

**Green Crescent Insurance  
Company PJSC**

INTERIM CONDENSED  
FINANCIAL STATEMENTS

30 SEPTEMBER 2012 (UNAUDITED)

**REPORT ON REVIEW OF INTERIM CONDENSED FINANCIAL STATEMENTS TO THE BOARD OF DIRECTORS OF GREEN CRESCENT INSURANCE COMPANY PJSC***Introduction*

We have reviewed the accompanying interim condensed financial statements of Green Crescent Insurance Company PJSC (the "Company") as at 30 September 2012, comprising of the interim statement of financial position as at 30 September 2012 and the related interim statements of income and comprehensive income for the three month and nine month periods then ended, the related statements of changes in equity and cash flows for the nine month period then ended and explanatory information. Management is responsible for the preparation and presentation of these interim condensed financial statements in accordance with International Financial Reporting Standard IAS 34 Interim Financial Reporting ("IAS 34"). Our responsibility is to express a conclusion on these interim condensed financial statements based on our review.

*Scope of review*

We conducted our review in accordance with the 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 interim condensed financial statements are not prepared, in all material respects, in accordance with IAS 34.

*Emphasis of Matter – Going Concern*

We draw attention to note 2 to the interim condensed financial statements. The Company incurred a loss amounting to AED 18,792 thousand during the nine month period ended 30 September 2012 and has accumulated losses of AED 176,867 thousand which exceed 50% of the share capital of the Company at 30 September 2012. These factors indicate the existence of a material uncertainty that may cast a significant doubt on the Company's ability to continue as a going concern. Accordingly, the Directors are to put a resolution to the shareholders in an extraordinary general assembly not to dissolve the Company in accordance with the UAE Commercial Companies' Law of 1984 (as amended). Our conclusion is not qualified in respect of this matter.



Signed by:  
Richard Mitchell  
Partner  
Ernst & Young  
Registration No. 446

5 November 2012  
Abu Dhabi

# Green Crescent Insurance Company PJSC

## INTERIM STATEMENT OF INCOME

Period ended 30 September 2012 (Unaudited)

	Notes	<i>Three months ended</i>		<i>Nine months ended</i>	
		<i>30 September 2012 (Unaudited) AED'000</i>	<i>30 September 2011 (Unaudited) AED'000</i>	<i>30 September 2012 (Unaudited) AED'000</i>	<i>30 September 2011 (Unaudited) AED'000</i>
Gross premiums written	4(a)	15,856	44,655	82,176	245,035
Change in unearned premiums	4(a)	<u>12,394</u>	<u>27,051</u>	<u>22,047</u>	<u>(50,811)</u>
Gross premiums written, net of change in unearned premiums	4(a)	28,250	71,706	104,223	194,224
Premium ceded to reinsurers	4(b)	<u>(13,149)</u>	<u>(15,492)</u>	<u>(33,984)</u>	<u>(40,209)</u>
<b>Net premiums</b>		<b><u>15,101</u></b>	<b><u>56,214</u></b>	<b><u>70,239</u></b>	<b><u>154,015</u></b>
Reinsurance commission		781	1,973	3,087	5,399
Investment income		948	2,383	3,526	7,712
Fair value gains (losses) on investments		<u>1,265</u>	<u>(939)</u>	<u>1,424</u>	<u>344</u>
<b>Other revenue</b>		<b><u>2,994</u></b>	<b><u>3,417</u></b>	<b><u>8,037</u></b>	<b><u>13,455</u></b>
<b>Total revenue</b>		<b><u>18,095</u></b>	<b><u>59,631</u></b>	<b><u>78,276</u></b>	<b><u>167,470</u></b>
Gross benefits and claims paid		(21,302)	(60,508)	(92,082)	(188,169)
Claims ceded to reinsurers		11,185	13,614	30,409	36,179
Brokerage commission charged to reinsurers		97	746	906	2,014
Commission expenses		<u>(2,159)</u>	<u>(4,420)</u>	<u>(7,425)</u>	<u>(13,594)</u>
<b>Net benefits and claims</b>		<b><u>(12,179)</u></b>	<b><u>(50,568)</u></b>	<b><u>(68,192)</u></b>	<b><u>(163,570)</u></b>
Finance costs		(173)	(48)	(333)	(179)
General and administrative expenses	5	(7,097)	(8,485)	(20,226)	(24,870)
Claims administration fees		(1,598)	(4,185)	(5,582)	(11,188)
Depreciation and amortization		(874)	(682)	(2,399)	(2,154)
Provision for impairment of insurance receivables		<u>(1,087)</u>	<u>(1,007)</u>	<u>(336)</u>	<u>(2,084)</u>
<b>Other expenses</b>		<b><u>(10,829)</u></b>	<b><u>(14,407)</u></b>	<b><u>(28,876)</u></b>	<b><u>(40,475)</u></b>
<b>Total benefits, claims and other expenses</b>		<b><u>(23,008)</u></b>	<b><u>(64,975)</u></b>	<b><u>(97,068)</u></b>	<b><u>(204,045)</u></b>
<b>Loss for the period</b>		<b><u>(4,913)</u></b>	<b><u>(5,344)</u></b>	<b><u>(18,792)</u></b>	<b><u>(36,575)</u></b>
<b>Loss per share for the period – basic (AED)</b>	10	<b><u>(0.02)</u></b>	<b><u>(0.02)</u></b>	<b><u>(0.08)</u></b>	<b><u>(0.15)</u></b>

