

**ISLAMIC ARAB INSURANCE CO. (SALAMA) PJSC
AND ITS SUBSIDIARIES**

**Review report and condensed consolidated
interim financial information
for the three month period ended 31 March 2020**

ISLAMIC ARAB INSURANCE CO. (SALAMA) PJSC AND ITS SUBSIDIARIES

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INDEPENDENT AUDITOR'S REVIEW REPORT

**The Board of Directors of
Islamic Arab Insurance Co. (Salama) PJSC and its Subsidiaries
Dubai, United Arab Emirates**

Introduction

We have reviewed the accompanying condensed consolidated statement of financial position of **Islamic Arab Insurance Co. (Salama) PJSC (the "Company") and its Subsidiaries (together the "Group")** – Dubai, United Arab Emirates as at 31 March 2020 and the related condensed consolidated statements of profit or loss, comprehensive income, changes in equity and cash flows for the three month period then ended. Management is responsible for the preparation and presentation of this condensed consolidated interim financial information in accordance with International Accounting Standard 34 Interim Financial Reporting. Our responsibility is to express a conclusion on this condensed consolidated interim financial information based on our review.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity." A review of condensed consolidated interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Basis for Qualified Conclusion

1. The Group's investment property, which is carried at AED 144 million in the condensed consolidated statement of financial position, includes investment property with a carrying amount of AED 85 million. We were unable to complete our review of the aforementioned investment property because we could not determine if the Group owned the aforementioned investment property and we could not determine if the judgements applied and estimates made in the determination of the fair value of the investment property were appropriate. Had we been able to complete our review of the aforementioned investment property, matters might have come to our attention indicating that adjustments might be necessary to the condensed consolidated interim financial information. Our audit opinion on the consolidated financial statements for the year ended 31 December 2019 was modified in respect of this matter.

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INDEPENDENT AUDITOR'S REVIEW REPORT To The Shareholders of Islamic Arab Insurance Co. (Salama) and its subsidiaries (continued)

Basis for Qualified Conclusion (continued)

2. The Group's investments, which are carried at AED 508 million in the condensed consolidated statement of financial position, include Islamic placement investments of AED 46 million, available-for-sale investments of AED 58 million and held to maturity investments of AED 66 million. We were unable to complete our review of the Islamic placement investments, available-for-sale investments and held to maturity investments above because we could not determine if the Group owned these investments and we could not determine if the judgements applied and estimates made in the determination of the fair value of the investments were appropriate. Had we been able to complete our review of these investments, matters might have come to our attention indicating that adjustments might be necessary to the condensed consolidated interim financial information. Our audit opinion on the consolidated financial statements for the year ended 31 December 2019 was modified in respect of this matter.
3. The Group's other assets, which are carried at AED 398 million in the condensed consolidated statement of financial position, include other receivables with a carrying amount of AED 34 million. We were unable to complete our review of the other receivables as we could not inspect any supporting documentation relating to the other receivables. Had we been able to complete our review of the other receivables, matters might have come to our attention indicating that adjustments might be necessary to the condensed consolidated interim financial information. Our audit opinion on the consolidated financial statements for the year ended 31 December 2019 was modified in respect of this matter.

Qualified Conclusion

Except for the adjustments to the condensed consolidated interim financial information that we might have become aware of had it not been for the matters described above, based on our review, nothing has come to our attention that causes us to believe the accompanying condensed consolidated interim financial information is not prepared, in all material respects, in accordance with International Accounting Standard 34 Interim Financial Reporting.

Deloitte & Touche (M.E.)



Signed by:
Akbar Ahmad
Registration No. 1141
21 May 2020
Sharjah, United Arab Emirates

**Condensed consolidated statement of financial position
at 31 March 2020**

	Notes	31 March 2020 (unaudited) AED'000	31 December 2019 (audited) AED'000
Assets			
Property and equipment		44,710	47,166
Goodwill and intangibles		116,043	116,217
Investment properties	6	143,604	144,451
Right of use assets		8,844	9,769
Investment in associates	7	98,755	96,215
Deposits		213,476	213,515
Investments	8	507,878	450,240
Participants' investments in unit-linked contracts		1,649,456	1,993,522
Deposits with takaful and retakaful companies		2,151	2,111
Contributions and takaful balance receivables		362,337	172,846
Retakafuls' share of outstanding claims		185,065	161,559
Retakafuls' share of unearned contribution		239,638	136,234
Amounts due from related parties	9	10,000	-
Other assets and receivables		398,309	428,958
Bank balances and cash		91,872	162,114
Assets held-for-sale	10	58,423	57,616
Total assets		4,130,561	4,192,533
Liabilities and policyholders' fund			
Outstanding claims and family takaful reserve		514,949	485,017
Payable to participants for unit-linked contracts		1,641,915	1,983,043
Unearned contribution reserve		451,259	264,440
Takaful balances payable		235,196	123,577
Other payables and accruals		378,668	439,067
Lease liabilities		9,008	9,906
Amount due to related parties	9	36	-
Liabilities against assets held-for-sale	10	46,926	42,228
Total liabilities		3,277,957	3,347,278
Policyholders' fund		-	-
Total liabilities and policyholders' fund		3,277,957	3,347,278

The accompanying notes form an integral part of these condensed consolidated interim financial information.

**Condensed consolidated statement of financial position
at 31 March 2020 (continued)**

	Notes	31 March 2020 (unaudited) AED'000	31 December 2019 (audited) AED'000
Equity			
Share capital	11	1,210,000	1,210,000
Treasury shares	12	(35,972)	(35,972)
Statutory reserve	13	82,320	82,320
Accumulated losses		(363,175)	(376,824)
Other reserves	14	(111,869)	(107,740)
Equity attributable to Owners of the Company		781,304	771,784
Non-controlling interest		71,300	73,471
Total equity		852,604	845,255
Total liabilities, policyholders' fund and equity		4,130,561	4,192,533

To the best of our knowledge, and in accordance with the applicable reporting principles for interim financial reporting, the condensed consolidated interim financial statements present fairly in all material respects the consolidated financial position, financial performance and cash flows of the Group.



Jassim Mohammed Alseddiqi
Chairman



Mustafa Kheriba
Managing Director

The accompanying notes form an integral part of these condensed consolidated interim financial information.

