

**AXA Green Crescent Insurance PJSC**  
**Condensed interim financial information**  
**for three months period ended 31 March 2016**  
**(Unaudited)**

# **AXA Green Crescent Insurance PJSC**

## **Report and condensed interim financial information for three months period ended 31 March 2016**

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## AXA Green Crescent Insurance Company PJSC

Report of the Board of Directors  
for the period ended 31 March 2016

The Board of Directors herewith submits the quarterly report of the company's activities accompanied by the financial statements for the first quarter of 2016.

The Company registered a net loss of AED 1.2 million at the end of the first quarter, compared to a net loss of AED 2.1 million for the same period last year.

During the first quarter, the Company has experienced a decrease of premiums as compared to the same period last year. While the Health premiums continue to shrink due to the fierce competition on the Healthcare market, the Company has significantly increased the premiums on life protection, reflecting the swift towards the life market. Total gross written premiums amounted to AED 16.7 million as compared to AED 19.9 million last year, representing a 16% decrease. From the total written premium, Life insurance premiums now represent 56% of the total GWP, as compared to 16% last year.

For the period ending 31 March 2016, the Company obtained a net underwriting profit of AED 2.4 million as compared to AED 2.4 million last year. The higher profits from life operations are still not sufficient to compensate lower revenues from the Health line of business. As regards to investment results, net investment income increased to AED 1 million as compared to AED 0.09 million last year, explained by the increase in exposure on debt securities. General administration expenses amounted to AED 4.7m to AED4.1m.

The main highlights of the company's financial results for the period ended 31st March 2016 are summarized as follows:

Net loss for the period is AED 1.2m, (AED 2.1m net loss in First Quarter 2015).  
Gross written premium income is AED 16.7m, (AED 19.9m in First Quarter 2015).  
Net underwriting income for the period is AED 2.4m (AED 2.4m in First Quarter 2015).  
Net investment income for the period is AED 1m (AED 0,09m in First Quarter 2015).  
General and administration expenses are AED 4.6m (AED 4.2m in First Quarter 2015).  
Total assets are AED 222m (AED 218m as of 31st December 2015).  
Shareholders' equity is AED 156m (AED 157m as of 31st December 2015).



Three months ended 31 March

	2016 (unaudited) AED'000	2015 (unaudited) AED'000	Variance %
Condensed statement of profit or loss			
Gross Written Premium	16,684	19,930	-16%
Net underwriting income	2,436	2,447	0%
General and administrative expenses	(4,597)	(4,251)	8%
Net investment income	998	99	908%
(Loss) profit for the period	(1,210)	(2,161)	-44%

	31 March 2016 (unaudited) AED'000	31 December 2015 (audited) AED'000	Variance %
Condensed statement of financial position			
Shareholders' equity	156,115	156,712	0%
Total assets	221,845	218,304	2%

Bader Jeiroudi – Director  
On Behalf of the Board of Directors

12 May 2016



## **Review report of condensed interim financial information to the Directors of AXA Green Crescent Insurance PJSC**

### **Introduction**

We have reviewed the accompanying condensed interim statement of financial position of AXA Green Crescent Insurance PJSC (the "Company") as at 31 March 2016 and the related condensed interim statements of income, comprehensive income, changes in equity and cash flows for the three months period then ended. Management is responsible for the preparation and presentation of this condensed interim financial information in accordance with International Accounting Standard 34, "Interim Financial Reporting". Our responsibility is to express a conclusion on this condensed 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 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.

### **Conclusion**

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial information is not prepared, in all material respects, in accordance with International Accounting Standard 34 "Interim Financial Reporting".

PricewaterhouseCoopers  
15 May ..... 2016

Jacques Fakhoury  
Registered Auditor Number 379  
Abu Dhabi, United Arab Emirates

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Douglas O'Mahony, Paul Suddaby, Jacques Fakhoury and Mohamed ElBorno are registered as practising auditors with the UAE Ministry of Economy

# AXA Green Crescent Insurance PJSC

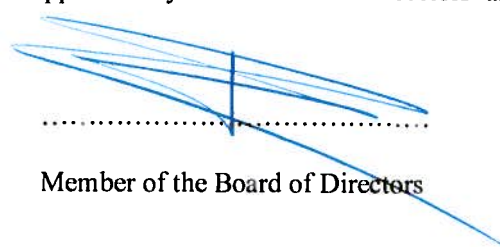
## Condensed interim statement of financial position

