ORIENT U N B TAKAFUL - P.J.S.C
PUBLIC JOINT STOCK COMPANY
DUBAI - UNITED ARAB EMIRATES

REPORT AND FINANCIAL STATEMENTS
FOR THE PERIOD FROM 8 NOVEMBER 2016
(DATE OF INCEPTION) TO 28 DECEMBER 2016

ORIENT U N B TAKAFUL - P.J.S.C
PUBLIC JOINT STOCK COMPANY
DUBAI - UNITED ARAB EMIRATES

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The Shareholders'
Orient U N B Takaful P.J.S.C
Public Joint Stock Company
Dubai - United Arab Emirates

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **Orient U N B Takaful P.J.S.C** - (The Company) - Dubai, which comprise the statement of financial position as at 28 December 2016, the statement of changes in equity and cash flows for the period from 8 November 2016 (Date of inception) to 28 December 2016, and notes, comprising significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 28 December 2016, and its cash flows for the period from 8 November 2016 (Date of inception) to 28 December 2016 in accordance with International Financial Reporting Standards (IFRS).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in United Arab Emirates, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Report on other legal and regulatory requirements

As required by UAE Federal Law No. 2 of 2015 we report that:

1. We have obtained all the information and explanation we considered necessary for our audit.

2. The financial statements comply, in all material respect with the applicable provisions of UAE Federal Law No. 2 of 2015 and the Articles of Association of the Company.

3. The Company has maintained proper books of accounts.

4. Based on the information and explanation that has been made available to us nothing came to our attention which causes us to believe that the Company has contravened during the financial period ended 28 December 2016 any of the applicable provisions of UAE Federal Law No. 2 of 2015 or the Articles of Association of the Company which would have a material effect on the Company's activities or on its financial position for the period.

For Talal Abu Ghazaleh & Co. International

Firas Kilani
Licensed Auditor No. 632

Abu Dhabi

8 February 2017

ORIENT U N B TAKAFUL - P.J.S.C
PUBLIC JOINT STOCK COMPANY
DUBAI - UNITED ARAB EMIRATES

EXHIBIT A

STATEMENT OF FINANCIAL POSITION AS OF 28 DECEMBER 2016
(AMOUNTS ARE EXPRESSED IN U.A.E. DIRHAMS)

	NOTE	28 December 2016
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	4	202,000,000
Total current assets		202,000,000
LIABILITIES AND SHAREHOLDERS' EQUITY		
CURRENT LIABILITY		
Other payables	5	750,235
Total current liability		750,235
SHAREHOLDERS' EQUITY		
Issued and paid up share capital	6	200,000,000
Share premium	7	1,249,765
Total shareholders' equity - Exhibit C		201,249,765
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		202,000,000

Mr. Omar Abdulla Al Futtaim
Chairman

THE ACCOMPANYING NOTES ARE AN
INTEGRAL PART OF THESE FINANCIAL STATEMENTS

ORIENT U N B TAKAFUL - P.J.S.C
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EXHIBIT B

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE PERIOD FROM 8 NOVEMBER 2016 (DATE OF INCEPTION) TO 28 DECEMBER 2016

(AMOUNTS ARE EXPRESSED IN U.A.E. DIRHAMS)

	Issued and paid up share capital	Share premium	Total
Capital contribution	200,000,000	----	200,000,000
Share premium on issued shares - Note 7	----	1,249,765	1,249,765
Shareholders' equity at 28 December 2016 - Exhibit A	200,000,000	1,249,765	201,249,765

THE ACCOMPANYING NOTES ARE AN
INTEGRAL PART OF THESE FINANCIAL STATEMENTS

ORIENT U N B TAKAFUL - P.J.S.C

PUBLIC JOINT STOCK COMPANY
DUBAI - UNITED ARAB EMIRATES

EXHIBIT C

STATEMENT OF CASH FLOWS FOR THE PERIOD FROM 8 NOVEMBER 2016 (DATE OF INCEPTION) TO 28 DECEMBER 2016

(AMOUNTS ARE EXPRESSED IN U.A.E. DIRHAMS)

	For the period from 8 November 2016 (date of inception) to 28 December 2016
CASH FLOWS FROM OPERATING ACTIVITIES:	
Profit / (loss) for the period	----
CASH FLOWS FROM FINANCING ACTIVITIES :	
Capital contribution	200,000,000
Share premium	2,000,000
Net cash flows from financing activities	202,000,000
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD - Note 4	202,000,000

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS

1. STATUS AND ACTIVITIES

a) **Orient U N B Takaful P.J.S.C** ("the Company") is a public joint stock company registered and incorporated in the Emirate of Dubai by the Department of Economic Development under trdade number 774683.

b) The principal activities of the company are accidents and liabilities insurance, fire insurance, transportation risk insurance, other type of insurance and health insurance.