**Condensed consolidated statement of profit or loss (unaudited)
for the three month period ended 31 March 2020**

	Three month period ended 31 March	
	2020	2019
	AED'000	AED'000
		Represented
Continuing operations		
Underwriting income		
Gross written contributions	440,977	350,881
Less: reinsurance and retakaful contributions ceded	(179,986)	(79,751)
Net contributions	<u>260,991</u>	<u>271,130</u>
Net movement in unearned contributions	(83,490)	(57,407)
Contributions earned	<u>177,501</u>	<u>213,723</u>
Commission income on ceded reinsurance and retakaful	9,009	6,894
	<u>186,510</u>	<u>220,617</u>
Underwriting expenses		
Gross claims paid	112,021	103,962
Less: reinsurance and retakaful share of claims paid	(55,892)	(42,282)
Net claims paid	<u>56,129</u>	<u>61,680</u>
Net movement in outstanding claims and family takaful reserve	8,729	5,594
Claims incurred	<u>64,858</u>	<u>67,274</u>
Commission expense and other costs	87,151	107,953
	<u>152,009</u>	<u>175,227</u>
Net underwriting income	<u>34,501</u>	<u>45,390</u>
Income from other sources		
Income from investments	7,658	8,816
Other income	5,457	2,980
	<u>47,616</u>	<u>57,186</u>
Expenses		
General, administrative and other expenses	(28,784)	(29,839)
Financial expenses	(598)	(450)
Profit before tax for the period	<u>18,234</u>	<u>26,897</u>
Taxation – current	(1,495)	(5,050)
Profit after tax for the period before distribution to policyholders for continued operations	<u>16,739</u>	<u>21,847</u>
Distribution to policyholders of company	-	-
Profit after tax and distribution to policyholders for continued operations for the period	<u>16,739</u>	<u>21,847</u>

The accompanying notes form an integral part of these condensed consolidated interim financial information.

**Condensed consolidated statement of profit or loss (unaudited)
for the three month period ended 31 March 2020 (continued)**

	Three month period ended 31 March	
	2020	2019
	AED'000	AED'000
		Re-presented
Discontinued operations		
Loss from discontinued operations	(3,604)	(3,773)
	<hr/>	<hr/>
Profit after tax and distribution to Policyholders	13,135	18,074
	<hr/> <hr/>	<hr/> <hr/>
Attributable to:		
Shareholders	13,649	14,960
Non-controlling interest	(514)	3,114
	<hr/>	<hr/>
	13,135	18,074
	<hr/> <hr/>	<hr/> <hr/>
Basic and diluted earnings per share (AED) (Note 17)	0.011	0.013
	<hr/> <hr/>	<hr/> <hr/>
Basic and diluted earnings per share (AED) – continuing operations	0.014	0.015
	<hr/> <hr/>	<hr/> <hr/>

The accompanying notes form an integral part of these condensed consolidated interim financial information.

**Condensed consolidated statement of comprehensive income (unaudited)
for the three month period ended 31 March 2020**

	Three month period ended 31 March	
	2020	2019
	AED'000	AED'000
Profit after tax and distribution to policyholders for the period	13,135	18,074
Other comprehensive (loss)/income net of income tax		
<i>Items that may be reclassified subsequently to profit or loss:</i>		
Net movement or change in foreign exchange translation reserve	(3,890)	1,657
Net changes in fair value of available for sale investments	378	(10,187)
Share of other comprehensive loss of associates	-	(1,023)
Total other comprehensive loss for the period	(3,512)	(9,553)
Total comprehensive income for the period	9,623	8,521
Attributable to:		
Shareholders	9,520	4,077
Non-controlling interest	103	4,444
	9,623	8,521

The accompanying notes form an integral part of these condensed consolidated interim financial information.

**Condensed consolidated statement of changes in equity
for the three month period ended 31 March 2020**

	Share capital AED'000	Statutory reserve AED'000	Revaluation reserve AED'000	Foreign exchange translation reserve AED'000	Investment fair value reserve AED'000	Treasury shares AED'000	Accumulated losses AED'000	Total AED'000	Non- controlling interest AED'000	Total equity AED '000
Balance at 1 January 2019	1,210,000	76,816	31,930	(115,546)	(16,415)	(35,972)	(426,358)	724,455	62,736	787,191
Profit for the period	-	-	-	-	-	-	14,960	14,960	3,114	18,074
Other comprehensive income										
Net movement in foreign exchange translation reserve	-	-	-	327	-	-	-	327	1,330	1,657
Net changes in fair value of available for sale investments	-	-	-	-	(10,187)	-	-	(10,187)	-	(10,187)
Share of other comprehensive loss of associates	-	-	-	-	(1,023)	-	-	(1,023)	-	(1,023)
Total other comprehensive loss	-	-	-	327	(11,210)	-	-	(10,883)	1,330	(9,553)
Total comprehensive income for the period	-	-	-	327	(11,210)	-	14,960	4,077	4,444	8,521
Balance at 31 March 2019 (unaudited)	1,210,000	76,816	31,930	(115,219)	(27,625)	(35,972)	(411,398)	728,532	67,180	795,712

The accompanying notes form an integral part of these condensed consolidated interim financial information.

**Condensed consolidated statement of changes in equity
for the three month period ended 31 March 2020 (continued)**

	Share capital AED'000	Statutory reserve AED'000	Revaluation reserve AED'000	Foreign exchange translation reserve AED'000	Investment fair value reserve AED'000	Treasury shares AED'000	Accumulated losses AED'000	Total AED'000	Non- controlling interest AED'000	Total equity AED'000
Balance at 1 January 2020	1,210,000	82,320	31,930	(112,043)	(27,627)	(35,972)	(376,824)	771,784	73,471	845,255
Profit for the period	-	-	-	-	-	-	13,649	13,649	(514)	13,135
Other comprehensive income/(loss)										
Net movement or change in foreign exchange translation reserve	-	-	-	(4,507)	-	-	-	(4,507)	617	(3,890)
Net changes in fair value of available for sale investments	-	-	-	-	378	-	-	378	-	378
Total other comprehensive loss	-	-	-	(4,507)	378	-	-	(4,129)	617	(3,512)
Total comprehensive income for the period	-	-	-	(4,507)	378	-	13,649	9,520	103	9,623
Dividend paid	-	-	-	-	-	-	-	-	(2,274)	(2,274)
Balance at 31 March 2020 (unaudited)	1,210,000	82,320	31,930	(116,550)	(27,249)	(35,972)	(363,175)	781,304	71,300	852,604

The accompanying notes form an integral part of these condensed consolidated interim financial information.