	Notes	<i>As at</i>	
		<i>31 March 2016 AED'000 Unaudited</i>	<i>31 December 2015 AED'000 Audited</i>
<b>ASSETS</b>			
Property and equipment		1,977	2,132
Intangible assets		171	209
Financial assets at fair value through OCI	4	43,824	35,625
Financial assets at fair value through profit or loss	3	9,789	9,334
Reinsurance contract assets	8	17,723	14,000
Deferred acquisition costs		1,631	1,481
Insurance and other receivables	6	22,882	12,726
Statutory deposits	5	4,000	4,000
Time deposits	7	92,104	100,627
Demand deposits and cash	7	27,744	38,170
<b>Total assets</b>		<b>221,845</b>	<b>218,304</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Share capital		200,000	200,000
Statutory reserve		4	4
Other reserve		1,372	1,372
Accumulated losses		(45,160)	(43,950)
Fair value reserve		(101)	(714)
<b>Total equity</b>		<b>156,115</b>	<b>156,712</b>
<b>LIABILITIES</b>			
Insurance contract liabilities	8	36,404	32,743
Employees' end of service benefits		710	618
Unearned reinsurance commission		897	445
Due to a related party	15	4,792	9,275
Insurance, accounts payable and accruals	9	22,927	18,511
<b>Total liabilities</b>		<b>65,730</b>	<b>61,592</b>
<b>Total equity and liabilities</b>		<b>221,845</b>	<b>218,304</b>

The condensed interim financial information were approved by the Board of Directors and authorised for issue on 12 May 2016 by:



Member of the Board of Directors



Member of the Board of Directors

The attached notes 1 to 19 form an integral part of this condensed interim financial information.

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# AXA Green Crescent Insurance PJSC

## Condensed interim statement of income

	Notes	<i>Unaudited</i>	
		<i>For the three months ended</i>	
		<i>31 March 2016 AED'000</i>	<i>31 March 2015 AED'000</i>
Insurance premium revenue	10	8,979	17,108
Insurance premium ceded to reinsurers	10	(3,562)	(7,675)
<b>Net insurance premium revenue</b>	10	<b>5,417</b>	<b>9,433</b>
Reinsurance commission		253	597
<b>Net insurance revenue</b>		<b>5,670</b>	<b>10,030</b>
Investment income	11	543	302
Net fair value gains/(losses) on financial assets	3	455	(203)
<b>Other income</b>		<b>998</b>	<b>99</b>
<b>Total income</b>		<b>6,668</b>	<b>10,129</b>
Gross claims incurred	12	(4,881)	(11,699)
Claims recovered from reinsurers	12	2,784	6,526
<b>Net claims incurred</b>	12	<b>(2,097)</b>	<b>(5,173)</b>
Expenses for acquisition of insurance contracts		(881)	(1,398)
Claims administration fees		(256)	(1,012)
<b>Total claims and insurance related expenses</b>		<b>(3,234)</b>	<b>(7,583)</b>
General and administrative expenses	13	(4,597)	(4,251)
Other expenses		(24)	(260)
Finance costs		(23)	(196)
<b>Total claims and expenses</b>		<b>(7,878)</b>	<b>(12,290)</b>
<b>Loss for the period</b>		<b>(1,210)</b>	<b>(2,161)</b>
<b>Loss per share for the period</b>			
- basic (AED)	14	(0.006)	(0.022)
- diluted (AED)	14	(0.006)	(0.010)

The attached notes 1 to 19 form an integral part of this condensed interim financial information.

# AXA Green Crescent Insurance PJSC

## Condensed interim statement of comprehensive income

	<i>Unaudited</i>	
	<i>For three months ended</i>	
	<i>31 March</i>	
	<i>2016</i>	<i>2015</i>
	<i>AED'000</i>	<i>AED'000</i>
<b>Loss for the period</b>	<b>(1,210)</b>	<b>(2,161)</b>
<b>Other comprehensive income/(loss):</b>		
<i>Items that will not be reclassified subsequently to statement of income:</i>		
Net gain/(loss) on investments carried at fair value through other comprehensive loss	65	(42)
<i>Items that will be reclassified subsequently to income:</i>		
Net gain on debt instruments carried at fair value through other comprehensive income	548	-
Other comprehensive income/(loss) for the period	613	(42)
<b>Total comprehensive loss for the period</b>	<b>(597)</b>	<b>(2,203)</b>

The attached notes 1 to 19 form an integral part of this condensed interim financial information.

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## AXA Green Crescent Insurance PJSC

### Condensed interim statement of changes in equity

	Share capital AED '000	Convertible bonds AED '000	Statutory reserve AED '000	Other reserve AED '000	Accumulated losses AED '000	Fair value reserve AED '000	Total AED '000
<b>At 1 January 2016 (Audited)</b>	200,000	-	4	1,372	(43,950)	(714)	156,712
<b>Total comprehensive income:</b>							
Loss for the period	-	-	-	-	(1,210)	-	(1,210)
Increase in fair value of financial assets carried at fair value through OCI	-	-	-	-	-	613	613
<b>Total comprehensive loss for the period</b>	-	-	-	-	(1,210)	613	(597)
<b>At 31 March 2016 (Unaudited)</b>	<b>200,000</b>	-	<b>4</b>	<b>1,372</b>	<b>(45,160)</b>	<b>(101)</b>	<b>156,115</b>
<b>At 1 January 2015 (Audited)</b>	100,000	99,646	4	1,372	(28,438)	87	172,671
<b>Total comprehensive income:</b>							
Loss for the period	-	-	-	-	(2,161)	-	(2,161)
Decrease in fair value of financial assets carried at fair value through OCI	-	-	-	-	-	(42)	(42)
<b>Total comprehensive loss for the period</b>	-	-	-	-	(2,161)	(42)	(2,203)
<b>Transactions with owners:</b>							
Interest accretion on convertible bonds	-	125	-	-	-	-	125
<b>Total transactions with owners</b>	-	125	-	-	-	-	125
<b>At 31 March 2015 (Unaudited)</b>	<b>100,000</b>	<b>99,771</b>	<b>4</b>	<b>1,372</b>	<b>(30,599)</b>	<b>45</b>	<b>170,593</b>