The attached notes 1 to 14 form part of these interim condensed financial statements.

# Green Crescent Insurance Company PJSC

## INTERIM STATEMENT OF COMPREHENSIVE INCOME

Period ended 30 September 2012 (Unaudited)

	<i>Three months ended</i>		<i>Nine months ended</i>	
	<i>30 September</i>	<i>30 September</i>	<i>30 September</i>	<i>30 September</i>
	<i>2012</i>	<i>2011</i>	<i>2012</i>	<i>2011</i>
	<i>AED'000</i>	<i>AED'000</i>	<i>AED'000</i>	<i>AED'000</i>
<b>LOSS FOR THE PERIOD</b>	<b>(4,913)</b>	<b>(5,344)</b>	<b>(18,792)</b>	<b>(36,575)</b>
<b>Other comprehensive loss</b>				
Changes in fair value of investments carried at fair value through other comprehensive income	<u>151</u>	<u>(118)</u>	<u>328</u>	<u>(765)</u>
<b>TOTAL COMPREHENSIVE LOSS FOR THE PERIOD</b>	<b><u>(4,762)</u></b>	<b><u>(5,462)</u></b>	<b><u>(18,464)</u></b>	<b><u>(37,340)</u></b>

The attached notes 1 to 14 form part of these interim condensed financial statements.

# Green Crescent Insurance Company PJSC

## INTERIM STATEMENT OF FINANCIAL POSITION

At 30 September 2012 (Unaudited)

		<b>30 September 2012 (Unaudited) AED'000</b>	<b>31 December 2011 (Audited) AED'000</b>
	<i>Notes</i>		
<b>ASSETS</b>			
Intangible assets		12,195	13,696
Furniture, equipment and vehicles		909	1,748
Investments carried at fair value		13,056	11,304
Investments carried at amortized cost		15,129	15,288
Statutory deposit	6	4,000	4,000
Reinsurance assets	7	38,433	30,405
Insurance receivables and prepayments	8	76,747	112,300
Time deposits	9	75,000	126,268
Demand deposits and cash	9	<u>1,864</u>	<u>3,917</u>
<b>TOTAL ASSETS</b>		<b><u>237,333</u></b>	<b><u>318,926</u></b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital		250,000	250,000
Other reserve		1,372	1,372
Accumulated losses		(176,867)	(158,075)
Cumulative changes in fair value of investments		<u>(2,036)</u>	<u>(2,364)</u>
<b>Total equity</b>		<b><u>72,469</u></b>	<b><u>90,933</u></b>
<b>Liabilities</b>			
Liabilities arising from insurance contracts			
- Gross unearned premiums		54,668	76,715
- Gross claims outstanding		31,043	101,807
Employees' end of service benefits		743	1,122
Accounts payable and accruals		67,437	33,504
Bank overdraft	9	<u>10,973</u>	<u>14,845</u>
<b>Total liabilities</b>		<b><u>164,864</u></b>	<b><u>227,993</u></b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b><u>237,333</u></b>	<b><u>318,926</u></b>

  
MEMBER OF THE BOARD OF DIRECTORS

  
MEMBER OF THE BOARD OF DIRECTORS

The attached notes 1 to 14 form part of these interim condensed financial statements.