**Condensed consolidated statement of cash flows (unaudited)
for the three month period ended 31 March 2020**

	Three month period ended 31 March	
	2020	2019
	AED'000	AED'000
Cash flows from operating activities		
Profit for the period	13,135	18,074
Adjustments for:		
Depreciation of property and equipment	963	965
Depreciation on right-to-use assets	925	-
Net movement in unearned contributions reserve	83,415	61,063
Unrealised loss/(gain) on investments	4,833	(2,370)
Amortisation of intangible assets	218	242
Share of (profit)/loss from associates	(2,540)	1,104
(Reversal)/provision and impairment of receivables	(176)	470
Dividend income	-	(94)
Operating cash flows before changes in operating assets and liabilities	100,773	79,454
(Increase)/decrease in deposits with takaful and retakaful companies	(40)	289
Increase in contributions and takaful balance receivable	(189,315)	(20,709)
(Increase)/ decrease in due from / to related parties	(9,964)	40
Decrease/(increase) in other assets and receivables	30,649	(34,026)
Increase in outstanding claims (net of retakaful)	6,426	7,022
Increase/(decrease) in takaful payables and other payables	51,220	(27,899)
(Increase)/decrease in assets held-for-sale	(807)	400,537
Increase/(decrease) in liabilities against assets held-for-sale	4,698	(380,352)
Net cash (used in)/generated from operating activities	(6,360)	24,356
Cash flows from investing activities		
Disposal of property and equipment	1,493	150
Purchase of intangible assets	(44)	(95)
Decrease in term deposits under lien or with maturity after three months	94,967	-
Decrease in short term deposit	39	(432)
Repayment of principal and interest on lease liability	(898)	
Dividend received	-	94
Investments-net	(65,983)	(78,436)
Investment property-net	847	(1,618)
Net movement in participants' investments in unit-linked Contracts	2,938	435
Net cash generated from/(used in) investing activities	33,359	(79,902)
Cash flows from financing activities		
Dividend paid	(2,274)	-
Cash used in financing activities	(2,274)	-
Net increase/(decrease) in cash and cash equivalents	24,725	(55,546)
Cash and cash equivalents at the beginning of the period	54,794	274,626
Cash and cash equivalents at the end of the period	79,519	219,080

The accompanying notes form an integral part of these condensed consolidated interim financial information.

**Notes to the condensed consolidated interim financial information
for the three month period ended 31 March 2020**

1. General information

Islamic Arab Insurance Co. (Salama) PJSC (“the Company”) is a public shareholding company, registered in the Emirate of Dubai, United Arab Emirates (UAE) and operates through various branches in the UAE. The registered office of the Company is P.O. Box 10214, Dubai, United Arab Emirates. The principal activity of the Company is the writing of all classes of general takaful and family takaful business, in accordance with Islamic Shari’ah principles and in accordance with the relevant Articles of the Company, UAE Federal Law No. (2) of 2015 for commercial companies and U.A.E. Federal Law No. (6) of 2007, concerning regulations of insurance operations.

The Company and its subsidiaries are referred to as “the Group”. Tariic Holding B.S.C (Tariic), a subsidiary of the Company, is an intermediate holding company in Bahrain and no commercial activities are carried out in the Kingdom of Bahrain. The Group has the following principal subsidiaries which are engaged in insurance and reinsurance under Islamic Shari’ah principles:

Subsidiaries	Group’s Ownership		Country of incorporation
	31 March 2020	31 December 2019	
<i>Directly owned</i>			
Tariic Holding Company B.S.C	99.40%	99.40%	Kingdom of Bahrain
Misr Emirates Takaful Life Insurance Co.	85%	85%	Egypt
Salama Immobilier	84.25%	84.25%	Senegal
Best Re Holding Limited	0%	0%	Malaysia
<i>Through Tariic</i>			
Salama Assurances Senegal – Note 10	68.87%	68.87%	Senegal
Salama Assurances Algeria	96.98%	96.98%	Algeria
Egyptian Saudi Insurance Home	51.15%	51.15%	Egypt

Coronavirus (COVID-19) outbreak and its impact on the Group

With the recent and rapid development of the coronavirus disease (COVID-19) outbreak, the world economy entered a period of unprecedented health care crisis that has already caused considerable global disruption in business activities and everyday life. Many countries have adopted extraordinary and economically costly containment measures. Certain countries have required companies to limit or even suspend normal business operations including the United Arab Emirates (UAE).

The UAE Government has implemented restrictions on travelling as well as strict quarantine measures, impacting a wide range of industries, and the insurance industry is expected to be indirectly affected.

Management has considered the unique circumstances and the risk exposures of the Group and has concluded that there is no significant impact on the Group’s profitability position as at reporting date. This is primarily because insurance activities in the UAE continue and are not subject to many of the restrictions mentioned above.

**Notes to the condensed consolidated interim financial information
for the three month period ended 31 March 2020 (continued)****1. General information (continued)***Coronavirus (COVID-19) outbreak and its impact on the Group (continued)*

Management has considered the unique circumstances that could have a material impact on the business operations and the risk exposures of the Group and has concluded that the main impacts on the Group's profitability/liquidity position may arise from:

- Recoverability of contributions and takaful balance receivables,
- unavailability of personnel,
- reduction in gross contribution due to non-renewal of policies,
- decrease in the fair value of financial instruments held by the Group,
- decrease in the fair value of investment properties held by the Group,
- impairment of goodwill,
- provision for outstanding claims

The Group has performed stress testing as required by the Insurance Authority of UAE on a monthly basis approved by the Board of Directors, who are satisfied that the Group will continue to operate as a going concern and there have been no updates to the business plan in the current period. Accordingly, these condensed consolidated interim financial information have been prepared on a going concern basis. Management will continue to monitor the situation and, will take necessary and appropriate actions on a timely basis to respond to this unprecedented situation.

2. Application of new and revised International Financial Reporting Standards (IFRSs)**2.1 New and revised IFRSs applied with no material effect on the condensed consolidated interim financial information**

The following new and revised IFRSs, which became effective for annual periods beginning on or after 1 January 2020, have been adopted in these condensed consolidated interim financial information. The application of these revised IFRSs has not had any material impact on the amounts reported for the current and prior years but may affect the accounting for future transactions or arrangements.

- Amendments to IAS 1 *Presentation of Financial Statements* and IAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors*.
- Amendments to IFRS 3 *Business Combinations*.
- Amendments to References to the Conceptual Framework in IFRS Standards related IFRS 2, IFRS 3, IFRS 6, IFRS 14, IAS 1, IAS 8, IAS 34, IAS 37, IAS 38, IFRIC 12, IFRIC 19, IFRIC 20, IFRIC 22, and SIC-32 to update those pronouncements with regard to references to and quotes from the framework or to indicate where they refer to a different version of the Conceptual Framework.
- Amendments in IFRS 7, 9 and IAS 39 regarding pre-replacement issues in the context of the IBOR reform.

