parties.
- (b) Public & Products Liability – this policy indemnifies the policyholder against legal liability to pay compensation arising out of any defect in the products manufactured by the policyholder and covered under the policy.
- (c) Workmen's Compensation – this policy covers the liability of the employer towards his employees as defined under UAE Labour Law in respect of personal injury by accident or occupational disease in the course of the employment with the policyholder.
- (d) Workmen's Compensation & Employer's Liability – this policy covers the legal liability of the employer towards his employees in addition to the liability defined under UAE Labour Law in respect of personal injury by accident or occupational disease that may occur during and in the course of employment with the policyholder.
- (e) Medical Malpractice – this policy provides cover for claims against medical professionals committing malpractice. It offers protection to those medical professionals who may become liable to pay compensation due to any unintentional human error, omission, or negligence while providing their services to patients.

10.4.4. Marine

- (a) Marine Cargo – Open Cover – any goods that are loaded onto any type of vehicle for the purpose of transportation from one point to another are covered under cargo takaful policy.
- (b) Cargo Marine – Single Shipment – this policy is designed for the shipments of goods by vessels or by air for only one journey and the cover expires upon the arrival of the goods to the destination as mentioned in the policy.
- (c) Marine Hull – this policy provides comprehensive cover on all types of vessels like oil tankers, dry cargo carriers, livestock carriers, fishing vessels, and pleasure yachts etc.
- (d) Inland Transit – this policy covers loss or damage to the cargo caused by or resulting from fire, crash, overturning, collision, derailment and dropping out of vehicle/carriage carrying the cargo.

10.4.5. General Accident

- (a) Personal Accident – this policy covers accidental death or disablement to the insured within the geographical limits that are specified in the policy.
- (b) Travel – this policy is uniquely designed for individual or group business travelers by offering coverage for travel related concerns like trip cancellation, theft, and loss of baggage and business effects.
- (c) Money – this policy provides cover for loss of money in transit between the policyholder's premises and the bank or post office, or other specified places caused by robbery, theft or any other fortuitous cause. The policy also covers loss by burglary or housebreaking whilst money is retained at the policyholder's premises in safe(s) or strong room.
- (d) Fidelity Guarantee – this policy covers loss of money or goods belonging to the policyholder against a direct pecuniary loss sustained by reason of any act of fraud/dishonesty of employees.
- (e) Plate Glass – this policy covers the cost of the accidental and unintentional breakage of glass through any cause other than the exclusions specified in the policy.

10.4.6. Engineering

- (a) Contractors' All Risks (CAR) – this policy covers damage to any contract works including construction plant and equipment, third party property, surrounding property etc. There are two kinds of Contractors All Risk policies; (1) annual policies for contractors handling many small, medium to large contracts of a similar nature, and (2) a single contract policy for specific contracts.
- (b) Erection All Risks (EAR) – this policy covers the risks associated with storage, assembly/erection and testing and commissioning of plant and machinery. The policy can be extended to cover third party liability exposures.
- (c) Contractor's Plant & Machinery (CPM) – this policy covers construction plant and machinery against sudden and accidental damages or destruction caused by external influences and occurring within the construction site.
- (d) Electronic Equipment (EE) – this policy covers damage to electronic equipment, damage to policyholder's inputted data and records, and the costs incurred to retrieve and recover the lost data.
- (e) Machinery Breakdown (MB) – this policy covers loss or damage to machinery caused by defects in casting and material, faulty design, bad workmanship, lack of skill, carelessness, shortage of water in boilers, physical explosion, short circuit or storm.
- (f) Loss of Profit following Machinery Breakdown (MLOP) – this policy provides cover for the actual loss of profits sustained as a result of business interruption caused by an accident indemnified under Machinery Breakdown policy.
- (g) Deterioration of Stock (DOS) – this policy is a form of consequential loss cover, especially available for stocks contained in cold stores. Cover will be for loss or damage to the machinery specified in the list of machinery declared in the proposal form.
- (h) Boiler & Pressure Vessel (BPV) – this policy is designed for boilers in industries and factories. It provides cover for boilers and pressure vessels against the explosion or implosion. The policy also covers damage to surrounding properties and liabilities for injury to third parties or damage to third party property.

10.4.7. Health

Group and individual Medical – DAT has a wide range of products for individuals and families; and for the corporate customers, DAT has the ability to design cover according to their specific needs ranging from basic to international cover with comprehensive benefits and direct billing facility over a wide network of local, regional and international medical providers.

10.4.8. Family Takaful

Group and Individual Family – DAT has a wide range of products for individuals and families providing covers such as the life, disability, personal accident, critical illness as well as savings and investment plans to provide financial stability; and for the corporate customers, DAT has the ability to design cover according to their specific needs ranging from basic to comprehensive life, personal accident, critical illness and disability covers for employees and covers for lending institutions for the credit and home financing facilities extended to their customers.

10.5. DIRECTORS

The DAT Board, as at the date of this document, is comprised of the following persons:

Position	Name
Chairman	Mr. Matar Hamdan Sultan Hamad Al Ameri
Vice Chairman	Mr. Shahab Ahmed Lutfi Ali Harmoozi
Director(s)	Mr. Khalaf Sultan Rashed Saeed AlDhaheri
	Mr. Abdallah Malek Osseiran
	Mr. Marwan Ahmad Lutfi Harmoozi
	Mr. Salah Ibrahim Sayed Mohammad Sharaf
	Mr. Mahomed Akoob

10.6. EMPLOYEES

DAT (including NTG and NTF) currently has a total of 271 employees (as at 31 December 2021), as follows:

Category	Number
Contract Type	Permanent 245
	Fixed Term 26
Nationality	UAE National 22
	Non-UAE National 249
Seniority Level	Executive/Management 12
	Non-Executive/Management 259
Department	Takaful Team – 113
	Hr, Admin and Others - 36
	Sales and Marketing – 69
	Finance – 25
	Operations – 28

11. INFORMATION ABOUT WATANIA

11.1. INTRODUCTION

11.1.1. Incorporation

Watania is a public joint stock company that was incorporated on 12 July 2011 with Commercial Registration number CN-1238666 with its registered office at 4th Floor, Al Jazira Sports Complex, Tower "A", Al Muroor Rd. (4th St.) – Opposite to Dusit Thani Hotel, PO Box 6457, Abu Dhabi, United Arab Emirates and its contact telephone number is +971 (0) 2 6138888.

11.1.2. Capital structure

The issued and fully paid up share capital of Watania, as at the date of this document, is AED 150,000,000 (one hundred fifty million Dirhams) divided into 150,000,000 shares of AED 1.00 (one Dirham) each. The Watania Shares are admitted to listing and trading on ADX.

11.1.3. Major shareholders

As at 11 March 2022 (being the last practicable date before the publication of this document), the shareholders known by Watania who own 5% or more of the share capital of Watania are:

Shareholder	Percentage of total issued share capital of Watania
MB UAE Investments LLC holding	51%
Magna Investment LLC	15.90%
Ali Saeed Sultan Bin Harmel Aldhaheeri	12.17%
Al Madina Insurance Company holding	9.54%

11.1.4. UAE national and non-UAE national shareholdings

As at 11 March 2022, the share capital of Watania was divided between UAE nationals (87.18%), GCC nationals (11.35%) and non-UAE/GCC nationals (1.47%).

11.1.5. Financial year and auditors

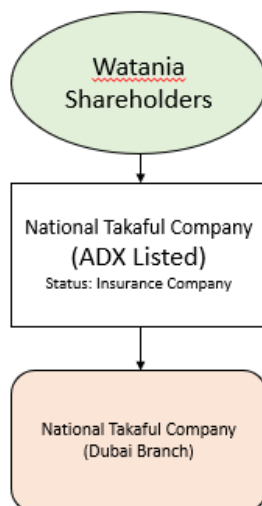
The financial year of Watania is the calendar year ending on 31 December.

The auditors of Watania are Ernst and Young Middle East (Abu Dhabi Branch), 136, 27th Floor, Nation Tower 2, Abu Dhabi Corniche, Abu Dhabi. Ernst & Young have signed the acknowledgement and undertaking in relation to the Merger attached under Schedule 6.

11.2. Watania Legal Structure

WATANIA GROUP STRUCTURE PRIOR TO COMPLETION OF THE MERGER

Watania has no subsidiaries and only has a branch in Dubai. A simplified structure chart of the Watania Group as 31 December 2021 at (being the last practicable date before the publication of this document) is set out below.



11.3. INVESTMENTS IN SUBSIDIARIES AND OTHER COMPANIES

As at 31 December 2021 (being the last practicable date before the publication of this document) Watania holds:

- (a) 4.9% of the issued share capital of DAT; and
- (b) 0.017% of the entire issued share capital of Abu Dhabi Islamic Bank
- (c) 1.125% of the entire issued share capital of Emirates REIT (CEIC) PLC
- (d) 0.009% of the entire issued share capital of Abu Dhabi National Oil Company for Distribution
- (e) 0.094% of the entire issued share capital of Agthia Group
- (f) 0.015% of the entire issued share capital of Al Dar Properties
- (g) 0.078% of the entire issued share capital of Aramex PJSC
- (h) 0.006% of the entire issued share capital of Emirates Integrated Telecommunications Company PJSC
- (i) 0.010% of the entire issued share capital of Dubai Islamic Bank
- (j) 0.020% of the entire issued share capital of Amanat Holding PJSC
- (k) 0.032% of the entire issued share capital of Air Arabia PJSC
- (l) 0.002% of the entire issued share capital of Emirate Telecom Group Company (Etisalat Group) PJSC
- (m) 0.032% of the entire issued share capital of National Central Cooling Company
- (n) 0.017% of the entire issued share capital of Fertiglobe
- (o) 0.029% of the entire issued share capital of Dana Gas

11.4. DESCRIPTION OF BUSINESS

Watania is authorised by the CB to carry out General Takaful and Health Takaful. It offers a range of takaful plans to meet individuals and corporate protection needs for general and medical lines of business. All Watania products are reviewed and approved by its Sharia Supervisory Committee. It has the following lines of business.

11.4.1. Motor

- (a) Comprehensive – this policy covers a vehicle and its accessories against loss or damage caused accidentally and unintentionally by the policyholder or the driver of the vehicle. This policy includes Third Party cover as mentioned below.
- (b) Third Party – this policy is compulsory by UAE Law. It provides coverage for amounts that the owner of the vehicle may be legally liable for in respect of death of or bodily injury to any person including all passengers in the vehicles (except the policyholder, his spouse or the driver) and property damage (except those owned by the policyholder or the driver at the time of accident or property that has been entrusted to the policyholder or is in his custody or control)

11.4.2. Property

- (a) Property All Risk – this policy is suitable for large, commercial and industrial risks. All risk policy provides a broader coverage than Fire & Allied Perils policy. This policy covers accidental loss or damage to the covered property.
- (b) Fire & Allied Perils – this policy covers property such as buildings & contents (residential, commercial, and/or industrial) against the fire, lightning and allied perils.
- (c) Fire & Lightning – this policy covers material damage of the covered property resulting from fire and lightning. However, it specifically excludes any consequential loss.
- (d) Household – this policy provides coverage to residential building and its contents and covers the loss of property due to fire, lightning, burglary or housebreaking, storm, tempest, flood, explosion and the like.
- (e) Business Interruption – this policy covers loss of net profit on account of interruption of business, consequent upon material damage to property due to fire or any other perils under the standard Fire & Allied Perils or All Risk policy. This policy includes cover for increased cost of working following the loss, as well as the standing charges of the business.

