

PRESS RELEASE

Dar Al Takaful (DAT) announces H1 2022 results

This report does not include the consolidated financial statements following the completion of the merger between DAT and Watania on 1 July 2022

Dubai, UAE, August 12, 2022 – Dar Al Takaful (DAT) reported its interim financial results for the financial year 2022.

DAT's strong overall financial fundamentals and resilience positioned the company to capitalize on growth opportunities, particularly pursuing and completing the merger with Watania at the end of the first half. As such, this is the last quarter for DAT's independent financial reporting with the Dar Al Takaful PJSC, the combined listed entity on DFM, set to report its consolidated financials starting from the third quarter this year.

Key highlights:

- Gross written contributions down marginally by 4.4% from AED 420.0 million in H1 2021 to AED 401.4 million in H1 2022 with aggressive deleveraging and de-risking measures implemented
- Operating expenses increased due to rising inflationary environment and one-off merger transaction expenses
- Net loss of AED 10.3 million in H1 2022 due to impacts of COVID-19, pricing pressures, investment losses in Q2 2022, and one-off merger related expenses

The company is already seeing the positive outcomes of these turnaround measures with the Family and Individual Family segments delivering robust results, and the Medical Insurance segment growing steadily by 9% while investment income increased to AED 5.6 million during the first half of this year as compared H1 2021.

Dr. Ali Saeed Bin Harmal Aldhaferi, Chairman of DAT, said:

“As the economy has rebounded in response to positive government actions, this will have a positive flow on effect on the various business sectors including the broader insurance and Takaful industry. While we continued to address the lingering impacts of the COVID-19 pandemic and the significant headwinds resulting from rising inflation and interest rates globally, we have successfully implemented proactive measures and precautions to rebalance our portfolio and limit outsized exposure.

Through the merger between DAT and Watania, the new combined entity DAT PJSC is well positioned to benefit from the potential realization of significant cost and revenue synergies, as well as reduced operating expenses and better IT platforms. In addition, risk will be diversified across a larger policyholder base and product portfolio, thereby reducing exposure to single events.”

”

Mr Aldhaheri added: “Our larger scale as one of the leading Takaful providers in a highly fragmented market will help us better manage risk, expand geographic reach, as well as generate sustainable returns and create value for our shareholders and key stakeholders. With a substantially larger balance sheet exceeding AED 2 billion in total assets, we can develop new and innovative products to meet the evolving needs of Takaful customers while maintaining long term competitive edge in the market and supporting our drive to benefit from future growth opportunities including exploring possibilities to expand beyond the UAE.”

ENDS

About Dar Al Takaful PJSC

Dar Al Takaful PJSC was established in 2008 with a paid-up capital of AED 150 million as a Shari’ah-Compliant insurance company. In 2020, it completed the acquisition of Noor Takaful Family PJSC and Noor Takaful General PJSC. An award-winning insurance company, Noor Takaful has won the prestigious Insurance Brand of The Year 2021 award, conferred by Global Banking and Finance Review), as well as the Best Takaful Company 2021 and Most Innovative Takaful Company 2021, both awarded by World Business Outlook.

Dar Al Takaful PJSC vision is to provide protection and peace of mind. In line with its vision, Dar Al Takaful offers innovative ethical insurance solutions and promotes a culture of excellence among its staff. It offers a full range of takaful products - general, medical, and family - to both individuals and companies in the UAE. The products are offered at its head office in Dubai, online at noortakaful.com, and through its branches in Abu Dhabi, Sharjah, and Ajman.