The attached notes 1 to 19 form an integral part of this condensed interim financial information.

# AXA Green Crescent Insurance PJSC

## Condensed interim statement of cash flows

	<i>Unaudited</i>	
	<i>For the three months ended</i>	
	<i>31 March</i>	
	<i>2016</i>	<i>2015</i>
	<i>AED'000</i>	<i>AED'000</i>
<b>Cash flows from operating activities</b>		
Loss for the period	(1,210)	(2,161)
<b>Adjustments for:</b>		
Depreciation and amortisation	246	106
(Reversal)/provision of impairment of insurance receivables	(149)	154
Provision for employees' end of service benefits	134	56
Finance costs	23	196
Fair value (gains) losses on investments	(455)	203
Interest income	(561)	(167)
Bond premium amortisation	132	-
Dividend income	(114)	(135)
Operating cash flows before change in operating assets and liabilities and payment of employees service benefits	(1,954)	(1,748)
Employees' end of service benefits paid	(42)	(59)
Finance costs paid	(23)	(71)
<b>Changes in working capital:</b>		
Deferred acquisition costs	(150)	(1,528)
Insurance and other receivables	(9,631)	(2,016)
Technical provisions	3,661	491
Reinsurers' assets	(3,723)	(1,079)
Unearned reinsurance commission	452	39
Due to a related party	(4,483)	-
Insurance, accounts payable and accruals	4,416	5,153
<b>Net cash used in operating activities</b>	<b>(11,477)</b>	<b>(818)</b>

The attached notes 1 to 19 form an integral part of this condensed interim financial information.

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## AXA Green Crescent Insurance PJSC

### Condensed interim statement of cash flows (continued)

	<i>Unaudited</i>	
	<i>For the three months ended</i>	
	<i>31 March</i>	
	<i>2016</i>	<i>2015</i>
	<i>AED'000</i>	<i>AED'000</i>
<b>Cash flows from investing activities</b>		
Purchase of property and equipment	(42)	(19)
Additions to intangible assets	(11)	-
Purchase of financial assets at fair value through OCI	(7,718)	-
Dividends received	114	135
Interest received	185	127
<b>Net cash (used in)/generated from investing activities</b>	<b>(7,472)</b>	<b>243</b>
<b>Net decrease in cash and cash equivalents</b>	<b>(18,949)</b>	<b>(575)</b>
Cash and cash equivalents, at 1 January	138,797	90,492
<b>Cash and cash equivalents at 31 March</b>	<b>119,848</b>	<b>89,917</b>

The attached notes 1 to 19 form an integral part of this condensed interim financial information.

# **AXA Green Crescent Insurance PJSC**

## **Notes to the condensed interim financial information for the three months ended 31 March 2016**

### **1 Corporate information**

AXA Green Crescent Insurance PJSC (the "Company") is a public joint stock company, registered and incorporated in the Emirate of Abu Dhabi, United Arab Emirates and is engaged in providing health and life insurance solutions in accordance with the UAE Federal law No. (6) of 2007, relating to insurance companies and insurance agents and the related Financial Regulations for insurance companies issued by the Insurance Authority and the applicable provision of UAE Federal Law No (2) of 2015 ("Companies Law") which has come into effect on 1 July 2015. The Company was incorporated on 26 July 2008. The registered office of the Company is P O Box 63323, Abu Dhabi, United Arab Emirates.

Effective 1 September 2015 the Company changed its name from Green Crescent Insurance Company PJSC to AXA Green Crescent Insurance PJSC.

### **2 Basis of preparation and significant accounting policies**

#### **2.1 Basis of preparation**

The condensed interim financial information of the Company has been prepared in accordance with IAS 34 "*Interim Financial Reporting*".

The interim condensed financial information do not contain all information and disclosures required in the annual financial statements prepared in accordance with International Financial Reporting Standards, and should be read in conjunction with the Company's financial statements as at 31 December 2015. In addition, results for the period ended 31 March 2016 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2016.

The condensed interim financial statements are presented in UAE Dirham ("AED"), which is the functional currency of the Company. All values are rounded to the nearest thousand (AED '000), except otherwise indicated.