11.4.3. Casualty

- (a) Public Liability – this policy covers accidental bodily injury to a third party caused by the policyholder in the course of business; and accidental loss or accidental damage caused by the policyholder to property owned by third parties.
- (b) Public & Products Liability – this policy indemnifies the policyholder against legal liability to pay compensation arising out of any defect in the products manufactured by the policyholder and covered under the policy.
- (c) Workmen's Compensation – this policy covers the liability of the employer towards his employees as defined under UAE Labour Law in respect of personal injury by accident or occupational disease in the course of the employment with the policyholder.
- (d) Workmen's Compensation & Employer's Liability – this policy covers the legal liability of the employer towards his employees in addition to the liability defined under UAE Labour Law in respect of personal injury by accident or occupational disease that may occur during and in the course of employment with the policyholder.
- (e) Medical Malpractice – this policy provides cover for claims against medical professionals committing malpractice. It offers protection to those medical professionals who may become liable to pay compensation due to any unintentional human error, omission, or negligence while providing their

services to patients.

11.4.4. Marine

- (a) Marine Cargo – Open Cover – any goods that are loaded onto any type of vehicle for the purpose of transportation from one point to another are covered under cargo takaful policy.
- (b) Cargo Marine – Single Shipment – this policy is designed for the shipments of goods by vessels or by air for only one journey and the cover expires upon the arrival of the goods to the destination as mentioned in the policy.
- (c) Marine Hull – this policy provides comprehensive cover on all types of vessels like oil tankers, dry cargo carriers, livestock carriers, fishing vessels, and pleasure yachts etc.
- (d) Inland Transit – this policy covers loss or damage to the cargo caused by or resulting from fire, crash, overturning, collision, derailment and dropping out of vehicle/carriage carrying the cargo.

11.4.5. General Accident

- (a) Personal Accident – this policy covers accidental death or disablement to the insured within the geographical limits that are specified in the policy.
- (b) Travel – this policy is uniquely designed for individual or group business travelers by offering coverage for travel related concerns like trip cancellation, theft, and loss of baggage and business effects.
- (c) Money – this policy provides cover for loss of money in transit between the policyholder's premises and the bank or post office, or other specified places caused by robbery, theft or any other fortuitous cause. The policy also covers loss by burglary or housebreaking whilst money is retained at the policyholder's premises in safe(s) or strong room.
- (d) Fidelity Guarantee – this policy covers loss of money or goods belonging to the policyholder against a direct pecuniary loss sustained by reason of any act of fraud/dishonesty of employees.
- (e) Plate Glass – this policy covers the cost of the accidental and unintentional breakage of glass through any cause other than the exclusions specified in the policy.

11.4.6. Engineering

- (a) Contractors' All Risks (CAR) – this policy covers damage to any contract works including construction plant and equipment, third party property, surrounding property etc. There are two kinds of Contractors All Risk policies; (1) annual policies for contractors handling many small, medium to large contracts of a similar nature, and (2) a single contract policy for specific contracts.
- (b) Erection All Risks (EAR) – this policy covers the risks associated with storage, assembly/erection and testing and commissioning of plant and machinery. The policy can be extended to cover third party liability exposures.
- (c) Contractor's Plant & Machinery (CPM) – this policy covers construction plant and machinery against sudden and accidental damages or destruction caused by external influences and occurring within the construction site.
- (d) Electronic Equipment (EE) – this policy covers damage to electronic equipment, damage to policyholder's inputted data and records, and the costs incurred to retrieve and recover the lost data.

- (e) Machinery Breakdown (MB) – this policy covers loss or damage to machinery caused by defects in casting and material, faulty design, bad workmanship, lack of skill, carelessness, shortage of water in boilers, physical explosion, short circuit or storm.
- (f) Loss of Profit following Machinery Breakdown (MLOP) – this policy provides cover for the actual loss of profits sustained as a result of business interruption caused by an accident indemnified under Machinery Breakdown policy.
- (g) Deterioration of Stock (DOS) – this policy is a form of consequential loss cover, especially available for stocks contained in cold stores. Cover will be for loss or damage to the machinery specified in the list of machinery declared in the proposal form.
- (h) Boiler & Pressure Vessel (BPV) – this policy is designed for boilers in industries and factories. It provides cover for boilers and pressure vessels against the explosion or implosion. The policy also covers damage to surrounding properties and liabilities for injury to third parties or damage to third party property.

11.4.7. Health

Group and individual Medical – Watania has a wide range of products for individuals and families; and for the corporate customers, Watania has the ability to design cover according to their specific needs ranging from basic to international cover with comprehensive benefits and direct billing facility over a wide network of local, regional and international medical providers.

11.5. DIRECTORS

The Watania Board, as at the date of this document, is comprised of the following persons:

Position	Name
Chairman	Dr Ali Saeed Bin Harmel Aldhaheri
Vice Chairman	Eng. Usama Mohamed Al Barwani
Director(s)	Dr. Mohamed Ali Al Barwani
	Mr Saleh Nasser Al Riyami
	Mr Mohammed Nayel Al Shamsi
	Mr Youssef Same Al Alami
	Mr Suhail Bin Harmal Aldhaheri

11.6. EMPLOYEES

Watania currently has a total of 125 employees (as at 31 December 2021), as follows:

Category	Number	
Contract Type	Permanent	122
	Fixed Term	0
Nationality	UAE National	8
	Non-UAE National	114
Seniority Level	Executive/Management	25

Department	Takaful Team - 77	Hr, Admin and Others - 22
	Sales and Marketing - 4	
	Finance - 9	
	Operations - 11	

12. HISTORICAL FINANCIAL INFORMATION

12.1. HISTORICAL FINANCIAL INFORMATION OF DAT

Three years ended 31 December 2018, 31 December 2019 and 31 December 2020 and the unaudited interim consolidated financial statements for the period ending 30 September 2021.

The consolidated financial statements of DAT for the years ended 31 December 2018, 31 December 2019 and 31 December 2020 and the unaudited interim consolidated financial statements for the period ending 30 September 2021 are available on DAT's website at <https://dat.ae/> and the website of the DFM and are incorporated into this document by reference. The financial statements have been prepared in accordance with IFRS and other mandatory reporting requirements.

Information incorporated by reference into this document	Source of Information	Web Address
Financial statement for the year ended 31 December 2018	DAT	https://feeds.dfm.ae/documents/2019/Mar/25/ce30c20a-0493-44d4-92e4-55df9168249c/DARTAKAFUL_FS_Ann_E_25_03_2018.pdf
Financial statement for the year ended 31 December 2019	DAT	https://feeds.dfm.ae/documents/2020/Mar/24/9b57f279-075f-47dd-9bdf-85998ddabac1/DARTAKAFUL_FS_Ann_E_24_03_2020.pdf
Financial statement for the year ended 31 December 2020	DAT	https://feeds.dfm.ae/documents/2021/Mar/26/75135b77-3fb0-40aa-b213-446f5d5235b2/DARTAKAFUL_FS_Ann_E_25_03_2021.PDF
Unaudited interim condensed consolidated financial statements for the period ending 30 September 2021	DAT	https://feeds.dfm.ae/documents/2021/Nov/14/256c60ab-61cb-4af5-86a1-17a9e69b8bfe/DARTAKAFUL_FS_Q3_E_14_11_2021.pdf

12.2. HISTORICAL FINANCIAL INFORMATION OF WATANIA

Three years ended 31 December 2018, 31 December 2019 and 31 December 2020 and the unaudited interim consolidated financial statements for the period ending 30 September 2021.

The consolidated financial statements of Watania for the years ended 31 December 2018, 31 December 2019 and 31 December 2020 and the unaudited interim consolidated financial statements for the period ending 30 September 2021 are available on Watania's website at <https://www.watania.ae/> and the website of ADX and are incorporated into this document by reference. The financial statements have been prepared in accordance with

IFRS and other mandatory reporting requirements.

Information incorporated by reference into this document	Source of Information	Web Address
Financial statement for the year ended 31 December 2018	Watania	https://adxservices.adx.ae/WebServices/DataServices/contentDownload.aspx?doc=1452133
Financial statement for the year ended 31 December 2019	Watania	https://adxservices.adx.ae/WebServices/DataServices/contentDownload.aspx?doc=2072236
Financial statement for the year ended 31 December 2020	Watania	https://www.adx.ae/english/pages/NewsDetails.aspx?viewid=20210307092055-WATANIA
Unaudited interim condensed consolidated financial statements for the period ending 30 September 2021	Watania	https://adxservices.adx.ae/WebServices/DataServices/contentDownload.aspx?doc=2434871

13. RISK FACTORS

In deciding whether to vote in favour of the resolutions to be proposed at the GMs, DAT Shareholders and Watania Shareholders should carefully read this document and consider the risk factors set out in this paragraph. Additional risks and uncertainties not presently known to DAT and Watania, or which DAT and Watania currently consider to be immaterial, may also have an adverse effect on the Combined Group.

13.1. Risks relating to the Merger

13.1.1. Whether or not the Merger takes place, the announcement of the proposed Merger could cause disruptions in the businesses of DAT and Watania which could have an adverse effect on their financial results, specifically:

- (a) the attention of the management teams of DAT and Watania may be diverted from the operations of the businesses toward finalising the Merger;
- (b) current and prospective employees may experience uncertainty about their future roles within the Combined Group, which might adversely affect DAT's and Watania's ability to retain or recruit key managers and other employees;
- (c) existing and prospective clients and customers may choose not to do business with DAT and Watania until such time as the Merger is implemented or the anticipated benefits of the Merger are realized: and
- (d) existing and prospective clients and customers of Watania may choose not to do business with the Combined Group following completion of the Merger.

13.1.2. If DAT and Watania fail to manage these risks effectively, their business and financial results could be adversely affected.

13.1.3. Regulatory authorities may delay or prevent the Merger taking place, which may diminish the anticipated benefits of the Merger.

13.1.4. The Merger is subject to certain risks and uncertainties, including the inability of DAT or Watania to obtain the necessary resolutions, approvals and other relevant extensions, waivers and/or consents (regulatory, governmental or otherwise) as necessary for the implementation of the Merger. Any delay in obtaining the required approvals may also postpone the execution of the Merger. The failure to consummate the Merger as currently planned could result in the Companies not obtaining the anticipated benefits of the Merger. Although the Companies intend to pursue vigorously all required regulatory consents and approvals, and although neither is aware of any reason why it would not be able to obtain the necessary approvals in a timely manner, these approvals may not be granted or may be delayed. Any delay or prevention in the consummation of the Merger may diminish anticipated benefits or may result in additional transaction costs, loss of revenue or other effects associated with uncertainty about the Merger.

