

Discussion report and analysis of the board of directors of the listed public shareholding company

Date	11/08/2021
Name of the Listed Company	Dar Al Takaful PJSC
The period of the financial statements covered by the report	Six months ending June 30, 2021
Overview of the main results during the financial period	In first half 2021, Dar Al Takaful PJSC achieved Net Profit of AED 14.39 million as compared to AED 5.48 million in first half 2020, driven by the acquisition of Noor Takaful in July 2020 and strong technical underwriting results. EPS increased by 162% from 0.037 to 0.096.
Securities issued during the financial period	None
Summary of the most important non-financial events and developments during the financial period	Post-acquisition of Noor Takaful and with a new vision and strategic direction, the company has been able to increase its top line by 109% in the first half of the year from AED201M in 2020 to AED420M in 2021, despite the ongoing pandemic. Addition of the Family Takaful business line has added to the range of general takaful and medical takaful products of the company. Strong business continuity discipline ensured safety for employees via a work-from-home operating model while meeting customer service standards.
Summary of operational performance during the financial period	Ongoing underwriting discipline and improved retakaful arrangements resulted in an 81.5% increase in total takaful income of AED 83.2M compared to AED 45.8M for the same period last year.

Summary of profit and loss during the financial period	in AED Mn	Six Months Jun-21	Six months Jun-20	Var
	Total takaful income	83.2	45.9	81.5%
	Policyholder	0.7	(13.4)	105.1%
	Shareholder	13.7	18.9	-27.4%
	Net Profit	14.4	5.5	162.3%
Summary of financial position as at the end of the financial period	In AED Mn	Jun-21	FY 2020	Var
	Total Assets	1,644.0	1,662.5	-1.1%
	Total Liabilities	1,498.9	1,517.1	-1.2%
	Total Shareholders' Equity	145.0	145.4	-0.3%
Summary of cash flows during the financial period	in AED Mn	Six Months Jun-21	Six months Jun-20	
	Net cash (used in)/ generated from operating activities	(17.0)	24.5	
	Net cash generated from/ (used in) investing activities	82.8	(16.7)	
	Net cash used in financing activities	(120.3)	-	
Main performance indicators	The Earnings Per Share for the year reached to 0.096 recorded a significant increase of 162% as compared to last year of 0.037.			
Expectations for the sector and the company's role in these expectations	With the on-going pandemic, the company expects 2021 to be challenging for the insurance sector with rising motor and medical loss ratios. Despite these challenging times the company has planned and expects to deliver better results for its shareholders going forward.			
Expectations regarding the economy and its impact on the company and the sector	The company expects to see a gradual improvement in the economy as businesses adapt to the new normal, resulting in a positive impact on the company.			

Future plans for growth and changes in operations in future periods	The company is focused on its vision to provide protection and deliver peace of mind. Its long-term strategy is to deliver growth and enhance shareholder value via innovation and technological efficiencies.
The size and impact of current and projected capital expenditures on the company	Net capital expenditure for the year 2021 was AED 6.9M.
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	The Board provided oversight throughout year, especially in the transition of renewals and new business from Dar Al Takaful to Noor Takaful, in line with the company's strategy.

The name of the chairman of the company or the authorized signatory	Rajesh Sethi Chief Executive Officer
Signature and Date	11/08/2021 
Company's Seal	