2.2 New and revised IFRS standards and interpretations but not yet effective

The Group has not yet applied the following new and revised IFRSs that have been issued but are not yet effective:

- IFRS 17: *Insurance Contracts* relating to providing a more uniform measurement and presentation approach for all insurance contracts.
- Amendments to IFRS 10 *Consolidated Financial Statements* and IAS 28 *Investments in Associates and Joint Ventures (2011)* relating to the treatment of the sale or contribution of assets from and investor to its associate or joint venture.
- IAS 1: *Presentation of Financial Statements – Amendments on Classifications*. Effective for annual period beginning on or after 1 January 2022.

**Notes to the condensed consolidated interim financial information
for the three month period ended 31 March 2020 (continued)****2. Application of new and revised International Financial Reporting Standards (IFRSs) (continued)****2.3 Applying IFRS 9 *Financial Instruments* with IFRS 4 *Insurance Contracts***

In September 2016, the IASB published an amendment to IFRS 4 which addresses the concerns of insurance companies about the different effective dates of IFRS 9 Financial instruments and the forthcoming new insurance contracts standard. The amendment provides two different solutions for insurance companies: a temporary exemption from IFRS 9 for entities that meet specific requirements (applied at the reporting entity level), and the 'overlay approach'. Both approaches are optional.

IFRS 4 (including the amendments) will be superseded by the forthcoming new insurance contracts standard. Accordingly, both the temporary exemption and the 'overlay approach' are expected to cease to be applicable when the new insurance standards becomes effective.

The Group has performed an assessment of the amendment and concluded that its activities are predominantly connected with insurance. Management has applied the temporary exemption in its reporting period starting on 1 January 2018. The Group has decided to opt for the options to defer application of IFRS 9 given in said amendments to IFRS 4 "Insurance contracts" and concluded to apply IFRS 9 w.e.f. from 1 January 2023.

3. Summary of significant accounting policies**3.1 Basis of preparation**

These condensed consolidated interim financial information have been prepared in accordance with International Accounting Standard (IAS) No. 34, "*Interim Financial Reporting*" and also comply with the applicable requirements of the laws in the U.A.E.

The condensed consolidated interim financial information are presented in U.A.E. Dirhams (AED) since that is the currency in which the majority of the Group's transactions are denominated and all value are rounded to the nearest thousand (AED 1000) except when otherwise indicated.

These condensed consolidated interim financial information have been prepared on the historical cost basis, except for the revaluation of certain financial instruments.

The accounting policies, presentation and methods in this condensed consolidated interim financial information are consistent with those used in the audited consolidated financial statements for the year ended 31 December 2019.

This condensed consolidated interim financial information does not include all the information required for full audited annual consolidated financial statements and should be read in conjunction with the Group's audited annual consolidated financial statements as at and for the year ended 31 December 2019. In addition, results for the three month period ended 31 March 2020 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2020.

4. Changes in judgements and estimation uncertainty

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 December 2019, with the exception of the impact of the novel coronavirus (COVID-19) outbreak on the Group which is detailed below.

The existence of novel coronavirus was confirmed in early 2020 and has spread globally, causing disruptions to businesses and economic activity. In light of the rapid spread of COVID-19 across the globe, various economies and sectors have faced significant disruptions and uncertainty as a result of measures taken by governments to contain or delay the spread of the virus. As of to date, the actual scope of the impact is very difficult to measure, and until now, only subjective assessment of the impact can be used.

**Notes to the condensed consolidated interim financial information
for the three month period ended 31 March 2020 (continued)****4. Changes in judgements and estimation uncertainty (continued)***Recoverability of contributions and takaful balance receivables*

The COVID-19 outbreak led to a significant increase in the credit risk of companies within the economy as a result of operational disruption.

Based on management's assessment, the Group has not identified a material impact to the recoverability of contribution and takaful balance receivables for the period ended 31 March 2020.

Fair value measurement of financial instruments

COVID-19 outbreak led to significant market turmoil and price volatility on the global financial markets. The Group is closely monitoring whether the fair values of the financial assets and liabilities represent the price that would be achieved for transactions between market participants in the current scenario.

Based on management's assessment, the Group has not identified a material impact to the fair values of financial assets and liabilities for the period ended 31 March 2020.

Fair value measurement of investment properties

As the real estate market becomes slower moving, adjustments may be required to adjust the fair values of the properties in order to reflect the current economic circumstances.

Based on management's assessment, this is in early stages and there is limited information available on the 2020 outlook for the real estate market and how the situation will progress in light of COVID-19. The Group has not identified any significant impact to the fair values of investment properties for the period ended 31 March 2020. The Group will consistently monitor the market and ensure that the prices used by the Group are an accurate representation of fair values.

Impairment of goodwill

The Group has performed an assessment of the impact of COVID-19 on an estimation of the value-in-use of the cash generating units to which goodwill is allocated. Management used sensitivity analyses in estimating of the expected future cash flows and also to choose a suitable discount rate in order to calculate the present value of those cash flows. The Group determined that there is no material impact on fair value of goodwill for the period ended 31 March 2020.

Outstanding claims

The Group has performed an assessment of the impact of COVID-19 on its contractual arrangements and provisions for outstanding claims which included regular sensitivity analyses. The Group determined that there is no material impact on its risk position and provision balances for outstanding claims for the period ended 31 March 2020. It will continue monitoring its claims experience and the developments around the pandemic and revisit the assumptions and methodologies in future reporting periods.

5. Takaful and financial risk management

The Group's activities expose it to a variety of takaful and financial risks: underwriting risk, market risk (which includes foreign currency risk, profit rate risk and price risk), credit risk and liquidity risk.

The condensed interim consolidated financial information does not include all takaful and financial risk management information and disclosures required in the annual consolidated financial statements; therefore, they should be read in conjunction with the Group's audited annual consolidated financial statements for the year ended 31 December 2019.

There have been no changes in the risk management department or in any risk management policies since the year end.

**Notes to the condensed consolidated interim financial information
for the three month period ended 31 March 2020 (continued)**

6. Investment properties

The geographic dispersion of investment properties is as follows.

	31 March 2020 (unaudited) AED'000	31 December 2019 (audited) AED'000
Within UAE	10,000	10,000
Outside UAE	133,604	134,451
	<hr/> 143,604 <hr/>	<hr/> 144,451 <hr/>

The variations in the value of investment properties are due to change in foreign exchange translation of investment properties held in foreign operations.