13.1.5. The Merger is conditional on a number of conditions as set out in paragraph 15 of this document. If any of these conditions are not satisfied, then there is a risk that the Merger will not take place. If any such requirement is not satisfied, then the Merger will not take place. Further, in order to implement the Merger, the procedural requirements contained in the Insurance Law, Companies Law and Merger and Acquisition Rules (as set out in paragraph 15 of this document) must be satisfied. If any such requirement is not satisfied, then the Merger will not take place (or, in certain circumstances, the implementation of the Merger may be delayed). Any delay or prevention in the consummation of the Merger may diminish anticipated benefits or may result in additional transaction costs, loss of revenue or other effects associated with uncertainty about the Merger.

- 13.1.6. Pursuant to Article 285(2)(B) of the Companies Law (in addition to a shareholders' right to vote for or against the resolutions proposed under the DAT GM or Watania GM (as relevant), any shareholder holding no less than 20% of the share capital of either DAT or Watania may appeal the Merger at the competent court within 30 days from the date of the passing of the special resolutions contemplated in the DAT GM or Watania GM, respectively.
- 13.1.7. Pursuant to Article 289 of the Companies Law, Article 76 of the Insurance Law and Article 50 of the Merger and Acquisition Rules, any interested party has the right to object to the merger at the main office of the relevant party, to the CB or to SCA. In the event an objection is raised by a creditor and not settled or paid within the relevant period, such creditor can apply to the Courts to have the Merger suspended until the objection is withdrawn, rejected by the relevant court in a final judgement or settled (in accordance with Article 289 of the Companies Law and Article 50 of the Merger and Acquisition Rules).
- 13.1.8. Any of the foregoing events may have a negative impact on the existing value of the DAT Shares and Watania Shares.

13.2. Risks relating to the Exchange Ratio

The Exchange Ratio has been calculated on the basis of, amongst other things, certain internal financial information and other data relating to the business and financial prospects of the Companies, including estimates and financial forecasts together with certain pro forma effects of the Merger on the Company's respective financial statements up until a certain cut-off date. In calculating the Exchange Ratio, the financial forecasts, estimates and pro forma effects have been reasonably prepared on a basis reflecting the best currently available estimates as to the future performance of the Companies. Additionally, the future financial forecasts and estimates referred to above will be realised in the amounts and time periods contemplated thereby. If a material variation is to take place with respect to all or any of these assumptions, this could materially affect the valuations of the Companies and the Exchange Ratio may not accurately reflect the values of the Companies.

13.3. Risks relating to the Companies' shares

The trading price of DAT's shares following implementation of the Merger may be subject to wide fluctuations in response to a number of factors, specific to the Companies or otherwise, such as variation in operating results, changes in financial estimates, changes in credit ratings, recommendations by securities analysts, the operating and news reports relating to trends in the Companies' markets. These factors may adversely affect the trading price of DAT's shares regardless of DAT's operating performance. Watania's shareholders should be aware that the value of DAT Shares (including the New DAT Shares) and the income from them can increase or decrease as is the case with any other investment in listed securities.

13.4. Risks relating to the trading patterns for the DAT Shares relative to historic trends

The shareholders of DAT should be aware that the historic trading patterns of the DAT Shares are independent of, and may bear no resemblance whatsoever to, the trading patterns of the DAT Shares following implementation of the Merger.

13.5. Risk relating to the Companies' businesses

13.5.1. The business is dependent on certain statutory exceptions by virtue of a Cabinet exemption.

- (a) NTG and NTF are not listed on the DFM based on an exception from the UAE Ministry of Cabinet Affairs dated 15 September 2008. At the time of DAT acquiring NTG and NTF, SCA confirmed that such exemption will continue (subject to the companies' compliance with its terms) following the acquisition

by DAT, however, the Companies' cannot provide assurance that such exemption will not be withdrawn in the future, which would have a severe impact on the business as it is currently operated.

- (b) As noted above, for the purposes of operational efficiency and complying with the legal requirements of the CB, DAT intends to re-assign the various insurance portfolios down to NTG and NTF (as appropriate) and continue its intended reconstruction of DAT for it to become a holding company of the two separate and wholly owned subsidiaries, NTG and NTF. Accordingly, upon completion of the Merger, the business and assets of Watania will be held and operated by NTG if it falls into the 'property and liability insurance operations' insurance category (including motor insurance) or NTF if it falls into the 'persons and funds accumulation insurance operations' insurance category (including medical insurance). This may trigger a reassignment procedure ("**Procedure**") under the Insurance Law, which requires a policyholder notice and objection period of 45 days. If the IA requires this Procedure to be carried out at any time throughout the Merger process or after completion of the Merger it could therefore cause further delays, loss of business and reputational damage.

13.5.2. DAT's financial performance is dependent on economic and other conditions of UAE Market.

- (a) The Companies' conduct their activities in the UAE and its business, results of operations and financial condition could be adversely affected by changes in the social, political or economic conditions in the UAE, including, in particular, in the commercial and insurance markets.
- (b) The UAE commercial and insurance markets are affected by macroeconomic events that are beyond the Companies' control, including the impact of adverse changes in global and local economic conditions, commercial market conditions generally, consumer spending, inflation rates and other operating expenses, and the availability and cost of financing. The global COVID-19 crisis has and continues to have a material adverse effect on the UAE and its economy. Consequently, there can be no assurance as to the future value of the Combined Group's portfolio.
- (c) The Companies' clients will be either be corporate clients or individual clients. Accordingly, a decline in the number of people moving to the UAE and a decline in new business generally, would have a material adverse effect on the Companies' new customer sales.
- (d) The Companies' ability to attract new clients is subject to a number of factors, including:
- the impact of the ongoing COVID-19 global pandemic and related restrictions (further details of which are set out below);
 - the continued attractiveness of UAE as an investment and business hub;
 - the effectiveness of the Companies' marketing campaigns and initiatives, as well as those of the Government of UAE;
 - fluctuations in global exchange rates;
 - factors that may adversely affect the UAE economy as a whole or more generally, such as political or social instability, global economic conditions, terrorist attacks or natural catastrophes.

13.5.3. The global economic recession and financial crisis due to the ongoing global COVID-19 pandemic may affect the Combined Group's business and results of operations

- (a) The outbreak of the COVID-19 pandemic, together with measures aimed at mitigating the further spread of COVID-19, such as the restrictions on travel, imposition of quarantines, prolonged closures of stores and workplaces, social distancing measures and other restrictions has had a significant adverse effect

on the global economy and international financial markets. Also, it has had a negative effect on each of DAT's and Watania's operations and may further significantly negatively impact the Combined Group's business.

- (b) Insurance companies group together risk of the individual/corporate policyholders and through consolidation and managing that risk make profit on the premiums paid by the policyholder. The risk of business interruption, for example, during a pandemic that has resulted in global lockdown measures will be a significantly bigger risk than forecasted for insurance companies and pricing such an unexpected event is problematic given the lack of data to quantify the risk.
- (c) Further, the continuing measures from governments attempting to contain the spread of coronavirus has led to a complex myriad of second and third order effects, such as further affecting insurance companies' reputation. The insurance industry has suffered from a poor customer reputation and the crisis has brought to light the many epidemic/pandemic exclusion clauses for coverage, such as travel insurance and business interruption, of which customers were often not aware.
- (d) In terms of life insurance, the high number of deaths could dramatically affect the mortality statistics and therefore risk liabilities for life insurance products, although there are a number of factors involved, such as age, location and general health.
- (e) The financial markets have experienced increased volatility during the pandemic and this could have serious implications on insurance companies and their investment portfolios. Decreases to the value of stocks and assets will continue to be a significant risk to the admissible assets which could adversely impact the solvency of insurance company.
- (f) The extent of the impact of the Covid-19 pandemic on the Combined Group is highly uncertain at this time and depends on a number of factors, such as the duration of the pandemic and the suitability and effectiveness of measures adopted by authorities in response to the pandemic. The continued spread of the COVID-19 pandemic and the occurrence or escalation of one or more of the above developments may severely negatively impact the Combined Group's business, financial condition, prospects and results of operations.

13.5.4. Reliance on certain key personnel

Certain senior management of DAT and Watania are critical for the implementation of the Combined Group's business strategy and day-to-day operations. Accordingly, the Combined Group faces risks related to its ability to continue to attract, retain and motivate senior management and other skilled personnel in the Companies. If key personnel leave, it will take time to find appropriately qualified candidates to replace them. In addition, if the Combined Group is unable to retain key members of senior management team in particular and cannot hire new qualified personnel in a timely manner, this could have a material adverse effect on the operations of its businesses.

13.5.5. DAT may be unsuccessful in executing its business strategy

The successful implementation of DAT's strategy will entail actively managing its portfolios, undertaking development or asset enhancement initiatives, securing new policyholders, raising funds in the capital or credit markets, and the co-operation of its investment partners, policyholders and other counterparties. The addition of new products and increased portfolio sizes will also increase its operating costs and it may not be able to manage the increased portfolios in a profitable manner. DAT's ability to successfully implement its strategy is also dependent on various other factors, including but not limited to, the competition it faces in its business, which may affect its ability to secure new business on terms acceptable to it, and DAT's ability to retain key employees. There can be no assurance that DAT will be able to implement all of its business strategies as planned, and its failure to do so may adversely affect

DAT's business, results of operations and financial condition.

13.5.6. Risk of the Merger not achieving its Benefits

The contemplated Merger has certain benefits as explained above. Such benefits may not be achieved. The Combined Group may face difficulties in managing the integration process following completion of the legal Merger process. Such difficulties could arise due to:

- (a) inability to fully integrate the processes and functions of both DAT and Watania;
- (b) failure to maintain the employees' morale and incentivizing key personnel;
- (c) lack of accurate evaluation of the impact of liabilities on the Combined Group;
- (d) lack of accurate assessment of market dynamics and challenges.

The above represent financial and operational risks to the Combined Group. Accordingly, the Combined Group may not be able to achieve the expected synergies and thus suffer from lower revenues, surge in the integration cost and ultimately overall negative impact on profitability.

13.6. **Regulatory Risks**

13.6.1. The regulatory framework of the takaful business may be subject to change

DAT and Watania cannot predict the contents of any future legislation that is imposed or implemented by CB or the Government. While the Insurance Law and regulations recently implemented, and to be implemented in the future, are intended to improve the insurance market in the UAE, the effects of the implementation of such laws are often uncertain, there may be difficulties or delays in enforcing them, and there can be no assurance that such laws and regulations will not impose more onerous obligations on the Combined Group or have a material adverse effect on the Combined Group's business, results of operations and financial condition.

There can be no assurance that if laws or regulations were imposed in respect of the services offered by the Combined Group, it would not increase its costs or impact the costs that are associated with insurance businesses in the UAE, adversely affect the way in which Combined Group conducts its business or otherwise have a material adverse effect on its results of operations and financial condition.