# **AXA Green Crescent Insurance PJSC**

## **Notes to the condensed interim financial information for the three months ended 31 March 2016 (continued)**

### **2 Basis of preparation and significant accounting policies (continued)**

#### **2.2 Significant accounting judgements, estimates and assumptions**

In preparing these condensed interim financial information, the significant judgments made by management in applying the Company's accounting policies and the key sources of estimation uncertainty are the same as those applied to the financial statements as at and for the year ended 31 December 2015.

#### **2.3 Significant accounting policies**

The accounting policies used in the preparation of the condensed interim financial information are consistent with those used in the preparation of the Company's financial statements for the year ended 31 December 2015. Amendments to IFRSs effective for the financial year ending 31 December 2016 are not expected to have a material impact on the Company's financial statements.

#### **2.4 Risk management**

The Company's activities expose it to a variety of insurance and financial risks: insurance risk, market risk (which includes interest rate risk, price risk and currency risk), operational risk and credit risk.

The condensed interim financial information do not include all insurance and financial risk management information and disclosures required in the annual financial statements; therefore, they should be read in conjunction with the Company's annual financial statements for the year ended 31 December 2015.

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

## AXA Green Crescent Insurance PJSC

### Notes to the condensed interim financial information for the three months ended 31 March 2016 (continued)

#### 3 Financial assets at fair value through profit or loss

	<i>Unaudited</i> 31 March 2016 <i>AED'000</i>	<i>Audited</i> 31 December 2015 <i>AED'000</i>
UAE based quoted equities	3,730	3,446
UAE based corporate debt instruments	6,059	5,888
	<u>9,789</u>	<u>9,334</u>

The movement in the financial assets at fair value through profit or loss is as follows:

	<i>Unaudited</i> 31 March 2016 <i>AED'000</i>	<i>Audited</i> 31 December 2015 <i>AED'000</i>
At 1 January	9,334	9,812
Net fair value gains/(losses)	455	(478)
At end of the period	<u>9,789</u>	<u>9,334</u>

#### 4 Financial assets at fair value through other comprehensive income

	<i>Unaudited</i> 31 March 2016 <i>AED'000</i>	<i>Audited</i> 31 December 2015 <i>AED'000</i>
<b><i>Quoted bonds:</i></b>		
UAE based corporate	10,241	10,154
UAE based semi government	11,791	11,716
UAE based government	7,851	7,868
	<u>29,883</u>	<u>29,738</u>
<b><i>Quoted sukuk:</i></b>		
UAE based corporate	1,899	1,882
UAE based semi government	1,832	1,808
UAE based government	9,797	1,849
	<u>13,528</u>	<u>5,539</u>
<b><i>Quoted equity instruments:</i></b>		
UAE based quoted equities	413	348
	<u>43,824</u>	<u>35,625</u>

## AXA Green Crescent Insurance PJSC

### Notes to the condensed interim financial information for the three months ended 31 March 2016 (continued)

#### 4 Financial assets at fair value through other comprehensive income (continued)

The movement in the financial assets at fair value through OCI is as follows:

	<i>Unaudited</i> <b>31 March</b> <b>2016</b> <i>AED'000</i>	<i>Audited</i> <b>31 December</b> <b>2015</b> <i>AED'000</i>
At 1 January	35,625	398
Additions	7,718	36,230
Disposals	-	(95)
Bond premium amortisation	(132)	(107)
Net fair value (losses)/gains	613	(801)
At end of the period/year	<u>43,824</u>	<u>35,625</u>

#### 5 Statutory deposit

In accordance with the requirements of Federal Law No. 6 of 2007 concerning Insurance Companies and Agencies, the Company maintains bank deposits of AED 4,000 thousand (31 December 2015: AED 4,000 thousand) as a guarantee against its Insurance of Persons and Fund Accumulation Operations License (medical and life). This deposit cannot be utilised without the consent of the UAE Insurance Authority.

#### 6 Insurance and other receivables

	<i>Unaudited</i> <b>31 March</b> <b>2016</b> <i>AED'000</i>	<i>Audited</i> <b>31 December</b> <b>2015</b> <i>AED'000</i>
Due from policyholders – UAE	14,813	7,590
Less provision for impairment of receivables	<u>(2,330)</u>	<u>(2,479)</u>
Insurance receivables, net of provision	12,483	5,111
Notes receivable	2,894	1,793
Reinsurance receivables (i)	-	649
Prepayments	981	1,030
Prepaid development costs (Note 15)	4,829	2,980
Interest receivable	775	399
Advances to brokers and suppliers	97	98
Staff receivables	412	304
Other receivables	411	362
	<u>22,882</u>	<u>12,726</u>

## AXA Green Crescent Insurance PJSC

### Notes to the condensed interim financial information for the three months ended 31 March 2016 (continued)

#### 6 Insurance and other receivables (continued)

At 31 March 2016, insurance receivables at carrying value of AED 2,330 thousand (31 December 2015: AED 2,479 thousand) were impaired and fully provided. Movements in the provision for impairment of insurance receivables were as follows:

	<i>Unaudited</i> 31 March 2016 AED'000	<i>Audited</i> 31 December 2015 AED'000
At 1 January	2,479	721
Charge for the year	-	1,758
Reversal during the year	(149)	-
At end of the period/year	<u>2,330</u>	<u>2,479</u>

The ageing of unimpaired insurance receivables is as follows:

	<i>Neither past due nor impaired</i> Total AED'000	<i>Past due</i>			
		<i>Less than 90 Days</i> AED'000	<i>90 - 180 days</i> AED'000	<i>Over 180 days</i> AED'000	
31 March 2016 (Unaudited)	<u>12,483</u>	<u>5,431</u>	<u>6,688</u>	<u>205</u>	<u>159</u>
31 December 2015 (Audited)	<u>5,111</u>	<u>2,308</u>	<u>980</u>	<u>869</u>	<u>954</u>

Unimpaired insurance receivables are expected to be fully recoverable and are non-interest bearing. It is not the practice of the Company to obtain collateral over receivables and the vast majority are, therefore, unsecured.

(i) The geographical allocation for reinsurance receivables is as follow :

	<i>Unaudited</i> 31 March 2016 AED'000	<i>Audited</i> 31 December 2015 AED'000
Inside UAE	-	144
Outside UAE	-	505
Reinsurance receivables	<u>-</u>	<u>649</u>



## AXA Green Crescent Insurance PJSC

### Notes to the condensed interim financial information for the three months ended 31 March 2016 (continued)

#### 7 Cash and bank balances

For the purposes of the interim cash flow statement, cash and cash equivalents comprise of the following:

	<i>Unaudited</i> 31 March 2016 <i>AED'000</i>	<i>Audited</i> 31 December 2015 <i>AED'000</i>	<i>Unaudited</i> 31 March 2015 <i>AED'000</i>
Statutory deposits	4,000	4,000	4,000
Time deposits	92,104	100,627	177,911
Demand deposits and cash	27,744	38,170	11,506
Bank balances and cash	123,848	142,797	193,417
Less: Statutory deposits	(4,000)	(4,000)	(4,000)
Less: deposits with original maturities of more than three months	-	-	(99,500)
Cash and cash equivalents	<u>119,848</u>	<u>138,797</u>	<u>89,917</u>

At 31 March 2016, bank deposits carry an effective interest rate of 0.44% to 1.45% per annum (2015: 0.309% to 1.25% per annum). All bank balances and deposits are held with banks in the United Arab Emirates.

The Company has unutilised bank overdraft facility amounting to AED 21,500 thousand as at 31 March 2016 (2015: AED 21,500 thousand).

#### 8 Insurance contract liabilities and reinsurance contract assets

	<i>Unaudited</i> 31 March 2016 <i>AED'000</i>	<i>Audited</i> 31 December 2015 <i>AED'000</i>
<b>Liabilities arising from insurance contracts</b>		
- Gross unearned premiums	23,380	15,673
- Gross claims outstanding	4,479	6,875
- Claims incurred but not reported ("IBNR")	6,071	7,721
- Unexpired risk reserve	1,866	1,866
- Unallocated loss adjustment expense ("ULAE")	608	608
	<u>36,404</u>	<u>32,743</u>
<b>Reinsurance contract assets</b>		
Reinsurers' share of unearned premiums	12,893	6,543
Reinsurers' share of gross claims outstanding and IBNR	4,830	7,457
	<u>17,723</u>	<u>14,000</u>

## AXA Green Crescent Insurance PJSC

### Notes to the condensed interim financial information for the three months ended 31 March 2016 (continued)

#### 8 Insurance contract liabilities and reinsurance assets (continued)

The gross insurance liabilities calculated by the Company's external actuary, Nauman Associates Consulting Actuaries, are as follows:

	<i>Unaudited</i> 31 March 2016 <i>AED'000</i>
Gross unearned premiums	23,521
Claims incurred but not reported ("IBNR")	3,670
	<u>27,191</u>

#### 9 Insurance, accounts payable and accruals

	<i>Unaudited</i> 31 March 2016 <i>AED'000</i>	<i>Audited</i> 31 December 2015 <i>AED'000</i>
Due to reinsurers	5,049	4,647
Due to reinsurers – related parties (Note 15)	8,215	5,026
Brokers and other trade payables	4,214	3,552
Insurance payables	9	1,436
Premiums received in advance	423	423
Advances from customers	773	160
Accrued expenses	4,106	3,135
Other payables	138	132
	<u>22,927</u>	<u>18,511</u>

The geographical allocation for accounts payables is as follows:

	<i>Unaudited</i> 31 March 2016 <i>AED'000</i>	<i>Audited</i> 31 December 2015 <i>AED'000</i>
<b>Inside UAE</b>		
Due to reinsurers – related parties (Note 15)	7,906	5,026
Brokers and other trade payables	3,948	3,097
Insurance payables	9	1,436
Premiums received in advance	423	423
Advances from customers	773	160
Accrued expenses	4,106	3,135
Other payables	138	132
	<u>17,303</u>	<u>13,409</u>

## AXA Green Crescent Insurance PJSC

### Notes to the condensed interim financial information for the three months ended 31 March 2016 (continued)

#### 9 Insurance, accounts payable and accruals (continued)

	<i>Unaudited</i> <b>31 March</b> <b>2016</b> <i>AED'000</i>	<i>Audited</i> <b>31 December</b> <b>2015</b> <i>AED'000</i>
<b>Outside UAE</b>		
Due to reinsurers	5,049	4,647
Due to reinsurers – related parties	309	-
Brokers and other trade payables	266	455
	<u>5,624</u>	<u>5,102</u>

#### 10 Net insurance premium revenue

	<i>Unaudited</i> <b>Three months</b> <b>ended</b> <b>31 March</b> <b>2016</b> <i>AED'000</i>	<i>Unaudited</i> <b>Three months</b> <b>ended</b> <b>31 March</b> <b>2015</b> <i>AED'000</i>
<b>Gross written premium</b>		
Medical insurance	7,369	17,257
Life insurance	9,317	2,673
	<u>16,686</u>	<u>19,930</u>
<b>Change in unearned premiums provision</b>		
Medical insurance	(264)	(841)
Life insurance	(7,443)	(1,981)
	<u>(7,707)</u>	<u>(2,822)</u>
<b>Total gross premiums written, net of change in unearned premiums</b>	<u>8,979</u>	<u>17,108</u>
<b>Ceded premiums</b>		
Medical insurance	(4,322)	(8,606)
Life insurance	(5,590)	(1,041)
	<u>(9,912)</u>	<u>(9,647)</u>
<b>Change in reinsurers' share of unearned premiums provision</b>		
Medical insurance	1,731	1,217
Life insurance	4,619	755
	<u>6,350</u>	<u>1,972</u>
<b>Total premiums ceded to reinsurers</b>	<u>(3,562)</u>	<u>(7,675)</u>
<b>Net insurance premium revenue</b>	<u>5,417</u>	<u>9,433</u>

# AXA Green Crescent Insurance PJSC

## Notes to the condensed interim financial information for the three months ended 31 March 2016 (continued)

### 11 Investment income

	<i>Unaudited</i> Three months ended 31 March 2016 <i>AED'000</i>	<i>Unaudited</i> Three months ended 31 March 2015 <i>AED'000</i>
<b>Financial assets carried at fair value</b>		
Dividend income	114	135
Interest income	406	-
Bond premium amortisation	(132)	-
<b>Term deposits</b>		
Interest income	155	167
	<u>543</u>	<u>302</u>

### 12 Insurance claims

Paid claims	8,927	14,030
Change in the provision for outstanding claims	(4,046)	(2,331)
Gross claims incurred	<u>4,881</u>	<u>11,699</u>
Recovered claims	5,411	7,419
Change in reinsurers' share of provision for outstanding claims and IBNR	(2,627)	(893)
Reinsurers' share of claims incurred	<u>2,784</u>	<u>6,526</u>
<b>Net claims incurred</b>	<u>2,097</u>	<u>5,173</u>

### 13 General and administrative expenses

Staff costs	3,576	3,366
Legal and professional fees	311	317
Rentals	161	198
Marketing and advertisement	71	27
Travel and transport	27	35
Other expenses	451	308
	<u>4,597</u>	<u>4,251</u>

## AXA Green Crescent Insurance PJSC

### Notes to the condensed interim financial information for the three months ended 31 March 2016 (continued)

#### 14 Loss per share

Basic loss per share is calculated by dividing the loss for the period attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares outstanding during the period.

Diluted loss per share amounts are calculated by dividing the loss for the period attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares used to calculate basic loss per share, plus the weighted average number of ordinary shares that would be issued on the conversion of all dilutive potential ordinary shares into ordinary shares.

The following reflects the loss and shares data used in the loss per share computations:

	<i>(Unaudited)</i>	
	Three months ended	
	31 March 2016	31 March 2015
Loss for the period attributable to ordinary equity holders for basic losses (AED '000)	<u>(1,210)</u>	<u>(2,161)</u>
Loss for the period attributable to ordinary equity holders for diluted losses (AED '000)	<u>(1,210)</u>	<u>(2,036)</u>
Weighted average number of ordinary shares for basic EPS ( <i>shares in '000</i> )	200,000	100,000
Effect of dilution from convertible bonds ( <i>shares in '000</i> )	<u>-</u>	<u>100,000</u>
Weighted average number of ordinary shares adjusted for the effect of dilution ( <i>shares in '000</i> )	<u>200,000</u>	<u>200,000</u>
Loss per share for the period - basic (AED)	<u>(0.006)</u>	<u>(0.022)</u>
Loss per share for the period - diluted (AED)	<u>(0.006)</u>	<u>(0.010)</u>

## AXA Green Crescent Insurance PJSC

### Notes to the condensed interim financial information for the three months ended 31 March 2016 (continued)

#### 15 Related party transactions and balances

Related parties represent associated companies, major shareholders, directors and key management personnel of the Company, and companies of which they are principal owners. Pricing policies and terms of these transactions are approved by the Company's management.