The Group investment properties portfolio is being managed and maintained by a third party; administrative costs and the rental income received from these properties are being set off with the administrative fees.

7. Investment in associates

The principal significant associates of the Group, all of which have 31 December as their year-end are as follows.

Associates	Ownership		Country of incorporation	31 March 2020 (unaudited) AED'000	31 December 2019 (audited) AED'000
	2020	2019			
Salama Cooperative Insurance Company	30%	30%	KSA	67,225	64,685
Islamic Insurance Jordan	20%	20%	Jordan	31,530	31,530
				<hr/> 98,755 <hr/>	<hr/> 96,215 <hr/>

Movements during the period/year

	31 March 2020 (unaudited) AED'000	31 December 2019 (audited) AED'000
Balance at the beginning of period/year	96,215	119,276
Share of profit/(loss) from associates	2,540	(21,113)
Share of other comprehensive loss of associates	-	(1,017)
Dividend received	-	(931)
	<hr/> 98,755 <hr/>	<hr/> 96,215 <hr/>

**Notes to the condensed consolidated interim financial information
for the three month period ended 31 March 2020 (continued)**

8. Investments

	31 March 2020 (unaudited)			31 December 2019 (audited)		
	Domestic investment AED'000	Inter- national investment AED'000	Total AED'000	Domestic investment AED'000	Inter- national investment AED'000	Total AED'000
Financial assets at fair value through profit or loss						
Shares and securities	-	14,392	14,392	2,950	18,915	21,865
Available-for-sale investments						
Mutual fund and externally managed portfolios	-	62,297	62,297	-	61,919	61,919
Shares and securities	-	980	980	-	1,025	1,025
	-	63,277	63,277	-	62,944	62,944
Islamic placements*	-	156,907	156,907	-	148,415	148,415
Held to maturity						
Sukuk and Government bonds	-	126,650	126,650	-	124,458	124,458
Wakalah certificates	-	54,094	54,094	-	-	-
Other Mudariba investments	-	92,558	92,558	-	92,558	92,558
	-	507,878	507,878	2,950	447,290	450,240

*Represent Shari'ah compliant placements with different financial institutions having profit rates of 0.22% to 5% (2019: 0.22% to 5%) and maturing in more than three month when acquired.

8.1 Participants' investments in unit-linked contracts

	31 March 2020 (unaudited) AED'000	31 December 2019 (audited) AED'000
Financial asset at fair value through profit or loss	1,649,456	1,993,522

**Notes to the condensed consolidated interim financial information
for the three month period ended 31 March 2020 (continued)**

8. Investments (continued)

Determining fair values

The table below analyses financial instruments measured at fair value at the end of the reporting period, by the level in the fair value hierarchy into which the fair value measurement is categorised:

31 March 2020 (Unaudited)

	Level 1 AED'000	Level 2 AED'000	Level 3 AED'000	Total AED'000
Financial assets				
Fair value through profit or loss				
Mutual fund				
Participants' investments in unit-linked contracts	-	1,649,456	-	1,649,456
Shares and securities	14,392	-	-	14,392
	<u>14,392</u>	<u>1,649,456</u>	<u>-</u>	<u>1,663,848</u>
Available-for-sale				
Mutual fund	-	62,297	-	62,297
Shares and securities	584	396	-	980
	<u>584</u>	<u>62,693</u>	<u>-</u>	<u>63,277</u>
Non-financial assets				
Investment properties	-	-	143,604	143,604
Financial liabilities				
Payable to participants for unit-linked contracts	-	1,641,915	-	1,641,915

**Notes to the condensed consolidated interim financial information
for the three month period ended 31 March 2020 (continued)**

8. Investments (continued)

Determining fair values (continued)

31 December 2019 (audited)

	Level 1 AED'000	Level 2 AED'000	Level 3 AED'000	Total AED'000
Financial assets				
Fair value through profit or loss				
Participants' investments in unit-linked contracts	-	1,993,522	-	1,993,522
Shares and securities	21,865	-	-	21,865
	<u>21,865</u>	<u>1,993,522</u>	<u>-</u>	<u>2,015,387</u>
Available-for-sale				
Mutual fund	-	61,919	-	61,919
Shares and securities	610	415	-	1,025
	<u>610</u>	<u>62,334</u>	<u>-</u>	<u>62,944</u>
Non-financial assets				
Investment properties	-	-	144,451	144,451
Financial liabilities				
Payable to participants for unit-linked contracts	-	1,983,043	-	1,983,043

9. Related party transactions

The Group, in the normal course of business, collects premiums, settles claims and enters into transactions with other business enterprises that fall within the definition of a related party as defined by International Accounting Standard 24 (Revised). The Group's management believes that the terms of such transactions are not significantly different from those that could have been obtained from third parties. Following are the details of significant transactions with related parties.

	Three month period ended 31 March	
	2020	2019
	(unaudited)	(unaudited)
	AED'000	AED'000
Contribution	753	-
Claims paid	6,664	-
General and administrative expenses	63	-

**Notes to the condensed consolidated interim financial information
for the three month period ended 31 March 2020 (continued)**

9. Related party transactions (continued)

Compensation of key management personnel

	Three month period ended 31 March	
	2020 (unaudited) AED'000	2019 (unaudited) AED'000
Short term benefits	1,607	1,729
Employees end of service benefits	81	136
	<u>1,688</u>	<u>1,865</u>

Balances with related parties

	31 March 2020 (unaudited) AED'000	31 December 2019 (audited) AED'000
	Amounts due from related parties	10,000
Amounts due to related parties	36	-
Cash and bank balances	-	63,206
Investments held-to-maturity Wakalah certificates	54,094	-

**Notes to the condensed consolidated interim financial information
for the three month period ended 31 March 2020 (continued)**

10. Discontinued operations

Salama Assurance Senegal

In 2019, the Board of Directors have approved to dispose of the one of subsidiary of Tariic, Salama Assurance Senegal. Pursuant to Board resolution, management has initiated the process of entering into a sale and purchase agreement (“SPA”) to sell the Group’s entire shareholding in Salama Assurance Senegal. This SPA is however subject to the approval of regulatory authorities of Senegal.

Consequently, the Group's investment in Salama Assurance Senegal was classified as investment held-for-sale.

As at reporting date, the disposal group was stated at fair value less costs to sell and comprised the following assets and liabilities.