13.6.2. Risks arising from governmental action

Governmental authorities may have a high degree of discretion and, at times, act, without prior notice, and sometimes influenced by political or commercial considerations. Such governmental action could include, among other things, the withdrawal of consents and licenses and changing of procedural and compliance requirements. Any such action taken may have a material adverse effect on the Combined Group business, results of operations and financial condition.

14. **ADDITIONAL INFORMATION**

14.1. **ARTICLES OF ASSOCIATION OF DAT ON COMPLETION OF THE MERGER**

Following the adoption of the amendments to be proposed at the DAT GM, the DAT Articles will contain, amongst other things, the capital increase, approved by Special Resolution of the DAT GM, following completion of the Merger being AED 260,156,250 divided into 260,156,250 Shares (a draft of which is attached at Schedule 5).

14.2. UAE NATIONAL AND NON-UAE NATIONAL SHAREHOLDINGS

If the Merger becomes effective, based on the shareholders of DAT and Watania as at 11 March 2022 (being the last practicable date before the publication of this document), 86.90% of DAT Shareholders would be UAE national investors and 13.10 would be foreign investors.

14.3. MATERIAL CONTRACTS

The following agreements, being other than contracts entered into in the ordinary course of business, have been entered into by DAT and/or Watania within the two years immediately preceding the date of this document and are or may be material:

14.3.1. Merger Agreement – on 17 March 2022, DAT and Watania entered into a Merger Agreement. The Merger Agreement sets out the terms and conditions of the Merger (including, without limitation, the terms and conditions of the Merger set out in paragraph 15 of this document and DAT and Watania's obligations regarding implementation of the Merger. The Merger Agreement contains limited warranties given by DAT and Watania on a reciprocal basis, restrictions on the conduct of business and restrictions in relation to seeking competing proposals from third parties, which are customary for agreements of this nature. The Merger Agreement may be terminated (and the rights and obligations of the parties under the Merger Agreement will cease) if, amongst other things: (i) notice to terminate is given by one party to the other party following breach by the other party of the Merger Agreement where such breach has a material adverse effect on the other party, the Merger or its implementation; (ii) the Effective Date does not occur on or before 31 December 2022 (or such later date as DAT and Watania may agree in writing); or (iii) DAT and Watania agree to do so in writing.

14.3.2. Acquisition of NTF/NTG – on 31 May 2020, DAT entered into a share purchase agreement. The share purchase agreement sets out the terms and conditions upon which DAT purchased the entire issued share capital of both NTG and NTF.

14.4. LITIGATION

14.4.1. DAT – save as disclosed in DAT's financial statements, neither DAT nor any member of the DAT Group is involved in any legal or arbitration proceedings which may have, or have had during the twelve months preceding the date of this document, a significant effect on the DAT Group's financial position nor (so far as DAT is aware) are any such proceedings pending or threatened against any member of the DAT Group.

14.4.2. Watania – save as disclosed in Watania's financial statements, Watania is not involved in any legal or arbitration proceedings which may have, or have had during the twelve months preceding the date of this document, a significant effect on Watania's financial position nor (so far as Watania is aware) are any such proceedings pending or threatened against Watania.

14.5. TAXATION

14.5.1. The following comments are general in character and are based on the current applicable tax laws, regulations, interpretations and tax authority practice in the UAE as at the date of this document. Such laws, regulations, interpretations and practice may change in the future, which may impact the comments set out in this paragraph 14.5. The comments do not purport to be a comprehensive analysis of all the tax consequences applicable to all shareholders and are not a substitute for formal tax advice. If you are in any doubt as to your own tax position, it is recommended that you seek independent professional advice.

14.5.2. There is currently in force in the Emirate of Dubai a legislation establishing a general corporate taxation

regime through The Dubai Income Tax Ordinance of 1969 and The Dubai Income Tax Decree 1969 (as amended). The regime is, however, not enforced save in respect of companies active in the hydrocarbon industry, some related service industries and branches of foreign banks operating in Dubai. It is not known whether the legislation will or will not be enforced more generally or within other industry sectors in the future. Under current legislation, there is no requirement for withholding or deduction for or on account of UAE or Dubai corporate taxation in respect of payments of interest or principal on debt securities, and dividends on equity holding. There is no capital gains tax in the UAE.

14.5.3. The Constitution of the UAE specifically reserves to the Federal Government of the UAE the right to raise taxes on a federal basis for the purposes of funding its budget. It is currently not known whether this right will be exercised in the future.

14.5.4. The UAE has entered into "double taxation avoidance arrangements" with several countries.

14.5.5. On 24 February 2016, the UAE Minister of State for Financial Affairs announced that, pursuant to a GCC-wide framework agreement on the implementation of UAE Value Added Tax (VAT), the UAE will implement VAT at a rate of 5% from 1 January 2018. The UAE national legislation implementing this framework agreement was published on 23 August 2017 (UAE Federal Decree Law No. 8 of 2017). On 1 October 2017, the Ministry of Finance also published executive legislation for the implementation of excise tax with immediate effect. Additionally, on 28 November 2017, the Ministry of Finance announced that the VAT implementing regulations were officially adopted and signed by Highness Sheikh Mohammed bin Rashid Al Maktoum, Vice President and Prime Minister of the UAE, Ruler of Dubai. This is considered to be the first phase of the new federal level tax system in the UAE.

14.5.6. There is currently no personal income tax levied on individuals in the UAE.

14.5.7. Individual or corporate shareholders who are tax resident in another jurisdiction, outside the UAE, should consider the tax laws of that jurisdiction and it is recommended that such shareholders seek timely professional tax advice to confirm the tax implications of the exchange of shares under the relevant applicable local laws in those jurisdictions.

14.6. GENERAL

14.6.1. KPMG has given and has not withdrawn its written consent to the issue of this document with the inclusion of its name in the form and context in which it appears.

14.6.2. Milliman has given and has not withdrawn its written consent to the issue of this document with the inclusion in it of its name in the form and context in which it appears.

14.7. DOCUMENTS AVAILABLE FOR INSPECTION

14.7.1. Copies of the following documents will be available for inspection at the head office of each of DAT and Watania during normal business hours on any Business Day prior to the Effective Date:

- (a) the draft Articles of Association of DAT proposed to be adopted at the DAT GM to be effective upon completion of the Merger;
- (b) the audited financial statements of DAT for the financial years ended 31 December 2018, 31 December 2019 and 31 December 2020 and the unaudited interim consolidated financial statements for the period ending 30 September 2021; and
- (c) the audited financial statements of Watania for the financial years ended 31 December 2018, 31 December 2019 and 31 December 2020 and the unaudited interim consolidated financial statements for the period ending 30 September 2021.

15. TERMS AND CONDITIONS OF THE MERGER

15.1. CONDITIONS IN RESPECT OF THE MERGER

15.1.1. The implementation of the Merger is conditional upon:

- (a) the passing of resolutions 1 to 6 at the DAT GM (as set out in Schedule 2);
- (b) the passing of resolutions 1 to 6 at the Watania GM (as set out in Schedule 3);
- (c) if not already obtained on or prior to the date of the Merger Agreement, receipt of written final approval(s) and/or written final confirmation of no objection from the SCA [*in accordance with Article 47 of the Merger and Acquisition Rules*] in relation to the Merger and including the following:
 - (i) the form and contents of this document (including the notices of the respective GMs of DAT and Watania as set out in Schedule 2 and Schedule 3, respectively);
 - (ii) the DAT Special Resolutions (including the amendments to the DAT Articles);
 - (iii) the Watania Special Resolutions;
 - (iv) the dispatch of this document and the notice of the DAT GM and the notice of the Watania GM to the DAT Shareholders and the Watania Shareholders, respectively);
- (d) expiry of the creditor objection period as set out in paragraph 15.2;
- (e) the Merger Agreement not having been terminated in accordance with their respective terms; and
- (f) a statement issued by:
 - (i) the auditor of DAT to the DAT Shareholders; and
 - (ii) the auditor of Watania to the Watania Shareholders,

in each case, in relation to any material events that might have occurred during the Merger with respect to DAT and Watania, respectively, in accordance with Article 49(6) of the Merger and Acquisition Rules, otherwise, confirming that no such material event(s) have occurred.

15.1.2. where completion of the Merger is to occur after the date upon which DAT has confirmed to CB it shall convert to a holding company, an extension shall be required to be obtained from CB.

15.1.3. a confirmation from CB that the Procedure (in relation to Reassignment) will not be required.

15.1.4. Following satisfaction of all of the foregoing conditions the DAT Board and the Watania Board shall apply for a certificate of the Securities and Commodities Authority (the **SCA Certificate**) approving:

- (a) the Merger;
- (b) the dissolution of Watania;
- (c) the increase in the share capital of DAT; and
- (d) the amendments to the DAT Articles.

15.1.5. The DAT Board shall apply to the SCA for the listing of the New DAT Shares on the DFM.

15.1.6. The Merger shall become effective on the date at which the SCA Certificate is stated to be effective in accordance with its terms.

15.2. PROCEDURAL REQUIREMENTS IN RESPECT OF THE MERGER

15.2.1. Merger

- (a) Pursuant to the Companies Law, the DAT Board and the Watania Board shall submit the conditional Merger Agreement to the respective GMs to obtain approval by Special Resolution. The invitation to the GMs to convene to consider the Merger shall meet the following conditions:
 - (i) it shall be accompanied by a copy or summary of the Merger Agreement; and
 - (ii) the Merger Agreement shall clearly state the right of any one or more shareholders holding at least 20% of the share capital of such Company, who objected to the Merger, to appeal the Merger before the competent court within thirty days from the date of approval of the Merger Agreement by the general assembly.
- (b) Each of DAT and Watania shall notify its creditors within ten (10) Business Days of the date of the approval of the general assembly on the Merger and the following conditions shall govern such notification:
 - (i) it shall indicate that the intention of such Company is to merge with the other Company;
 - (ii) it shall be sent in writing to every creditor of the Company notifying such creditor of the Merger;
 - (iii) it shall be published in two local daily newspapers issued in the UAE, one of which is issued in Arabic; and
 - (iv) it shall stipulate the right of any of the creditors of both such Companies and holders of debenture bonds or sukuk and any person concerned to object the Merger at the Company's main office and to hand over a copy of the objection to SCA, providing that such actions shall be carried out within thirty days of the date of notification.
- (c) A creditor that notifies DAT or Watania of the objection thereof in accordance with paragraph (iv) above and has not settled with or been paid back by such Company within thirty days of the date of notification may appeal to the competent court to obtain an order for the suspension of the Merger.
- (d) If it is proved to the court, upon submitting to it an application for the suspension of the Merger, that the Merger shall unrightfully damage the interests of the applicant, the court may issue an order for the suspension of the Merger subject to any other conditions deemed appropriate thereby.
- (e) The Merger shall remain suspended unless and until the objector withdraws his objection or the court rules on the dismissal thereof by a conclusive judgment or if DAT or Watania (as applicable) pays the debt if it is mature or provides sufficient guarantees if it is deferred.
- (f) Where no objection is filed or any objections have been settled, the Companies shall:
 - (i) submit an application to SCA for approval;
 - (ii) shall request the registrar of companies at the UAE Ministry of Economy to amend the relevant records of DAT in the commercial register; and
 - (iii) shall publish the capital increase decision in the official gazette.

