

METHAQ TAKAFUL INSURANCE COMPANY P.S.C.

Report of the Board of Directors
for the year ended 31 December 2020

The Shareholders'

Peace be upon you

On behalf of the Board of Directors, we are pleased to present the financial results of Methaq Takaful Insurance Company PSC for the year ended 31 December 2020.

Methaq succeeded in implementing its plans for the year 2020 based on achievable strategic goals. This is a reflection of the continued confidence and support of its shareholders and customers along with Methaq's team that is comprised of professionals and technical experts. Our strategic direction focuses on the following key objectives to deliver enhanced sustainable returns for the Policyholders and the Shareholders:

- Targeted profitable growth;
- Performance Management of Takaful portfolios;
- Operational excellence; and
- Optimal Retakaful agreements for all takaful portfolios.

The Company has recognized a net profit of AED 8,229,177 for the year ended 31 December 2020 compared to a net profit of AED 3,885,074 for the year ended 31 December 2019. The reason behind increasing the profit due to enhancing Takaful income & reduction in general and administration expenses.

Management has implemented successful strategies in the year 2020 in respect of underwriting and claims management process according to the below results :

Brief of the statement of financial position:	<u>2020</u>	<u>2019</u>
Total assets	711,114,745	685,344,840
Total liabilities	618,808,770	601,268,042
Total Shareholders' equity	92,305,975	84,076,798

Brief of the income statement:

Total revenues (gross contributions written)	282,081,395	282,596,590
Profit for the year	8,229,117	3,885,074
Earning per share	0.055	0.026

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for the year ended 31 December 2019 (continued)

As for the Company's future plans for the year 2021, the Company has developed plan supported by a set of ambitious goals especially takaful portfolios and retakaful agreements, The company expects a significant improvement in performance and results for 2020.

Methaq has a very sound corporate governance in place and all the regulatory and legislative compliance is made timely, thereby reflecting a positive image of the Company .

On behalf of the Board of Directors, we reiterate our commitment to the growth and development of the UAE and particularly to Abu Dhabi's 2030 vision under the leadership of His Highness Sheikh Khalifa bin Zayed Al Nahyan, the President of the UAE and the Ruler of Abu Dhabi and His Highness Sheikh Mohammed bin Rashid Al Maktoum, the Vice President, the Ruler of Dubai, and His Highness Sheikh Mohammed bin Zayed Al Nahyan, the Crown Prince and all the Rulers of the UAE.

We also take this opportunity to thank and appreciate the staff and the management of Methaq Takaful Insurance Company PSC for their continued efforts, hard work, and sincerity. We also express our sincere thanks to the Company's Shareholders and clients.

Yousif Hussain Al Sahlawi
Chairman of the Board of Directors



18 March 2021