2. ADOPTION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRSs)

a) In the current period, the company has adopted the new and revised International Financial Reporting Standards (IFRSs) including the International Accounting Standards (IASs) and their interpretations that are relevant to its operations and effective for annual reporting periods beginning on 1 January 2016.

b) At the date of authorization of these financial statements, the following Standards and Interpretations have been issued but not yet effective :

	Effective for annual periods beginning on or after
IAS 7 Statement of cash flows	1 January 2017
IAS 12 Income taxes	1 January 2017
IFRS 15 Revenue from contracts with customers.	1 January 2017
IFRS 9 Financial instruments.	1 January 2018

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a. *Financial Statements Preparation Framework*
The financial statements have been prepared in accordance with International Financial Reporting Standards.

b. *Basis of preparation*

The financial statements have been prepared on the historical cost basis. The significant accounting policies are set out below.

i) *Cash and cash equivalents*

Cash comprises unrestricted cash at bank - current account. Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

c. *Financial liabilities*

Financial liabilities includes other payables only and are stated at net realizable value. The carrying value is not materially different from their fair value.

d. *Contingent liabilities*

Contingent liabilities are possible obligations depending on whether some uncertain future events occur, or they are present obligations but payments are not probable or the amounts cannot be measured reliably. Contingent liabilities are not recognized in the financial statements.

e. *Critical accounting judgments and key sources of estimation uncertainty*

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

4. CASH AND CASH EQUIVALENTS

a) This item consists of the following:

	28 December 2016
Cash at bank - current account	202,000,000
Total - Exhibit A & C	**202,000,000**

b) Current account balance is with one bank located in United Arab Emirates.

5. OTHER PAYABLES

This item consists of the following:	28 December 2016
Accrued IPO expenses	**697,937**
Accrued other expenses	**52,298**
Total - Exhibit A	**750,235**

6. ISSUED AND PAID UP SHARE CAPITAL

The share capital of the company as per Articles of Association is AED 200,000,000 **(Exhibit A)** divided into 2,000,000 shares of AED 100 par value per share.

7. SHARE PREMIUM

a) This item consists of the following:

	28 December 2016
Initial public offering income amounting to AED 1 for each share	**2,000,000**
Less: Incorporation expenses incurred - Note 7 (b)	**(750,235)**
Net - Exhibit A	**1,249,765**

b) *Incorporation expenses incurred*

This item consists of the following:	28 December 2016
IPO expenses	**(697,937)**
Legal and professional fees	**(52,298)**
Total - Note 7 (a)	**(750,235)**

8. RISK MANAGEMENT

The company monitors and manages the financial risks relating to its business and operations. These risks includes credit risk and liquidity risk.

The company seeks to minimize the effects of these risks by diversifying the sources of its capital. It maintains timely reports about its risk management function and monitors risks and policies implemented to mitigate risk exposures.

a) *Credit risk*

Credit risk refers to the risk that a debtor will default on its contractual obligations resulting in financial loss to the company. The company maintains a credit policy that states dealing with only creditworthy parties and obtaining sufficient collateral where appropriate, as a means of mitigating the risk of financial loss from defaults. The carrying amount of financial assets recorded in the financial statements represents the company's maximum exposure to credit risk without taking into account the value of any collateral obtained. The current accounts is with one financial institution. Concentration of credit risk with respect to the above is mentioned in Note 4.

b) *Liquidity risk*

The company's board of directors adopted an appropriate liquidity risk management framework as the responsibility of liquidity risk management rests with the board of directors.

The following table shows the maturity dates of company's financial assets and liabilities as at 28 December 2016.

Financial assets	**Less than 1 year**	**Total**
Non-interest bearing	**202,000,000**	**202,000,000**
Total	**202,000,000**	**202,000,000**
Financial liability		
Non-interest bearing	**750,235**	**750,235**
Total	**750,235**	**750,235**

9. **FINANCIAL ASSETS AND LIABILITIES**

This item consists of the following:

	28 December 2016
Financial assets	
Cash and cash equivalents	**202,000,000**
Total	**202,000,000**
Financial liability	
Other payables	**750,235**
Total	**750,235**

10. GENERAL

- The figures in the financial statements are rounded to the nearest Dirham of United Arab Emirates.
- The company is currently finalizing all legal formalities with certain regulatory authorities for completing the process of licensing.

11. APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved and authorized for issue by the Board of Directors on 8 February 2017.