- (g) The competent authority shall record the dissolution of Watania and notify SCA to that effect.

15.2.2. Transfer of Policies as a result of the Merger

- (a) The Companies shall publish the decision of the Merger in the official gazette and let the policyholders review the Merger Agreement by displaying the same at its head office for fifteen days from the date of publishing the decision of the Merger in the official gazette.
- (b) Any policyholder shall have the right to raise an objection within 45 days from such date of publication. In the event an objection is raised, the CB will have 30 days from the date of objection being submitted to reach a settlement between the objector and the Companies.
- (c) If no settlement is reached, the objector will have the rights to refer the matter to court. Such referral shall not prevent completion of the Merger unless the court orders otherwise.

15.3. IMPLEMENTATION OF THE MERGER [*in accordance with articles 48 and 49 of the Merger and Acquisition Rules*]

15.3.1. The DAT Board have appointed a merger committee containing the following persons:

- (a) Mr. Shahab Lutfi (vice chairman); and
- (b) Mr. Abdallah Osseiran (board member).

15.3.2. The Watania Board have appointed a merger committee containing the following persons:

- (a) Usama Barwani (vice chairman); and
- (b) Mr. Youssef Sami Al Alami (board member).

15.3.3. The DAT Board and the Watania Board in their respective meetings held on 13th June 2021 and 10th June 2021, respectively approved the merger and the method, conditions, procedures and schedule thereof. In approving the terms of the Merger, the DAT Board and Watania Board considered in detail the independent valuation report on DAT and Watania from KPMG, a summary of such report is set out at Schedule 4.

15.3.4. On 17 March 2022, DAT and Watania entered into the Merger Agreement setting out the terms and conditions of the Merger including:

- (a) the name and address of the Chairman and its members of the board of directors of the Combined Group;
- (b) The exchange ratio and confirmation as to the issuance of the New DAT Shares;

15.3.5. The Merger shall not be completed without the approval of SCA and CB, for this reason applications with supporting documents have been submitted by both DAT and Watania to SCA and CB and initial approval received.

Schedule 1
DEFINITIONS

The following definitions apply throughout this document unless the context requires otherwise:

ADX	Abu Dhabi Securities Exchange
AED	UAE Dirhams
Business Day	any day, other than a Friday, Saturday or a public holiday in the UAE
CB	UAE Central Bank
Combined Group	DAT or, as the context may require, the combined businesses of the DAT Group and Watania (following the implementation of the Merger)
Commercial Registry	the commercial registry of the Department of Economic Development in the Emirate of Dubai
Companies	as the context may require, DAT and Watania or either
Companies Law	UAE Federal Decree Law No. 32 of 2021 Concerning Commercial Companies (as amended)
DAT	Dar Al Takaful PJSC
DAT Articles	the Articles of Association of DAT
DAT Board	the Board of Directors of DAT
DAT GM	the general assembly meeting of DAT convened for the purpose of, amongst other things, approving the Merger and the increase in the share capital of DAT
DAT Group	DAT and its subsidiaries and branches
DAT Shareholders	holders of DAT Shares from time to time
DAT Shares	shares of AED1.00 each in the share capital of DAT
DFM	Dubai Financial Market
Effective Date	the date at which the SCA Certificate is stated to be effective in accordance with its terms
EMCAP	Emirates NBD Capital Limited, DIFC, West Wing, 12 Floor, The Gate Building, P.O. Box 506710, Dubai, UAE.
Exchange Ratio	the exchange ratio set out in paragraph 8.2 of this document
Financial Adviser	EMCAP
GCC	Gulf Co-operation Council region

GM	as the context requires, the DAT GM and/or the Watania GM
Government	the Government of Dubai
IFRS	International Financial Reporting Standards
Insurance Law:	UAE Federal Law No. 6 of 2007 concerning the Establishment of the Insurance Authority and Organisation of its Operations, as amended from time to time, including but not limited to the amendments under (i) UAE Federal Law No. 5 of 2012 amending some provisions of the Federal Law No. 6 of 2007 concerning the Establishment of the Insurance Authority and Organisation of its Operations, (ii) UAE Federal Law No. 3 of 2018 on the amendment of certain provisions of Federal Law No. 6 of 2007 concerning the Establishment of the Insurance Authority and Organisation of its Operations and (iii) The Insurance Authority Board of Directors resolution No. (2) of 2009 in relation to the Executive Regulation
KPMG	KPMG Lower Gulf Limited of Level 13, Boulevard Plaza Tower One, Mohammed Bin Rashid Boulevard, P.O. Box 3800, Downtown Dubai, UAE
Legal Advisers	InP and Hadeef
Listing	the listing of the New DAT Shares to be issued in connection with the Merger on the DFM
Merger	the proposed merger of DAT and Watania pursuant to Article 283(1) of the Companies Law
Mergers and Acquisitions Rules	the Decision of the Chairman of the SCA Board of Directors No. 18/RM of 2017 in respect of the Rules of Merger and Acquisitions of Public joint Stock Companies
Merger Agreement	the agreement dated 17 March 2022 between DAT and Watania setting out the terms and conditions of, and the parties' rights and obligations in connection with, the implementation of the Merger
Milliman	Milliman, LLC., Liberty House, Unit 511, Level 5, Dubai International Financial Centre, P.O. Box 506784, Dubai
New DAT Shares	as the context may require, the new DAT Shares to be issued, credited as fully paid, to Watania Shareholders pursuant to the Merger
NTF	Noor Takaful Family PJSC, a wholly owned subsidiary of DAT
NTG	Noor Takaful General PJSC, a wholly owned subsidiary of DAT
Record Date	close of business (United Arab Emirates time) on 22 April 2022, being the last trading day prior to the GMs of DAT and Watania

Restricted Jurisdiction	any jurisdiction outside the UAE where the issue of the New DAT Shares would or may violate the law of, or regulation applicable to, that jurisdiction (for the avoidance of doubt, the United States is not a Restricted Jurisdiction)
SCA	the Securities and Commodities Authority of the UAE
SCA Certificate	has the meaning provided for in paragraph 15.1
Special Resolution	a resolution issued by a majority of votes of shareholders owning at least three quarters of the shares represented at the relevant GM
UAE	the United Arab Emirates
Watania	National Takaful Company (Watania) PJSC
Watania Articles	the Articles of Association of Watania
Watania Board	the Board of Directors of Watania
Watania GM	the general assembly meeting of Watania convened for the purpose of, amongst other things, approving the Merger and dissolution of Watania
Watania Group	Watania and its subsidiaries and branches
Watania Shareholders	holders of Watania Shares from time to time
Watania Shares	shares of AED1.00 each in the share capital of Watania

Schedule 2
DAT NOTICE OF GENERAL ASSEMBLY MEETING

Invitation to attend the Annual General Assembly Meeting of Dar Al Takaful (PJSC)

The Board of Directors of Dar Al Takaful (PJSC) is pleased to invite its shareholders to attend the annual General Assembly Meeting of the Company, which will be held virtually via www.smartagm.ae on Monday, 25/04/2022 at 1:00 pm to consider the following agenda:

1. Hearing and approving the Board of Directors' report on the company's activity and its financial position for the financial year ended 31st December 2021.
2. Hearing and approving the Auditor's report for the financial year ended 31st December 2021.
3. Hearing and approving the Internal Shariah Supervisory Committee report for the financial year ended 31st December 2021.
4. To consider and approve the Company's consolidated Financial Statements and profit and loss account for the financial year ended 31/12/2021.
5. Approve a proposal for remuneration of the Board members and determine the amount thereof for the financial year ended 31st December 2021.
6. Approve the Board of Directors proposal not to pay out dividends to the shareholders for the financial year ended 31/12/2021.
7. Discharge the Board of Directors from their liabilities for the financial year ended 31st December 2021 or their removal and filing of a liability claim against them, as the case maybe.
8. Absolve the external auditors of the Company for their liabilities for the financial year ended on 31st December 2021 or their removal and filing of a liability claim against them, as the case maybe.
9. Absolve the members of the Internal Shariah Supervision Committee of the Company for their liabilities for the financial year ended on 31st December 2021 or their removal and filing of a liability claim against them, as the case maybe.
10. Appointing the external auditors of the Company for the financial year that will end on 31st December 2022 and determining their fees.
11. Appointing the members of the Internal Shariah Supervisory Committee.
12. Approve the appointment of Mr. Marwan Ahmad Lutfi Harmoozi in replacement of Ms. Metha Mohamed AlSharif Al Hashemi who resigned from the Board.

Regarding the merger with National Takaful Company (Watania) PJSC, the general assembly to consider and approve by way of special resolution:

1. The proposed merger (the **Merger**) of the Company and National Takaful Company (Watania) PJSC (**Watania**) to be effected by way of a merger pursuant to Article 285(1) of UAE Federal Decree Law No. 32 of 2021 Concerning Commercial Companies (the **Law**), through the issuance of 0.734375 new shares in the Company for every 1 share(s) in Watania, subject to the terms and conditions of the Merger.

2. The terms of the Merger agreement entered into between the Company and Watania in accordance with Article 285(1) and Article 287(1) of the Law and the indicative timeline for the Merger.
3. The independent valuation report issued by KPMG, the appointed independent valuer, regarding the independent valuation of the assets of the Company and Watania.
4. The following resolutions and the consequential amendments to the Company's Articles of Association upon the Merger being effective:
 - (a) the increase of share capital of the Company from AED 150,000,000 to AED 260,156,250, subject to the terms and conditions of the Merger and with effect from the Merger becoming effective;
 - (b) the amendment of Article 7 of the Company's Articles of Association to reflect the increase of share capital of the Company described in (a) above;
 - (c) subject to the approval of the concerned authorities, the approval of the amended Articles of Association of the Company as published on the Company's website and uploaded to the DFM portal.
5. The election of 7 members to the Board of Directors of the Company for a term of three years and with effect from the Merger becoming effective, such members being:
 - (a) Dr. Ali Saeed Bin Harmal Al Dhaheri
 - (b) Dr. Mohamed Ali Al Barwani
 - (c) Mr. Usama Mohamed Al Barwani
 - (d) Mr. Shahab Ahmed Lutfi Ali Harmoozi
 - (e) Mr. Matar Hamdan Sultan Hamad Al Ameri
 - (f) Mr. Mohamed Nael Al Shamsi
 - (g) Mr. Abdallah Malek Osseiran
6. The authorisation of the Board of Directors of the Company, or any person so authorised by the Board of Directors, to adopt any resolution or take any action as may be necessary to implement any of the above resolutions including, without limitation, to: (a) apply for a certificate to be issued by the Securities and Commodities Authority to declare the Merger of the Company and Watania, the increase in share capital and the amendments to the Company's Articles of Association effective; and (b) apply for the listing of new ordinary shares of the Company on the DFM; and (c) correspond and negotiate with any person, entity (official or otherwise) within and outside the United Arab Emirates, adopt such resolutions and take any such action as may be necessary to obtain the necessary approvals to effect the Merger.