	31 March 2020 (unaudited) AED’000	31 December 2019 (audited) AED’000
Assets held for sale	58,423	57,616
Liabilities against assets held-for-sale	46,926	42,228
Net assets	11,497	15,388

Results from discontinued operations

	31 March 2020 (unaudited)	31 March 2019 (unaudited) (Represented)
Revenue	1,151	1,599
Expenses	(4,755)	(5,372)
Results from operating activities	(3,604)	(3,773)
Loss from discontinued operations, net of tax	(3,604)	(3,773)

Cash flows (used in)/from discontinued operations

Net cash from operating activities	2,554	1,776
Net cash (used)/from investing activities	(361)	60
Net cash flows for the year	2,193	1,836

**Notes to the condensed consolidated interim financial information
for the three month period ended 31 March 2020 (continued)**

11. Share capital

	31 March 2020 (unaudited) AED'000	31 December 2019 (audited) AED'000
Issued and fully paid (1,210 million ordinary shares of AED 1 each)	1,210,000	1,210,000

12. Treasury shares

In 2008, the Company bought back 21,667,377 shares amounting to AED 35.97 million. The treasury shares are debited as a separate category of shareholders' equity at cost. The buyback of shares was duly approved by the Board of Directors. The Board of Directors on 27 March 2019 approved a capital reduction of the Group by utilising the treasury shares which were bought back in 2008 amounting to AED 35.97 million.

13. Statutory reserve

In accordance with Article 239 of the U.A.E. Federal Law No. (2) of 2015 and the Articles of Association of the Company, 10% of the net profit is required to be transferred to a non-distributable statutory reserve until this reserve equals 50% of the paid up share capital. This reserve is not available for distribution other than in circumstances stipulated by law.

14. Other reserves

Other reserves includes following:

	31 March 2020 (unaudited) AED'000	31 December 2019 (audited) AED'000
Revaluation reserve	31,930	31,930
Foreign exchange translation reserve	(116,550)	(112,043)
Investment fair value reserve	(27,249)	(27,627)
	(111,869)	(107,740)

15. Wakalah share

The shareholders manage the takaful operations of the Group for the policyholders and charge 35% (2019: 35%) of gross written contributions and participant investment revenues of non family takaful business (excluding subsidiaries) as wakalah share. For family takaful business, sharing ratio is 15% (2019: 15%) of mortality costs.

**Notes to the condensed consolidated interim financial information
for the three month period ended 31 March 2020 (continued)**

16. Policyholders' fund

	31 March 2020 (unaudited) AED'000	31 December 2019 (audited) AED'000	31 March 2019 (unaudited) AED'000
Balance at 1 January	(612,051)	(545,099)	(545,099)
Net deficit attributable to policyholders for the period/year	(76,386)	(62,755)	(34,450)
Surplus distribution to policyholders of family takaful	-	(4,197)	-
Financed by shareholders'	(688,437)	(612,051)	(579,549)

The shareholders of the Group financed the policyholders' deficit in accordance with the takaful contracts between the Group and its Policyholders.

17. Basic and diluted earnings per share

	Three month period ended 31 March	
	2020 (unaudited)	2019 (unaudited)
Profit for the period attributable to shareholders (AED'000)	13,649	14,960
Number of shares (in thousands)	1,188,333	1,188,333
Basic and diluted earnings per share (AED)	0.011	0.013

Basic earnings per share are calculated by dividing the profit for the period by the number of weighted average shares outstanding at the end of the reporting period after taking into account the treasury shares held. Diluted earnings per share is equivalent to basic earnings per share as the Group did not issue any new instrument that would impact earnings per share when executed.

18. Contingent liabilities

	31 March 2020 (unaudited) AED'000	31 December 2019 (audited) AED'000
Letters of guarantee	15,702	17,677

Statutory deposits of AED 15.97 million (2019: AED 17.95 million) are held as lien by the bank against the above guarantee.

The Group, in common with the significant majority of insurers, is subject to litigation in the normal course of its business. The Group, based on independent legal advice, does not expect that the outcome of these court cases will have a material impact on the Group's financial performance or financial position.

**Notes to the condensed consolidated interim financial information
for the three month period ended 31 March 2020 (continued)**

19. Allocation between participants and shareholders (unaudited)

	For the three month period ended 31 March 2020				For the three month period ended 31 March 2019			
	Shareholders AED'000	Policyholders AED'000	Non- controlling interest AED'000	Total AED'000	Shareholders (Represented) AED'000	Policyholders (Represented) AED'000	Non-controlling interest AED'000	Total (Represented) AED'000
Net underwriting income	-	34,501	-	34,501	-	45,390	-	45,390
Income								
Wakalah share (Note 15)	95,123	(95,123)	-	-	55,080	(55,080)	-	-
Mudarib share (Note 15)	14	(14)	-	-	16	(16)	-	-
Net technical charges from policyholders to shareholders	16,311	(16,311)	-	-	15,917	(15,917)	-	-
Net underwriting income from subsidiaries	8,941	(8,941)	-	-	20,539	(20,539)	-	-
Income from investments	7,618	40	-	7,658	8,652	164	-	8,816
Other income	5,311	146	-	5,457	2,980	-	-	2,980
	133,318	(85,702)	-	47,616	103,184	(45,998)	-	57,186
Expenses								
General, administrative and other expenses	(28,784)	-	-	(28,784)	(29,839)	-	-	(29,839)
Financial expenses	(598)	-	-	(598)	(450)	-	-	(450)
Commission paid and other costs	(9,316)	9,316	-	-	(11,548)	11,548	-	-
Net profit/(loss) before tax for the period	94,620	(76,386)	-	18,234	61,347	(34,450)	-	26,897
Tax – current	(1,495)	-	-	(1,495)	(5,050)	-	-	(5,050)
Net profit/(loss) after tax for the period	93,125	(76,386)	-	16,739	56,297	(34,450)	-	21,847
Loss from discontinued operations	(3,604)	-	-	(3,604)	(3,773)	-	-	(3,773)
Share of non-controlling interest	514	-	(514)	-	(3,114)	-	3,114	-
Policyholders' loss financed by shareholders / recovery of loss from policyholders' fund (Note 16)	(76,386)	76,386	-	-	(34,450)	34,450	-	-
Net profit for the period	13,649	-	(514)	13,135	14,960	-	3,114	18,074

**Notes to the condensed consolidated interim financial information
for the three month period ended 31 March 2020 (continued)**

