

Detailed Analysis of accumulated losses

Date:	18/03/2021
Listed company name:	Methaq Takaful Insurance Company P.S.C.
Define the period of the financial statement	Annual 2020
Accumulated losses:	AED 46,255,386
Accumulated losses to capital ratio:	30.83 %
The main reason leading to these accumulated losses and their history:	These accumulated losses have been continued since 2011, mainly due to the loss of the fair value of the financial and real estate investments amounting to 47 million dirhams due to the fluctuations in the financial markets and the fair value of real estate.
Measures to be taken to address accumulated losses	The Company has adjusted the business plan for 2020 onwards, Accordingly, these condensed financial statements have been prepared under the going concern basis as the Directors consider these losses to be temporary and expect the Company to generate profits from future takaful operations. Also board of directors approved to increase the company capital to support the operations and expansions.

Authorized Signatory

General Manager / Mahmoud Abdel Jawad