*Balances with related parties included in the statement of financial position are as follows:*

	<i>Unaudited</i> 31 March 2016 <i>AED'000</i>	<i>Audited</i> 31 December 2015 <i>AED'000</i>
Due to AXA Gulf	4,792	9,275
Due to AXA Gulf on reinsurance contracts	7,906	5,011
Due to AXA Lebanon on reinsurance contracts	309	15
Due to related parties (Note 9)	8,215	5,026

*Transactions with related parties during the period are as follows:*

	<i>Unaudited</i> Three months ended 31 March 2016 <i>AED'000</i>	<i>Unaudited</i> Three months ended 31 March 2015 <i>AED'000</i>
Secondment costs charged to GCIC by AXA	(1,925)	(1,253)
Secondment costs charged to AXA by GCIC	176	201
Development costs incurred in respect of the life platform (Note 6)	4,829	-
<b>Reinsurance contracts with AXA Gulf</b>		
Ceded premium on health business	(4,645)	(420)
Ceded premium on life business	(4,283)	(156)
Recovered claims on health business	3,859	522
Recovered claims on life business	860	126
<b>Reinsurance contracts with AXA Lebanon</b>		
Ceded premium on life business	318	-
<b>Compensation of key management personnel</b>		
Short term benefits	505	540

# AXA Green Crescent Insurance PJSC

## Notes to the condensed interim financial information for the three months ended 31 March 2016 (continued)

### 16 Contingencies

#### *Contingencies*

As of 31 March 2016, the Company had contingent liabilities in respect of bank and other guarantees and other matters arising in the ordinary course of business from which it is anticipated that no material liabilities will arise, amounting to AED 2,000 thousand (2015: AED 2,000 thousand).

#### *Commitments*

Estimated capital expenditure contracted for at the interim statement of financial position date but not provided for amounted to AED 10,004 thousand (31 December 2015: AED 11,042 thousand).

### 17 Fair value measurements

While the Company prepares its financial information under the historical cost convention modified for measurement to fair value of investments carried at fair value, in the opinion of management, the estimated carrying values and fair values of financial assets and liabilities that are not carried at fair value in the financial statements are not materially different.

The following table shows the analysis of assets recorded at fair value by level of the fair value hierarchy:

<i>At 31 March 2016 (Unaudited)</i>	<i>Level 1</i> <i>AED '000</i>	<i>Level 2</i> <i>AED '000</i>	<i>Level 3</i> <i>AED '000</i>	<i>Total</i> <i>AED '000</i>
<i>At fair value through profit or loss</i>				
Quoted equities	3,730	-	-	3,730
Quoted perpetual debt instruments	6,059	-	-	6,059
	<u>9,789</u>	<u>-</u>	<u>-</u>	<u>9,789</u>
<i>At fair value through other comprehensive income</i>				
Quoted equities	413	-	-	413
Quoted debt instruments	43,411	-	-	43,411
	<u>43,824</u>	<u>-</u>	<u>-</u>	<u>43,824</u>
	<u>53,613</u>	<u>-</u>	<u>-</u>	<u>53,613</u>
<i>At 31 December 2015 (Audited)</i>				
<i>At fair value through profit or loss</i>				
Quoted equities	3,446	-	-	3,446
Quoted perpetual debt instruments	5,888	-	-	5,888
	<u>9,334</u>	<u>-</u>	<u>-</u>	<u>9,334</u>
<i>At fair value through other comprehensive income</i>				
Quoted equities	348	-	-	348
Quoted debt instruments	35,277	-	-	35,277
	<u>35,625</u>	<u>-</u>	<u>-</u>	<u>35,625</u>
	<u>44,959</u>	<u>-</u>	<u>-</u>	<u>44,959</u>

## AXA Green Crescent Insurance PJSC

### Notes to the condensed interim financial information for the three months ended 31 March 2016 (continued)

#### 17 Fair value measurements (continued)

##### Fair value hierarchy

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

*Level 1:* quoted (unadjusted) prices in active markets for identical assets or liabilities;

*Level 2:* other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly; and

*Level 3:* techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

#### 18 Capital risk management

The Company's objectives when managing capital is to comply with the insurance capital requirements required by UAE Federal Law No. (6) of 2007, concerning insurance companies and agents. In UAE, the local insurance regulator specifies the minimum amount and type of capital that must be held by the Company in addition to its insurance liabilities. The minimum required capital (presented in the table below) must be maintained at all times throughout the period. The Company is subject to local insurance solvency regulations and is currently assessing its compliance with these regulations. The Company has incorporated in its policies and procedures the necessary tests to ensure continuous and full compliance with such regulations. The table below summarizes the minimum regulatory capital of the Company and the total capital held.