Notes:

1. The shareholder circular (**Shareholder Circular**), which sets out a description of the Merger and the combined businesses of DAT and Watania following completion of the Merger, can be viewed at DAT's website at www.DAT.ae or, alternatively, hard copies of the Shareholder Circular can be obtained (without charge) from the office of DAT at Dubai World Trade Centre, Dubai, United Arab Emirates.

2. As directed by the Securities and Commodities Authority, the Company's shareholders who will attend the General Assembly Meeting. Registration will be open from 12:00 on Sunday 24 April 2022 and will close at 13:00 on Monday, 25 April 2022. For electronic registration, please visit the website (www.smartagm.ae). Holder of proxies must send a copy of their proxies to the email address IR@dat.ae with their names and mobile numbers to receive a text message of registration.
3. Any shareholder who has the right to attend the General Assembly meeting may delegate any person other than a member of the Board of Directors of the Company, employees of the Company, brokerage company or its staff under a special written power of attorney. In such a capacity, no proxy may represent more than 5% of the shares in the capital of the Company. Shareholders who are minors or interdicted shall be represented by their legal representatives. (Subject to the provision of clauses (1) and (2) of Article No. (40) of the Chairman of Authority's Board of Directors' Decision No. (3/ R.M) of 2020 concerning the approval of Public Joint Stock Companies Governance Guide).
4. Each shareholder who will be represented by a representative must submit the proxies and any supporting documents upon registration via the electronic link www.smartagm.ae. The shareholders can appoint any of the below representatives in accordance with paragraph (4) of Article 40 of the Chairman of Authority's Board of Directors' Decision no. (3/ R.M) of 2020 concerning the approval of Public Joint Stock Companies Governance Guide).

Abdul Rahman Lootah & Associates: Telephone number **04-2944111** Email: secretary@lootahlaw.ae
5. The shareholder signature on the power of attorney referred in clause No. (4) shall be the signature approved by any of the following entities:
 - (a) Notary Public.
 - (b) Commercial chamber of economic department in the state.
 - (c) Bank or company licensed in the state, provided that the agent shall have account with any of them.
 - (d) Any other entity licensed to perform attestation works.
6. Shareholders registered in the Shareholders Register on Friday, 22 April 2022 shall be entitled to vote in the General Assembly meeting and register electronically.
7. The corporate person may delegate one of its representatives or those in charge of its management by a decision of its Board of Directors or its authorized deputy to represent such corporate person in the General Assembly of the Company. The delegated person shall have the powers as determined under the delegation decision.
8. The General Assembly meeting shall not be valid unless attended electronically by Shareholders who hold or represent by proxy at least (50%) of the Company's share capital. If this quorum is not available at the first meeting, the second meeting shall be convened on Monday 9 May 2022 in the same place and time
9. The Company's financial statements and governance report are available for the shareholders on the websites of the Company (<https://dat.ae>) and DFM (<http://www.dfm.ae/market-data/market-data-overview>).
10. Please visit the official website of the Securities and Commodities Authority (<https://www.sca.gov.ae/en/services/minority-investorprotection.aspx>) to view the Authority's Guide on Investors' Rights in Capital Market. 10.

11. Any shareholder or shareholders holding no less than 20% of the share capital of the Company may object to the Merger at the competent court within 30 days from the date of passing the special resolutions contemplated by this GAM in accordance with Article 287(2)(B) of the Law.
12. For the special resolution, a decision is required to be passed by the majority of the votes of the shareholder who own at least 75% of the shares represented at the General Assembly meeting

Schedule 3
WATANIA NOTICE OF GENERAL ASSEMBLY MEETING

Invitation to attend the Annual General Assembly Meeting

The Board of Directors of National Takaful Company PJSC (Watania) has honor to invite the Shareholders to attend the Annual General Assembly Meeting on Monday 25/4/2022 at 11:00 am via participating through the use of remote presence technology/virtual meetings with visual communication and video participation and electronic voting during the meeting on each decision directly to consider the following Agenda:

1. Listen to and approve the Board of Directors Report on the Company's activity and its financial position for the financial year ended on 31/12/2021.
2. Listen to and approve the Sharia Committee Report for the financial year ended 31/12/2021.
3. Listen to and approve the Auditor's Report for the financial year ended 31/12/2021.
4. Discuss and approve the Company's Balance Sheet and Profit and Loss Account for the financial year ended 31/12/2021.
5. Discharge the Members of the Board of Directors from the responsibility for the financial year ended on 31/12/2021.
6. Discharge the Sharia Committee from the responsibility for the financial year ended on 31/12/2021.
7. Discharge the Auditors form the responsibility for the financial year ended on 31/12/2021.
8. Approve the proposal concerning the remuneration of the Members of the Board of Directors for the financial year ended 31/12/2021.
9. Approve the Board of Directors proposal not to pay out dividends to the shareholders for the financial year ended 31/12/2021.
10. Appoint the Auditors for 2022 and determine their fees.

Regarding the merger with National Takaful Company (Watania) PJSC, the general assembly to consider and approve by way of special resolution:

1. The proposed merger (the **Merger**) of the Company and Dar Al Takaful (PJSC) (**DAT**), to be affected by way of a merger pursuant to Article 285(1) of UAE Federal Decree Law No. 32 of 2021 Concerning Commercial Companies (the **Law**), through the issuance of 0.734375 new DAT shares for every 1 share(s) in the Company (the **Exchange Ratio**), subject to the terms and conditions of the Merger.
2. The terms of the Merger agreement entered into between DAT and the Company in accordance with Article 285(1) and Article 287(1) of the Law and the indicative timeline for the Merger.
3. The independent valuation report issued by KPMG, the appointed independent valuer, regarding the independent valuation of the assets of the Company and DAT.
4. The dissolution of Watania, subject to the terms and conditions of the Merger and with effect from the Merger becoming effective, and termination of the corporate personality of the Company and for DAT to become the legal successor of the Company in all rights and obligations.
5. The authorisation of the Board of Directors of the Company, or any person so authorised by the Board of Directors, to adopt any resolution or take any action as may be necessary to implement any of the above resolutions including, without limitation, to apply for a certificate to be issued by the Securities and Commodities Authority to declare the Merger, and the dissolution of Watania, effective. The Board of Directors be authorised to communicate with the Securities and Commodities Authority, the Minister of Economy and the competent authority to de-register the Company and further to be authorised to take all necessary action to amend the records and register the Merger with all persons and entities whether official or otherwise, including the registration that DAT shall become the legal successor in all rights and obligations of the Company.

Notes

1. The shareholder circular (**Shareholder Circular**), which sets out a description of the Merger and the combined businesses of DAT and Watania following completion of the Merger, can be viewed at Watania's website at www.Watania.com or, alternatively, hard copies of the Shareholder Circular can be obtained (without charge) from the office of Watania at Al Jaziar Sports Stadium Tower, Abu Dhabi, United Arab Emirates.
2. The shareholders who will attend the General Assembly Meeting shall register via website (www.smartagm.ae). Registration will be open from 12:00 on Sunday 24 April 2022 and will close at 13:00 on Monday, 25 April 2022.
3. Any shareholder who has the right to attend the General Assembly meeting may delegate any person other than a member of the Board of Directors of the Company, employees of the Company, brokerage company or its staff under a special written power of attorney. In such a capacity, no proxy may represent more than 5% of the shares in the capital of the Company. Shareholders who are minors or interdicted shall be represented by their legal representatives. (Subject to the provision of clauses (1) and (2) of Article No. (40) of the Chairman of Authority's Board of Directors' Decision No. (3/ R.M) of 2020 concerning the approval of Public Joint Stock Companies Governance Guide).
4. Any proxy holders must send by email to FAB bank (Arranger) the proxies and any supporting documents to the following email (IS@bankfab.com) and mention his/her personal mobile number so that the Arranger can do the verification and send by short message service (SMS) with username/password for completing the registration.
5. The shareholder signature on the power of attorney referred in clause No. (4) shall be the signature approved by any of the following entities:
 - a) Notary Public.
 - b) Commercial chamber of economic department in the state.
 - c) Bank or company licensed in the state, provided that the agent shall have account with any of them.
 - d) Any other entity licensed to perform attestation works.
6. Shareholders registered in the Shareholders Register on Friday, 22 April 2022 shall be entitled to vote in the General Assembly meeting and register electronically.
7. The corporate person may delegate one of its representatives or those in charge of its management by a decision of its Board of Directors or its authorized deputy to represent such corporate person in the General Assembly of the Company. The delegated person shall have the powers as determined under the delegation decision.
8. The General Assembly meeting shall not be valid unless attended electronically by Shareholders who hold or represent by proxy at least (50%) of the Company's share capital. If this quorum is not available at the first meeting, the second meeting shall be convened on Monday 9 May 2022 in the same place and time.
9. The shareholders can access and review the Company's Financial Statements, Corporate Governance Report and any documents related to the General Assembly at the website of Abu Dhabi Securities Exchange (www.adx.ae) and the website of the Company (www.watania.ae).
10. You can view the Investors Rights Guide in securities on the main page of the Securities and Commodities Authority's official website, according to the following link: (<https://www.sca.gov.ae/ar/services/minority-investorprotection.aspx>).

11. Any shareholder or shareholders holding no less than 20% of the share capital of the Company may object to the Merger at the competent court within 30 days from the date of passing the special resolutions contemplated by this GAM in accordance with Article 287(2)(B) of the Law.
12. For the special resolution, a decision is required to be passed by the majority of the votes of the shareholder who own at least 75% of the shares represented at the General Assembly meeting

Schedule 4 SUMMARY OF INDEPENDENT VALUATION REPORT

On 13 December 2020, Dar Al Takaful PJSC (DAT) and National Takaful Company PJSC (Watania), jointly appointed KPMG, as an independent valuation specialist to undertake a valuation as at 31 December 2020 of DAT and Watania to assist the Board of Directors of DAT and Watania in determining a fair exchange consideration. On 27 May 2021, KPMG issued a valuation report to the Board of Director of DAT and Watania (the **Valuation Report**). The Valuation Report has been prepared in accordance with Article 118 of the UAE Commercial Companies Law.

The Board of DAT and Watania has reached an estimation that the fair value of 100% of the shares in DAT is in the range of AED 122,000,000 to AED 135,000,000, and that the fair value of 100% of the shares in Watania is in the range of AED 89,000,000 to AED 99,000,000.

Following detailed commercial negotiations, the terms of the Transaction, including the Exchange Ratio (as set forth below) were approved by the Board of DAT and Watania in its meeting held on 10th June 2021 and 13th June 2021, respectively. In approving the terms of the Transaction, the Board of DAT and Watania considered the work of KPMG alongside the Valuation Report that supports the Exchange Ratio reached by the Board of DAT and Watania. KPMG confirmed that, as at the date of the Valuation Report, the Exchange Ratio is fair to the Shareholders of the companies from a financial point of view.

