


The discussion report and analysis of the board of directors of the listed public shareholding company

Date	21st March 2023			
Name of the Listed Company	Dar Al Takaful PJSC			
The period of the financial statements covered by the report	For the year ended December 31, 2022			
Overview of the main results during the financial period	The combined impacts of one-off merger costs, the increased hospital utilization post covid and market driven pricing pressure impacted the results negatively. The company reported a Net loss of (AED 55.0 million) for the period as compared to Net Profit of AED 21.6 million for the same period last year.			
Securities issued during the financial period	On July 1, 2022, the company merged with National Takaful Company PJSC (Watania) via share swap. As a result of which its paid-up share capital increased from AED 150mn to AED 260mn.			
Summary of the most important non-financial events and developments during the financial period	During the year, company completed its merger and integration with National Takaful Company PJSC (Watania).			
Summary of operational performance during the financial period	The total takaful income has decreased by 12% from AED 159.1 million in FY 2021 to AED 139.6 million this period.			
Summary of profit and loss during the financial period				
	in AED Mn	FY 2022	FY 2021	Var
	Total takaful income	139.6	159.1	-12.3%
	Policyholder	(91.6)	(15.4)	494.8%
	Shareholder	36.5	37.0	-1.2%
Net (Loss)/ Profit	(55.0)	21.6	-355.0%	

Summary of financial position as at the end of the financial period	In AED Mn	FY 2022	FY 2021	Var
	Total Assets	1,820.9	1,583.1	15.0%
	Total Liabilities	1,614.8	1,430.8	12.9%
	Total Shareholders' Equity	206.1	152.2	35.4%
Summary of cash flows during the financial period	in AED Mn	FY 2022	FY 2021	
	Net cash generated from/ (used in) operating activities	4.1	(39.8)	
	Net cash generated from investing activities	85.1	65.1	
	Net cash used in financing activities	(19.9)	(123.7)	
Main performance indicators	The company reported an exceptional loss for the period with Loss per share of (0.212) as compared to Earnings per share of 0.144 for the same period last year.			
Expectations for the sector and the company's role in these expectations	We expect the pricing pressure to subside in Motor and Medical line of business which will help company deliver better underwriting profits in 2023.			
Expectations regarding the economy and its impact on the company and the sector	The UAE economy has maintained its growth momentum in FY 2022 despite of increase in interest rates globally. Positive government actions to contain the pandemic continues to result in increased levels of activities in most business sectors. The Company expects benefits to percolate across the economy, especially the insurance/ takaful sector.			
Future plans for growth and changes in operations in future periods	2022 has been a year of transition whereby we made concerted efforts towards executing and implementing the merger, which completed in July, and resetting the DAT business to benefit from more normalized market conditions post Covid and its aftermath. The Group is better positioned both operationally and strategically to ensure that 2023 is the year where significant recovery and a return to more normal levels of profitability can be achieved.			

The size and impact of current and projected capital expenditures on the company	The expected net capital expenditures for the coming year is AED 7.5 million.
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 provides ongoing oversight in line with the company's strategy, through a combination of direct meetings and board committees.

The name of the chairman of the company or the authorized signatory	Gautam Datta, CEO
Signature and Date	21 st March 2023 
Company's Seal	