19. Allocation between participants and shareholders (continued)

Condensed consolidated interim statement of financial position

	31 March 2020 (unaudited) AED'000	31 December 2019 (audited) AED'000
ASSETS		
<i>Participants' assets</i>		
Participants' investments in unit-linked contracts	1,649,456	1,993,522
Contributions and takaful balance receivables	289,032	109,970
Retakafuls' share of outstanding claims	148,397	131,445
Retakafuls' share of unearned contributions	186,686	85,627
Other assets and receivables	-	9
Cash and bank balances	58,188	40,048
Total participants' assets	2,331,759	2,360,621
Total shareholders' assets *	1,798,802	1,831,912
Total assets	4,130,561	4,192,533
Liabilities		
<i>Participants' liabilities</i>		
Outstanding claims and family takaful reserve	245,573	230,841
Payable to participants for unit-linked contracts	1,641,915	1,983,043
Unearned contributions reserve	322,527	143,478
Takaful balances payable	188,885	83,621
Other payables and accruals	35,536	32,003
Total participants' liabilities	2,434,436	2,472,986
Total shareholders' liabilities*	843,521	874,292
Total liabilities	3,277,957	3,347,278
Net assets employed	852,604	845,255
Financed by:		
Shareholders' equity	781,304	771,784
Non-controlling interest	71,300	73,471
	852,604	845,255

* Shareholders' assets and liabilities represents affairs of the subsidiaries as shareholder funds are used for the investments thereon.

**Notes to the condensed consolidated interim financial information
for the three month period ended 31 March 2020 (continued)**

20. Operating segment

By business

31 March 2020 (Unaudited)

	General takaful AED'000	Family takaful AED'000	Total AED'000
Gross written contributions	333,783	107,194	440,977
Net contributions earned	89,611	87,890	177,501
Commissions income on ceded reinsurance and Retakaful	9,009	-	9,009
	98,620	87,890	186,510
Net claims incurred	(58,101)	(6,757)	(64,858)
Commissions expense and other costs	(25,556)	(61,595)	(87,151)
Net underwriting income	14,963	19,538	34,501
Investment and other income			13,115
Unallocated expenses and tax			(30,877)
Loss from discontinued operations			(3,604)
Net profit after tax			13,135

31 March 2019 (Unaudited)

	General takaful AED'000 Represented	Family takaful AED'000	Total AED'000 Represented
Gross written contributions	223,610	127,271	350,881
Net contributions earned	103,170	110,553	213,723
Commissions income on ceded reinsurance and Retakaful	6,894	-	6,894
	110,064	110,553	220,617
Net claims incurred	(60,555)	(6,719)	(67,274)
Commissions expense and other costs	(22,531)	(85,422)	(107,953)
Net underwriting income	26,978	18,412	45,390
Investment and other income			11,796
Unallocated expenses and tax			(35,339)
Loss from discontinued operations			(3,773)
Net profit after tax			18,074

**Notes to the condensed consolidated interim financial information
for the three month period ended 31 March 2020 (continued)**

20. Operating segment (continued)

By geography

31 March 2020 (Unaudited)

	Africa AED'000	Asia AED'000	Total AED'000
Gross written contributions	77,561	363,416	440,977
Net contributions earned	<u>52,763</u>	<u>124,738</u>	<u>177,501</u>
Commissions income on ceded reinsurance and Retakaful	4,423	4,586	9,009
	<u>57,186</u>	<u>129,324</u>	<u>186,510</u>
Net claims incurred	(31,882)	(32,976)	(64,858)
Commissions expense and other costs	(16,363)	(70,788)	(87,151)
	<u>8,941</u>	<u>25,560</u>	<u>34,501</u>
Net underwriting income			13,115
Investment and other income			(30,877)
Unallocated expenses and tax			(3,604)
Loss from discontinued operations			<u>13,135</u>
Net profit after tax			<u>13,135</u>

31 March 2019 (Unaudited)

	Africa AED'000 Represented	Asia AED'000	Total AED'000 Represented
Gross written contributions	78,071	272,810	350,881
Net contributions earned	<u>53,354</u>	<u>160,369</u>	<u>213,723</u>
Commissions income on ceded reinsurance and Retakaful	3,426	3,468	6,894
	<u>56,780</u>	<u>163,837</u>	<u>220,617</u>
Net claims incurred	(22,909)	(44,365)	(67,274)
Commissions expense and other costs	(13,332)	(94,621)	(107,953)
	<u>20,539</u>	<u>24,851</u>	<u>45,390</u>
Net underwriting income			11,796
Investment and other income			(35,339)
Unallocated expenses and tax			(3,773)
Loss from discontinued operations			<u>18,074</u>
Net profit after tax			<u>18,074</u>

**Notes to the condensed consolidated interim financial information
for the three month period ended 31 March 2020 (continued)**

20. Operating segment (continued)

By business

31 March 2020 (Unaudited)

	General takaful AED'000	Family takaful AED'000	Total AED'000
ASSETS			
Property and equipment	41,268	3,442	44,710
Goodwill and intangibles	116,043	-	116,043
Investment properties	143,604	-	143,604
Right to use – assets	6,316	2,528	8,844
Investment in associates	98,755	-	98,755
Deposits	189,102	24,374	213,476
Investments	368,821	139,057	507,878
Participants' investments in unit-linked contracts	-	1,649,456	1,649,456
Deposits with takaful and retakaful companies	2,151	-	2,151
Contributions and takaful balance receivables	351,595	10,742	362,337
Retakafuls' share of outstanding claims	107,381	77,684	185,065
Retakafuls' share of unearned contributions	236,314	3,324	239,638
Amounts due from related parties	10,000	-	10,000
Other assets and receivables	58,008	340,301	398,309
Cash and bank balances	61,424	30,448	91,872
Assets held-for-sale	58,423	-	58,423
	<hr/>	<hr/>	<hr/>
Total assets	1,849,205	2,281,356	4,130,561
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
LIABILITIES			
Outstanding claims and family takaful reserve	267,823	247,126	514,949
Payable to Participants for unit-linked contracts	-	1,641,915	1,641,915
Unearned contributions reserve	421,508	29,751	451,259
Takaful balances payable	216,310	18,886	235,196
Other payables and accruals	125,348	253,320	378,668
Lease liabilities	6,424	2,584	9,008
Amounts due to related parties	36	-	36
Liabilities held-for-sale	46,926	-	46,926
	<hr/>	<hr/>	<hr/>
Total liabilities	1,084,375	2,193,582	3,277,957
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
Net assets employed	764,830	87,774	852,604
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
Financed by:			
Shareholders' equity			781,304
Non-controlling interest			71,300
			<hr/>
			852,604
			<hr/> <hr/>