The Board of Directors of DAT and Watania have recommended to their respective shareholders that DAT will issue 110,156,250 new shares to Watania shareholders in exchange for the transfer of 100% of the share capital of Watania. The exchange ratio is the issuance of 0.734375 DAT shares for 1 share of Watania. (the Exchange Ratio).

The Exchange Ratio is based on fully diluted net asset values of the DAT Shares and Watania as at 31 December 2020.

The Exchange Ratio was agreed between DAT and Watania following detailed commercial negotiations. In conducting these commercial negotiations, the Board of DAT and Watania considered in detail KPMG's work as independent valuation specialist, along with work done by other advisors. In negotiating the Exchange Ratio, the Board of Directors of DAT and Watania had reference to: (i) the Valuation Report; (ii) advice and assistance from their financial advisers; and (iii) a review of financial, legal and actuarial due diligence information on the businesses of DAT and Watania.

For the purposes of the valuation of DAT and Watania and preparation of the Valuation Report, KPMG considered the information provided to them by DAT and Watania, and completed analysis thereon, which included the following, amongst others:

- the audited consolidated financial statements of DAT and Watania as at and for the financial years ended 31 December 2018, 2019 and 2020 which had been prepared in accordance with IFRS;
- the unaudited management accounts of DAT and Watania as at 31 December 2020;
- the business plans for DAT and Watania prepared by their respective management;
- other relevant information made available to KPMG at its request by the management of each of DAT and Watania;
- discussions with DAT and Watania senior management and their respective Board of Directors;
- the valuation of real estate assets as well as the non-real estate assets and investments of both DAT and Watania were provided by the respective management of DAT and Watania. The valuation of real estate assets was performed by a third party expert;
- actuarial due diligence reports and solvency projections for DAT and Watania were provided by a third party expert; and
- financial and legal due diligence reports on both DAT and Watania.

Schedule 5
AMENDED ARTICLES OF ASSOCIATION

Amendment of the Articles of Association
Dar Al Takaful PJSC

ملحق تعديل النظام الأساسي
لشركة دار التكافل ش.م.ع

Dar Al Takaful PJSC, a public joint stock company established in the Emirate of Dubai, United Arab Emirates, under commercial license No. 614202 (the "**Company**").

تأسست شركة دار التكافل ش.م.ع، شركة مساهمة عامة في إمارة دبي بدولة الإمارات العربية المتحدة بموجب الرخصة التجارية رقم 614202 ("الشركة").

On [●], a general assembly meeting of the Company was held to approve the merger between the Company and National Takaful Company (Watania) PJSC, pursuant to which it was approved to amend the Company's articles of association ("**AoA**") and to increase the Company's capital to two hundred and sixty million, one hundred and fifty-six thousand and two hundred and fifty dirhams (AED 260,156,250/-) subject to, obtaining all required approvals from the appropriate authorities for the merger and the amendment of the Articles of association.

بتاريخ [●] انعقد اجتماع الجمعية العمومية للشركة وقررت بموجب قرار خاص الموافقة على الدمج مع شركة الوطنية للتكافل (وطنية) ش.م.ع وتعديل أحكام النظام الأساسي ("**النظام الأساسي**") لزيادة رأس مال ليصبح مئتان وستون مليون ومائة وستة وخمسون ألف ومائتان وخمسون (260,156,250) درهم إماراتي بعد الحصول على الموافقات المطلوبة من الجهات المختصة بتعديل المواد التالية من النظام الأساسي للشركة.

After obtaining the necessary authorities' approvals, article 7 of the AoA of the Company which states:

بعد الحصول على الموافقات المطلوبة من الجهات المختصة، فإن المادة رقم 7 من النظام الأساسي للشركة والتي تنص على ما يلي:

"The Company's capital has been affixed at One Hundred Million UAE Dirhams (AED 150,000,000/-), divided over One Hundred and Fifty Million shares whose face value is one UAE Dirham (AED 1/-) each. All Company shares shall be of the same class, identically equal in rights and obligations in every respect."

"حُدّد رأس مال الشركة بمبلغ وقدره مئة مليون (150,000,000.000) درهم موزعة على مئة و خمسون مليون سهم بقيمة اسمية قدرها درهم إماراتي واحد (1) لكل سهم، وتكون جميع أسهم الشركة من نفس المرتبة ومتساوية من كافة النواحي في الحقوق والالتزامات."

be deleted in its entirety and replaced with the following:

تلغى بأكملها وتستبدل بالآتي:

"The Company's Issued Capital has been set at two hundred and sixty million, one hundred and fifty-six thousand and two hundred and fifty dirhams (AED 260,156,250/-) divided over two hundred and sixty million, one hundred and fifty-six thousand and two hundred and fifty (260,156,250) shares whose nominal value is one UAE Dirham (AED 1) each. All shares of the Company are shares in cash, the value of which has been paid in full,

"حُدّد رأس مال الشركة المصدر بمبلغ مئتان وستون مليون ومائة وستة وخمسون ألف ومائتان وخمسون (260,156,250) درهم إماراتي موزع على مئتان وستون مليون ومائة وستة وخمسون ألف ومائتان وخمسون (260,156,250) سهم بقيمة إسمية مقدارها (1) درهم واحد، جميعها أسهم نقدية تمّ الوفاء بقيمتها كاملة، وجميع أسهم الشركة من ذات الفئة متساوية مع بعضها البعض في الحقوق والالتزامات."

and shall be of the same class and equal in rights and obligations in every respect.”

Save as amended herein, the other articles of the AOA shall remain unchanged. باستثناء ما تم تعديله، تبقى مواد النظام الأساسي الأخرى كما هي من دون تعديل.

Mr. Matar Hamdan Sultan Hamad Al Ameri
Chairman

السيد/ مطر حمدان سلطان حمد العامري
رئيس المجلس

Schedule 6
ACKNOWLEDGEMENT AND UNDERTAKINGS OF ADVISORS

M/s. Securities & Commodities Authority
P.O. Box 33733
Abu Dhabi, UAE

السادة/ هيئة الأوراق المالية والسلع
ص.ب. 33733
أبوظبي، الإمارات العربية المتحدة

Dear Sirs,

السادة المحترمين،

We, KPMG Lower Gulf Limited, confirm that we have been engaged by National Takaful Company (Watania) PJSC (“**Watania**”) and Dar Al Takaful PJSC (“**DAT**”) to provide valuation in respect of the potential merge between Watania and DAT (“**Transaction**”).

نحن، كي بي ام جي لوار جلف ليمنند، نؤكد بأنه قد تم تكليفنا من قبل شركة الوطنية للتكافل (وطنية) ش.م.ع. (“**وطنية**”) وشركة دار التكافل ش.م.ع. (“**دار التكافل**”) لتقديم أعمال التقييم بشأن الاندماج المحتمل بين وطنية ودار التكافل (“**الصفقة**”).

To the extent required of us by virtue of our appointment to provide the scope of work as outlined in the engagement letter dated 13 December 2020, we confirm that we Hereby acknowledge that we meet the conditions for the appointment of an independent, evaluator for the proposed Transaction in accordance with the provisions of Article (26) of the Resolution of the Chairman of the Board of Directors of SCA No. (11 / R.M) of 2016 on the regulations for offering and issuing of shares of public joint-stock companies and undertake to abide by the provisions of Article (27) of the same Resolution.

في حدود الأعمال المطلوبة منا وفقاً لخطاب التكليف المؤرخ 13 ديسمبر 2020 ونطاق الأعمال المذكور، نقر بأننا مستوفين لشروط التعيين كمقيم مستقل للصفقة المزمعة وفقاً لأحكام رقم (26) من قرار رئيس مجلس إدارة الهيئة رقم (11/ر.م) لسنة 2016 بشأن النظام الخاص بطرح وإصدار أسهم الشركات المساهمة العامة كما نتعهد بالالتزام بأحكام المادة رقم (27) من نفس القرار.

We also confirm that we are not contracted as auditors or financial advisors with Watania or DAT and we are independent and have no conflict of interest in this valuation.

كما نؤكد لكم بأننا لسنا مدقق حسابات أو مستشار مالي متعاقد مع وطنية أو دار التكافل وبأننا مستقلين وليس لدينا أي تعارض مصالح في هذا التقييم.

Yours sincerely,

وتقبلوا وافر التحية،

KPMG Lower Gulf Limited

كي بي ام جي لوار جلف ليمنند

M/s. Securities & Commodities Authority
P.O. Box 33733
Abu Dhabi, UAE

السادة/ هيئة الأوراق المالية والسلع
ص.ب. 33733
أبوظبي، الإمارات العربية المتحدة

Dear Sirs,

السادة المحترمين،

We, Milliman, confirm that we have been engaged by National Takaful Company (Watania) PJSC ("Watania") and Dar Al Takaful PJSC ("DAT") as actuarial experts to provide services in respect of the potential merge between Watania and DAT.

نحن، ميليمان، نؤكد بأنه قد تم تكليفنا من قبل شركة الوطنية للتكافل (وطنية) ش.م.ع. ("وطنية") وشركة دار التكافل ش.م.ع. ("دار التكافل") بصفتنا خبراء اکتواريين لتقديم الخدمات بشأن الاندماج المحتمل بين وطنية ودار التكافل.

To the extent of our scope of work as outlined in the engagement letter dated 25 November 2020, we confirm that we complied with the provisions of the federal law No. 2 of 2015 on Commercial Companies (as amended) and Chairman of SCA Resolution No. 18/RM of 2017 on the Rules of Acquisition and Merger of Public Joint Stock Companies and the Administration Decision No. 62/RT of 2017 on the Technical Requirements for Acquisition and Merger Rules. We observed the interest of the shareholders of both merging and merged companies to the extent such interest does not conflict with public interest and the rights of creditors and other stakeholders.

في حدود نطاق العمل المكلفين به وفقاً لخطاب التكليف المؤرخ 25 نوفمبر 2020، نقر بأننا قد التزمنا في عملنا بمراعاة أحكام القانون الاتحادي رقم 2 لسنة 2015 بشأن الشركات التجارية (المعدل) وقرار رئيس مجلس إدارة الهيئة رقم (18/ر.م) لسنة 2017 بشأن قواعد الاستحواذ والاندماج للشركات المساهمة العامة والقرار الإداري رقم (62/ر.ت) لسنة 2017 بشأن المتطلبات الفنية لنظام الاستحواذ والاندماج وكذلك مراعاة مصلحة مساهمي الشركات الدامجة والمندمجة بما لا يتعارض مع المصلحة العامة وحقوق الدائنين وأصحاب المصالح.

Yours sincerely,

وتقبلوا وافر التحية،

Milliman

ميليمان

M/s. Securities & Commodities Authority
P.O. Box 33733
Abu Dhabi, UAE

السادة/ هيئة الأوراق المالية والسلع
ص.ب. 33733
أبوظبي، الإمارات العربية المتحدة

Dear Sirs,

السادة المحترمين،

We, Emirates NBD Capital Limited, confirm that we have been engaged by National Takaful Company (Watania) PJSC ("Watania") and Dar Al Takaful PJSC ("DAT") as financial advisor to provide services in relation to potential merger between Watania and DAT.