# Green Crescent Insurance Company PJSC

## INTERIM STATEMENT OF CASHFLOWS

Period ended 30 September 2012 (Unaudited)

	<i>Nine months ended 30 September 2012 (Unaudited) AED'000</i>	<i>Nine months ended 30 September 2011 (Unaudited) AED'000</i>
	<i>Note</i>	
<b>OPERATING ACTIVITIES</b>		
Loss for the period	(18,792)	(36,575)
Adjustments for:		
Depreciation and amortization	2,399	2,154
Provision for impairment of insurance receivables	336	2,084
Provision for employees' end of service benefits	151	494
Finance costs	333	179
Fair value gains on investments	(1,424)	(344)
Investment income	<u>(3,091)</u>	<u>(7,496)</u>
	<b>(20,088)</b>	<b>(39,504)</b>
Working capital changes:		
Insurance receivables and prepayments	14,668	(21,438)
Gross unearned premiums, net of reinsurer's share	(36,643)	38,780
Gross claims outstanding	(70,764)	41,536
Reinsurer's share of gross claims outstanding	6,568	(10,769)
Accounts payable and accruals	<u>33,933</u>	<u>(11,522)</u>
Cash used in operations	(72,326)	(2,917)
Finance costs paid	(333)	(179)
Employees' end of service benefits paid	<u>(530)</u>	<u>(300)</u>
Net cash used in operating activities	<b>(73,189)</b>	<b>(3,396)</b>
<b>INVESTING ACTIVITIES</b>		
Purchase of furniture, equipment and vehicles	595	(185)
Additions to capital work in progress	(602)	-
Additions to intangible assets	(52)	(1,784)
Time deposits withdrawn (placed)	25,000	(5,000)
Interest received	<u>23,799</u>	<u>2,099</u>
Net cash from (used in) investing activities	<b>48,740</b>	<b>(4,870)</b>
<b>DECREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(24,449)</b>	<b>(8,266)</b>
Cash and cash equivalents at 1 January	<u>15,340</u>	<u>19,803</u>
<b>CASH AND CASH EQUIVALENTS AT 30 SEPTEMBER</b>	<b>9</b>	<b>11,537</b>

The attached notes 1 to 14 form part of these interim condensed financial statements

# Green Crescent Insurance Company PJSC

## INTERIM STATEMENT OF CHANGES IN EQUITY

Period ended 30 September 2012 (Unaudited)

	<i>Share capital AED'000</i>	<i>Other reserve AED'000</i>	<i>Accumulated losses AED'000</i>	<i>Cumulative changes in fair value AED'000</i>	<i>Total AED'000</i>
At 1 January 2012	250,000	1,372	(158,075)	(2,364)	90,933
Total comprehensive loss for the period	-	-	(18,792)	328	(18,464)
At 30 September 2012 (Unaudited)	<u>250,000</u>	<u>1,372</u>	<u>(176,867)</u>	<u>(2,036)</u>	<u>72,469</u>
At 1 January 2011	250,000	1,372	(114,260)	(1,363)	135,749
Total comprehensive loss for the period	-	-	(36,575)	(765)	(37,340)
At 30 September 2011 (Unaudited)	<u>250,000</u>	<u>1,372</u>	<u>(150,835)</u>	<u>(2,128)</u>	<u>98,409</u>

The attached notes 1 to 14 form part of these interim condensed financial statements.

**NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS**

30 September 2012 (Unaudited)

**1 CORPORATE INFORMATION**

Green Crescent Insurance Company 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 insurance solutions in accordance with the UAE Federal Law No. (9) of 1984, as amended, relating to insurance companies and insurance agents. The Company was incorporated on 26 July 2008.

The registered office of the Company is P O Box 63323, Abu Dhabi, United Arab Emirates.

The accompanying interim condensed financial statements of the Company for the period ended 30 September 2012 were authorised for issue in accordance with a resolution of the Board of Directors on 5 November 2012.

**2 FUNDAMENTAL ACCOUNTING CONCEPT**

The Company has incurred a loss of AED 18,792 thousand during the nine month period ended 30 September 2012 (2011: AED 36,575 thousand) and as at 30 September 2012, accumulated losses of the Company have exceeded 50% of its share capital. These factors indicate the existence of a material uncertainty that may cast a significant doubt on the Company's ability to continue as a going concern. However, the interim condensed financial statements have been prepared on a going concern basis as the Board of Directors are to put a resolution to the shareholders in an extraordinary general assembly not to dissolve the Company in accordance with the UAE Commercial Companies' Law of 1984 (as amended).

