

## Management discussion report and analysis of the board of directors of the listed public shareholding

<b>Date</b>	12 August 2022			
<b>Name of the Listed Company</b>	Dar Al Takaful PJSC			
<b>The period of the financial statements covered by the report</b>	For the period ended June 30, 2022			
<b>Overview of the main results during the financial period</b>	Dar Al Takaful PJSC reported Net Loss of (AED 10.3) million for the period as compared to Net profit of AED 14.4 million for the same period last year.			
<b>Securities issued during the financial period</b>	None			
<b>Summary of the most important non-financial events and developments during the financial period</b>	Following the approval of the merger of Dar Al Takaful with Watania, the company is now in process of the integration phase, which is expected to take place in Q3 2022.			
<b>Summary of operational performance during the financial period</b>	The total takaful income dropped by 26.6% from AED 61.1 million compared to AED 83.2 million for the same period last year.			
<b>Summary of profit and loss during the financial period</b>	<b>in AED Mn</b>	<b>H1 2022</b>	<b>H1 2021</b>	<b>Var</b>
	Total takaful income	61.1	83.2	-26.6%
	Policyholder	(21.1)	0.7	-3207.4%
	Shareholder	10.8	13.7	-21.1%
	Net Profit	(10.3)	14.4	-171.7%

<b>Summary of financial position as at the end of the financial period</b>	<b>In AED Mn</b>	<b>H1 2022</b>	<b>FY 2021</b>	<b>Var</b>
	Total Assets	1,565.0	1,583.1	-1.1%
	Total Liabilities	1,424.0	1,430.8	-0.5%
	Total Shareholders' Equity	141.0	152.2	-7.4%
<b>Summary of cash flows during the financial period</b>	<b>in AED Mn</b>	<b>H1 2022</b>	<b>H1 2021</b>	
	Net cash (used in)/ generated from operating activities	5.0	(14.6)	
	Net cash (used in) generated from investing activities	(4.2)	80.3	
	Net cash used in financing activities	(10.2)	(120.3)	
<b>Main performance indicators</b>	The (Loss)/Earnings Per Share for the period is (0.069), down by 171.7% versus H1 2021.			
<b>Expectations for the sector and the company's role in these expectations</b>	Market remains competitive, with the Watania merger, Dar Al Takaful aims to come out stronger and deliver improved returns to its shareholders.			
<b>Expectations regarding the economy and its impact on the company and the sector</b>	The economy has rebounded in response to positive government actions to contain the pandemic. This has resulted in increased levels of activities in most business sectors. The Company expects benefits to percolate across the economy, especially the insurance/ takaful sector.			
<b>Future plans for growth and changes in operations in future periods</b>	<p>The company is focused on its mission to provide protection and deliver peace of mind.</p> <p>Through the merger between DAT and Watania, the new combined entity DAT PJSC is well positioned to create value for all its stakeholders while focusing on growth and benefitting from the potential realization of significant cost and revenue synergies, as well as reduced operating expenses and better IT platforms.</p>			

<p><b>The size and impact of current and projected capital expenditures on the company</b></p>	<p>The capital commitments for the period amounts to AED 4 million.</p>
<p><b>The developments of the implementation of projects, plans and transactions and deals that were discussed by the company's board of directors in the report for the previous fiscal year</b></p>	<p>The Board provides ongoing oversight in line with the company's strategy, through a combination of direct meetings and board committees.</p>

<p><b>The name of the chairman of the company or the authorized signatory</b></p>	<p>Gautam Datta, CEO</p>
<p><b>Signature and Date</b></p>	<p> 11-08-2022</p>
<p><b>Company's Seal</b></p>	