نحن، الإمارات دبي الوطني كابيتال ليمنند، نؤكد بأنه قد تم تكليفنا من قبل شركة الوطنية للتكافل (وطنية) ش.م.ع. ("وطنية") وشركة دار التكافل ش.م.ع. ("دار التكافل") لنكون المستشار المالي لتقديم الخدمات بشأن عملية الاندماج المحتمل بين وطنية ودار التكافل.

To the extent of our scope of work as outlined in the engagement letter dated 16 December 2020, we confirm that we complied with the provisions of the federal law No. 2 of 2015 on Commercial Companies (as amended) and Chairman of SCA Resolution No. 18/RM of 2017 on the Rules of Acquisition and Merger of Public Joint Stock Companies and the Administration Decision No. 62/RT of 2017 on the Technical Requirements for Acquisition and Merger Rules. We observed the interest of the shareholders of both merging and merged companies to the extent such interest does not conflict with public interest and the rights of creditors and other stakeholders.

في حدود نطاق العمل المكلفين به، وفقاً لخطاب التكليف المؤرخ 16 ديسمبر 2020 نقر بأننا قد التزمنا في عملنا بمراعاة أحكام القانون الاتحادي رقم 2 لسنة 2015 بشأن الشركات التجارية (المعدل) وقرار رئيس مجلس إدارة الهيئة رقم (18/ر.م) لسنة 2017 بشأن قواعد الاستحواذ والاندماج للشركات المساهمة العامة والقرار الإداري رقم (62/ر.ت) لسنة 2017 بشأن المتطلبات الفنية لنظام الاستحواذ والاندماج وكذلك مراعاة مصلحة مساهمي الشركات الدامجة والمندمجة بما لا يتعارض مع المصلحة العامة وحقوق الدائنين وأصحاب المصالح.

وتقبلوا وافر التحية،

Yours sincerely,

الإمارات دبي الوطني كابيتال ليمنند

Emirates NBD Capital Limited

السادة/ هيئة الأوراق المالية والسلع
ص.ب. 33733
أبوظبي، الإمارات العربية المتحدة
السادة المحترمين
التاريخ _____

نتعهد نحن الموقعين أدناه، الممثل القانوني لمكتب إبراهيم ومشاركوه، بإننا قد شاركنا كمستشار قانوني خارجي لشركة دار التكافل ش.م.ع. ("الشركة الدامجة") فيما يتعلق بعملية اندماج الشركة الدامجة وشركة الوطنية للتكافل (وطنية) ش.م.ع. ("الشركة المندمجة") ونقر بإننا قد بذلنا عناية الشخص الحريص في دراسة كافة المعلومات والمستندات التي تم تزويدنا بها من قبل الشركة المندمجة وراعينا السبل القانونية المهنية المتعارف عليها دولياً فيما يتعلق بعمليات الاندماج، بما في ذلك تقديم الرأي والمشورة القانونية لمجلس إدارة الشركة المندمجة والتأكيد على المصلحة العامة وحقوق الدائنين والأطراف أصحاب المصالح وذلك بناء على أحكام المادة 7/47 من قرار رئيس مجلس إدارة هيئة الأوراق المالية والسلع رقم 18/ر.م. لعام 2017 بشأن قواعد الاستحواذ والاندماج للشركات المساهمة العامة وذلك في ضوء المعلومات والمستندات والقرارات المكتوبة والشفهية التي تم تزويدنا بها من قبل الشركة.

وتقبلوا وافر التحية

أحمد إبراهيم
الشريك القائم بالإدارة
مكتب إبراهيم ومشاركوه

M/s. Securities & Commodities Authority
P.O. Box 33733
Abu Dhabi, UAE

السادة/ هيئة الأوراق المالية والسلع
ص.ب. 33733
أبوظبي، الإمارات العربية المتحدة

Dear Sirs,

السادة المحترمين،

We, Grant Thornton, in our capacity as the current external auditors of Dar Al Takaful PJSC (the "Company"), hereby undertake to inform the shareholders of the Company of any material events that occurred during the merger period in accordance with paragraph (6) of Article (49) of the Chairman of SCA Resolution No. 18/RM on the Rules of Acquisition and Merger of Public Joint Stock Companies.

نحن، جرانت ثورنتون، بصفتنا مدقق الحسابات الخارجي لشركة دار التكافل ش.م.ع. ش.م.ع. ("الشركة") بموجب هذا الخطاب نتعهد باطلاع مساهمي الشركة على أي أحداث جوهرية تكون قد طرأت خلال فترة الاندماج وفقاً لحكم الفقرة (6) من المادة (49) من قرار رئيس مجلس إدارة الهيئة رقم (18/ر.م) لسنة 2017 بشأن قواعد الاستحواذ والاندماج للشركات المساهمة العامة.

Yours sincerely,

وتقبلوا وافر التحية،

Grant Thornton

جرانت ثورنتون

M/s. Securities & Commodities Authority
P.O. Box33733
Abu Dhabi, UAE

السادة/ هيئة الأوراق المالية والسلع
ص.ب. 33733
أبوظبي، الإمارات العربية المتحدة

Dear Sirs,

السادة المحترمين،

We, Ernest and Young Middle East (Abu Dhabi Branch), in our capacity as the current external auditors of National Takaful Company (Watania) PJSC (the "**Company**"), hereby undertake to inform the shareholders of the Company of any material events that occurred during the merger period in accordance with paragraph (6) of Article (49) of the Chairman of SCA Resolution No. 18/RM on the Rules of Acquisition and Merger of Public Joint Stock Companies.

نحن، إرنست ويونغ الشرق الأوسط (فرع أبوظبي)، بصفتنا مدقق الحسابات الخارجي لشركة الوطنية للتكافل (وطنية) ش.م.ع. ("الشركة") بموجب هذا الخطاب نتعهد باطلاع مساهمي الشركة على أي أحداث جوهرية تكون قد طرأت خلال فترة الاندماج وفقاً لحكم الفقرة (6) من المادة (49) من قرار رئيس مجلس إدارة الهيئة رقم (18/ر.م) لسنة 2017 بشأن قواعد الاستحواذ والاندماج للشركات المساهمة العامة.

وتقبلوا وافر التحية،

Yours sincerely,

إرنست ويونغ الشرق الأوسط
(فرع أبوظبي)

Ernest and Young Middle East (Abu Dhabi Branch)

M/s. Securities & Commodities Authority
P.O. Box 33733
Abu Dhabi, UAE

السادة/ هيئة الأوراق المالية والسلع
ص.ب. 33733
أبوظبي، الإمارات العربية المتحدة

Dear Sirs,

السادة المحترمين،

We, Hadeef & Partners LLC, in our capacity as legal advisors to National Takaful Company (Watania) PJSC ("Company") confirm that we have been engaged to provide legal services to the Company in respect of its potential merger with Dar Al Takaful PJSC. Our scope of work is composed of conducting legal due diligence on Dar Al Takaful PJSC ahead of the merger and providing legal advice to the Company in relation to its merger with Dar Al Takaful PJSC.

نحن، مكتب هادف وشركاؤه ذ.م.م، بصفتنا المستشار القانوني لشركة الوطنية للتكافل (وطنية) ش.م.ع. ("الشركة") نؤكد بأنه قد تم تكليفنا لتقديم الخدمات القانونية للشركة بشأن اندماجها المحتمل مع شركة دار التكافل ش.م.ع. ويتمثل نطاق عملنا في إجراء الفحص القانوني النافي للجهالة على شركة دار التكافل ش.م.ع. تمهيداً لعملية الاندماج بالإضافة إلى تقديم المشورة القانونية للشركة بشأن اندماجها مع شركة دار التكافل ش.م.ع.

To the extent of our scope of work, we confirm that we complied with the provisions of the federal law No. 2 of 2015 on Commercial Companies (as amended) and Chairman of SCA Resolution No. 18/RM of 2017 on the Rules of Acquisition and Merger of Public Joint Stock Companies and the Administration Decision No. 62/RT of 2017 on the Technical Requirements for Acquisition and Merger Rules. We observed the interest of the shareholders of both merging and merged companies to the extent such interest does not conflict with public interest and the rights of creditors and other stakeholders.

في حدود نطاق العمل المكلفين به، نقر بأننا قد التزمنا في عملنا بمراعاة أحكام القانون الاتحادي رقم 2 لسنة 2015 بشأن الشركات التجارية (المعدل) وقرار رئيس مجلس إدارة الهيئة رقم (18/ر.م) لسنة 2017 بشأن قواعد الاستحواذ والاندماج للشركات المساهمة العامة والقرار الإداري رقم (62/ر.ت) لسنة 2017 بشأن المتطلبات الفنية لنظام الاستحواذ والاندماج وكذلك مراعاة مصلحة مساهمي الشركات الدامجة والمندمجة بما لا يتعارض مع المصلحة العامة وحقوق الدائنين وأصحاب المصالح.

وتقبلوا وافر التحية،

Yours sincerely,

ياسر عبدالخالق عمر
شريك
هادف وشركاؤه ذ.م.م.

Yasser Abdelkhalek Omar
Partner
Hadeef & Partners LLC

DAT

O-14 Tower 8th Floor,
Al Abraj St., Business Bay,
P.O Box 235353
Dubai, UAE.

Watania

4th Floor, Al Jazira Sports Complex
Tower "A" Al Muroor Rd. (4th St.)
Opposite to Dusit Thani Hotel
PO Box 6457
Abu Dhabi, UAE

LEGAL ADVISER TO DAT

IBRAHIM & PARTNERS

24th Floor, Al Sila Tower
ADGM Square
Abu Dhabi, UAE

LEGAL ADVISER TO WATANIA

Hadeef & Partners

Blue Tower, 12th Floor
Khalifa Street
Abu Dhabi, UAE

FINANCIAL ADVISER TO DAT

FINANCIAL ADVISER TO WATANIA

EMCAP

Emirates NBD Capital Limited

DIFC, West Wing, 12 Floor,
The Gate Building,
P.O.Box 506710, Dubai, UAE

**INDEPENDENT VALUER and INDEPENDENT
FINANCIAL, VAT and IT ADVISOR TO DAT**

**INDEPENDENT VALUER and INDEPENDENT
FINANCIAL, VAT and IT ADVISOR TO WATANIA**

KPMG

KPMG Lower Gulf Limited
Level 13, Boulevard Plaza Tower One
Mohammed Bin Rashid Boulevard
P.O. Box 3800
Downtown Dubai, UAE

**INDEPENDENT ACTUARIAL DILIGENCE
ADVISOR TO DAT**

**INDEPENDENT ACTUARIAL DILIGENCE
ADVISOR TO WATANIA**

Milliman

Milliman, Inc.
Liberty House
Unit 511, Level 5
Dubai International Financial Centre
P.O. Box 506784
Dubai, UAE