	<i>Unaudited</i> <b>31 March</b> <b>2016</b> <i>AED'000</i>	<i>Audited</i> <b>31 December</b> <b>2015</b> <i>AED'000</i>
Share capital	<u>200,000,000</u>	<u>200,000,000</u>
Minimum regulatory capital	<u>100,000,000</u>	<u>100,000,000</u>

At 31 March 2016, management has not assessed the solvency margin and minimum guarantee fund as per Section 2 of the Financial Regulations for insurance companies issued by the Insurance Authority.



## AXA Green Crescent Insurance PJSC

### Notes to the condensed interim financial information for the three months ended 31 March 2016 (continued)

#### 19 Segment information

For management purposes, the Company is organised into business units based on their products and services and has two reportable operating segments as follows:

- The medical insurance segment comprises healthcare insurance. Non-life healthcare contracts provide medical cover to policyholders; and
- The life insurance segment offers term life assurance products.

No operating segments have been aggregated to form the above reportable operating segments.

No inter-segment transactions occurred in the three month period ended 31 March 2016 and 2015.

#### Segment interim statement of income for the three month period ended 31 March 2016 (Unaudited)

	Medical AED'000	Life AED'000	Total AED'000
Insurance premium revenue	7,105	1,874	8,979
Insurance premium ceded to reinsurers	(2,591)	(971)	(3,562)
<b>Net insurance premium revenue</b>	<b>4,514</b>	<b>903</b>	<b>5,417</b>
Reinsurance commission	240	13	253
<b>Net insurance revenue</b>	<b>4,754</b>	<b>916</b>	<b>5,670</b>
Investment income	114	429	543
Net fair value loss on financial assets	455	-	455
<b>Other income</b>	<b>569</b>	<b>429</b>	<b>998</b>
<b>Total income</b>	<b>5,323</b>	<b>1,345</b>	<b>6,668</b>
Claims incurred	(3,649)	(1,232)	(4,881)
Claims recovered from reinsurers	1,872	912	2,784
<b>Net claims incurred</b>	<b>(1,777)</b>	<b>(320)</b>	<b>(2,097)</b>
Expense for acquisition of insurance contracts	(705)	(176)	(881)
Claims administration fees	(256)	-	(256)
<b>Total claims and insurance related expenses</b>	<b>(2,738)</b>	<b>(496)</b>	<b>(3,234)</b>
General and administrative expenses	(3,638)	(959)	(4,597)
Finance costs	(18)	(5)	(23)
Other expenses	(18)	(6)	(24)
<b>Total claims and expenses</b>	<b>(6,412)</b>	<b>(1,466)</b>	<b>(7,878)</b>
<b>Segment loss for the period</b>	<b>(1,089)</b>	<b>(121)</b>	<b>(1,210)</b>

## AXA Green Crescent Insurance PJSC

### Notes to the condensed interim financial information for the three months ended 31 March 2016 (continued)

#### 19 Segment information (continued)

##### Segment interim statement of income for the three month period ended 31 March 2015 (Unaudited)

	Medical AED'000	Life AED'000	Total AED'000
Insurance premium revenue	16,416	692	17,108
Insurance premium ceded to reinsurers	(7,389)	(286)	(7,675)
<b>Net insurance premium revenue</b>	<b>9,027</b>	<b>406</b>	<b>9,433</b>
Reinsurance commission	595	2	597
<b>Net insurance revenue</b>	<b>9,622</b>	<b>408</b>	<b>10,030</b>
Investment income	302	-	302
Net fair value loss on financial assets	(203)	-	(203)
<b>Other income</b>	<b>99</b>	<b>-</b>	<b>99</b>
<b>Total income</b>	<b>9,721</b>	<b>408</b>	<b>10,129</b>
Claims incurred	(11,115)	(584)	(11,699)
Claims recovered from reinsurers	6,197	329	6,526
<b>Net claims incurred</b>	<b>(4,918)</b>	<b>(255)</b>	<b>(5,173)</b>
Expense for acquisition of insurance contracts	(1,310)	(88)	(1,398)
Claims administration fees	(1,010)	(2)	(1,012)
<b>Total claims and insurance related expenses</b>	<b>(7,238)</b>	<b>(345)</b>	<b>(7,583)</b>
General and administrative expenses	(4,181)	(70)	(4,251)
Finance costs	(188)	(8)	(196)
Other expenses	(249)	(11)	(260)
<b>Total claims and expenses</b>	<b>(11,856)</b>	<b>(434)</b>	<b>(12,290)</b>
<b>Segment loss for the period</b>	<b>(2,135)</b>	<b>(26)</b>	<b>(2,161)</b>

The separate disclosure for segment assets and liabilities has not been presented in the condensed interim financial information.