**Notes to the condensed consolidated interim financial information
for the three month period ended 31 March 2020 (continued)**

20. Operating segment (continued)

By business

31 December 2019 (Audited)

	General takaful AED'000	Family takaful AED'000	Total AED'000
ASSETS			
Property and equipment	43,582	3,584	47,166
Goodwill and intangibles	116,217	-	116,217
Investment properties	144,451	-	144,451
Right of use assets	7,133	2,636	9,769
Investments in associates	96,215	-	96,215
Deposits	190,755	22,760	213,515
Investments	368,576	81,664	450,240
Participants' investments in unit-linked contracts	-	1,993,522	1,993,522
Deposits with takaful and retakaful companies	2,111	-	2,111
Contributions and takaful balance receivables	161,556	11,290	172,846
Retakafuls' share of outstanding claims	102,331	59,228	161,559
Retakafuls' share of unearned contributions	133,425	2,809	136,234
Other assets and receivables	54,356	374,602	428,958
Cash and bank balances	67,655	94,459	162,114
Assets held-for-sale	57,616	-	57,616
	1,545,979	2,646,554	4,192,533
LIABILITIES EXCLUDING POLICYHOLDERS' FUND			
Outstanding claims and family takaful reserve	261,641	223,376	485,017
Payable to Participants for unit-linked contracts	-	1,983,043	1,983,043
Unearned contributions reserve	239,856	24,584	264,440
Takaful balances payable	113,214	10,363	123,577
Other payables and accruals	125,282	313,785	439,067
Lease liability – Right-of-use assets	7,223	2,683	9,906
Liabilities held-for-sale	42,228	-	42,228
Total liabilities	789,444	2,557,834	3,347,278
Policyholders' fund	-	-	-
Net assets employed	756,535	88,720	845,255
Financed by:			
Shareholders' equity			771,784
Non-controlling interest			73,471
			845,255

**Notes to the condensed consolidated interim financial information
for the three month period ended 31 March 2020 (continued)**

21. Classes and categories of financial assets and financial liabilities

The table below sets out the classification of each class of financial assets and liabilities and their fair values.

For instruments carried at amortised cost, management believes that their carrying values approximates to their fair values.

31 March 2020 (Unaudited)

	FVTPL AED'000	Available for sale investments AED'000	Amortised cost AED'000	Total AED'000
Financial assets				
Investments	14,392	63,277	430,209	507,878
Deposits	-	-	213,476	213,476
Participants' investments in unit-linked contracts	1,649,456	-	-	1,649,456
Deposits with takaful and retakaful companies	-	-	2,151	2,151
Contributions and takaful balance receivables	-	-	362,337	362,337
Other assets and receivables	-	-	52,207	52,207
Cash and bank balances	-	-	91,872	91,872
	<u>1,663,848</u>	<u>63,277</u>	<u>1,152,252</u>	<u>2,879,377</u>
Financial liabilities				
Payable to participants for unit-linked contracts	1,641,915	-	-	1,641,915
Takaful balances payable	-	-	235,196	235,196
Other payables and accruals	-	-	343,944	343,944
Lease liabilities	-	-	9,008	9,008
	<u>1,641,915</u>	<u>-</u>	<u>588,148</u>	<u>2,230,063</u>

**Notes to the condensed consolidated interim financial information
for the three month period ended 31 March 2020 (continued)**

21. Classes and categories of financial assets and financial liabilities (continued)

31 December 2019 (audited)

	FVTPL AED'000	Available for-sale investments AED'000	Amortised cost AED'000	Total carrying amount AED'000
Financial assets				
Investments	21,865	62,944	365,431	450,240
Deposits	-	-	213,515	213,515
Participants' investments in unit-linked contracts	1,993,522	-	-	1,993,522
Deposits with takaful and retakaful companies	-	-	2,111	2,111
Contributions and takaful balance				
Receivables	-	-	172,846	172,846
Other assets and receivables	-	-	48,881	48,881
Bank balances and cash	-	-	162,114	162,114
	<u>2,015,387</u>	<u>62,944</u>	<u>964,898</u>	<u>3,043,229</u>
Financial liabilities				
Payable to Participants for unit-linked contracts	1,983,043	-	-	1,983,043
Takaful balances payable	-	-	123,577	123,577
Other payables	-	-	402,898	402,898
Lease liabilities	-	-	9,906	9,906
	<u>1,983,043</u>	<u>-</u>	<u>536,381</u>	<u>2,519,424</u>

22. Seasonality of results

No income of seasonal nature was recorded in the statement of income for the three months period ended 31 March 2020.

23. Re-presentation

During the year 2019, Group had re-classified its investments in its subsidiary, as asset held-for-sale, based on the Board of Directors resolution to dispose of Salama Assurance Senegal, due to which condensed consolidated statement of profit or loss is re-presented of the prior period as if the subsidiary was held-for-sale prior year as well. The following table summaries the impact of re-presentation:

**Notes to the condensed consolidated interim financial information
for the three month period ended 31 March 2020 (continued)**

23. Re-presentation (continued)

	Impact of re-presentation		
	Previously reported (unaudited) AED'000	Re-presentation AED'000	As re-presented (unaudited) AED'000
Continuing operations			
Underwriting results			
Underwriting income	222,017	(1,400)	220,617
Underwriting expenses	(178,816)	3,589	(175,227)
Net underwriting income	<u>43,201</u>	<u>2,189</u>	<u>45,390</u>
Income from other sources	11,996	(200)	11,796
Expenses	(31,807)	1,518	(30,289)
Net profit before tax	<u>23,390</u>	<u>3,507</u>	<u>26,897</u>
Taxation - current	<u>(5,316)</u>	<u>266</u>	<u>(5,050)</u>
Net profit after tax from continuing operations	<u>18,074</u>	<u>3,773</u>	<u>21,847</u>
Discontinued operations			
Loss from discontinued operations	-	(3,773)	(3,773)
Net profit after tax and distribution to policyholders	<u>18,074</u>	<u>-</u>	<u>18,074</u>
Attributable to:			
Shareholders	14,960	-	14,960
Non-controlling interest	3,114	-	3,114
	<u>18,074</u>	<u>-</u>	<u>18,074</u>

24. Dividend

At the annual general meeting held on 3 May 2020, the Shareholders approved a cash dividend of 3 fils per share amounting to AED 35.65 million for 2019 (2019: nil for 2018).

25. Approval of the condensed consolidated financial information

The condensed consolidated financial information were approved by the Board of Directors and authorised for issue on 21 May 2020.