

Methaq Takaful Insurance Company PSC

THE ANNUAL REPORT OF THE BOARD OF DIRECTORS

Year ended 31 December 2016

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 2016.

Methaq succeeded in implementing its plans for the year 2016 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 recognised a net profit of AED 9,329,883 for the year ended 31 December 2016 compared to a restated net profit of AED 694,957 for the year ended 31 December 2015. The Company has achieved total comprehensive income of AED 7,557,883 during 2016 that led to the increase of the shareholders' equity to AED 79,929,837 as at 31 December 2016 compared to AED 72,371,954 as at 31 December 2015.

Management has implemented successful strategies in the year 2016 in respect of underwriting and claims management process where all takaful portfolios showed positive performance.

The results are summarized as below:

	31 December 2016 AED	31 December 2015 AED (Restated)
Brief of the statement of financial position:		
Total assets	411,112,589	360,318,304
Total liabilities	331,182,752	287,946,350
Total shareholders' equity	79,929,837	72,371,954
Brief of the income statement:		
Total revenues (gross takaful contributions written)	264,716,683	238,300,977
Profit for the year	9,329,883	694,957
Earning per share	0.062	0.005

Methaq Takaful Insurance Company PSC

THE ANNUAL REPORT OF THE BOARD OF DIRECTORS continued Year ended 31 December 2016

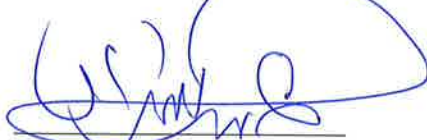
As for the Company's future plans for the year 2017, the Company has developed a budget plan supported by a set of ambitious goals especially takaful portfolios and retakaful agreements, operating expenses, and profitability. The company expects a significant improvement in performance and results for 2017.

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 and entrusting strong confidence amongst its customers, staff and all concerned entities.

On behalf of the Board of Directors, we reiterate our commitment to the growth and development of the UAE and particularly to the 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, clients, and all those institutions and individuals with whom the company deals in the UAE locally, in the region, and at the international level.

On Behalf of the Board of Directors



Ali Zaid Al-Mansoori

Chairman

Date

28/3/2017