**3 BASIS OF PREPARATION AND CHANGES TO THE COMPANY'S ACCOUNTING POLICIES**

**3.1 BASIS OF PREPARATION**

The interim condensed financial statements of the Company for the nine month period ended 30 September 2012 have been prepared in accordance with IAS 34, Interim Financial Reporting.

The interim condensed financial statements 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 2011. In addition, results for the period ended 30 September 2012 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2012.

The interim condensed financial statements are presented in UAE Dirhams ("AED"), which is the functional currency of the Company.

**3.2 SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS**

In preparing these interim condensed financial statements, 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 2011.



# Green Crescent Insurance Company PJSC

## NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS 30 September 2012 (Unaudited)

### 3.3 NEW STANDARDS, INTERPRETATIONS AND AMENDMENTS THERE OF, ADOPTED BY THE COMPANY

The accounting policies used in the preparation of the interim condensed financial statements are consistent with those used in the preparation of the Company's financial statements for the year ended 31 December 2011, except for the adoption of the following new standards and interpretations as of 1 January 2012, noted below:

#### *IAS 12 Deferred Tax – Recovery of Underlying Assets*

This amendment to IAS 12 includes a rebuttable presumption that the carrying amount of investment property measured using the fair value model in IAS 40 will be recovered through sale and, accordingly, that any related deferred tax should be measured on a sale basis. The presumption is rebutted if the investment property is depreciable and it is held within a business model whose objective is to consume substantially all of the economic benefits in the investment property over time, rather than through sale. Specifically, IAS 12 will require that deferred tax arising from a non-depreciable asset measured using the revaluation model in IAS 16 should always reflect the tax consequences of recovering the carrying amount of the underlying asset through sale. Effective implementation date is for annual periods beginning on or after 1 January 2012. This amendment is not applicable to the company as the company neither has investment property nor has assets under IAS 16 valued under revaluation model.

#### *IFRS 7 Financial Instruments: Disclosures – Transfers of financial assets (Amendment)*

The IASB issued an amendment to IFRS 7 that enhances disclosure for financial assets. These disclosures related to assets transferred (as defined under IAS 39). If the assets transferred are not derecognized entirely in the financial statements, an entity has to disclose information that enables users of the financial statements to understand the relationships between those assets which are not decongested and their associated liabilities. If those assets are derecognized entirely, but the entity retains a continuing involvement, disclosures have to be provided that enable users of financial statements to evaluate the nature of, and risks associated with, the entity's continuing involvement in those derecognized assets. Effective implementation date is for annual periods beginning on or after 1 July 2011 with no comparative requirements. This amendment did not have any impact on company's financial position or financial performance.

## 4 NET PREMIUMS

### (a) Gross premiums on insurance contracts

	<i>Three months ended</i>		<i>Nine months ended</i>	
	<i>30 September 2012</i>	<i>30 September 2011</i>	<i>30 September 2012</i>	<i>30 September 2011</i>
	<i>(Unaudited)</i>	<i>(Unaudited)</i>	<i>(Unaudited)</i>	<i>(Unaudited)</i>
	<i>AED'000</i>	<i>AED'000</i>	<i>AED'000</i>	<i>AED'000</i>
Non-life insurance (which comprises healthcare)	15,812	44,613	81,530	243,995
Life insurance	44	42	646	1,040
	<u>15,856</u>	<u>44,655</u>	<u>82,176</u>	<u>245,035</u>
Change in unearned premiums provision				
- Non-life insurance (which comprises healthcare)	12,272	26,826	22,145	(50,380)
- Life insurance	122	225	(98)	(431)
	<u>12,394</u>	<u>27,051</u>	<u>22,047</u>	<u>(50,811)</u>
Total gross premiums written, net of change in unearned premiums	<u>28,250</u>	<u>71,706</u>	<u>104,223</u>	<u>194,224</u>

# Green Crescent Insurance Company PJSC

## NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

30 September 2012 (Unaudited)

### 4 NET PREMIUMS continued

#### b) Premiums ceded to reinsurers on insurance contracts

	<i>Three months ended</i>		<i>Nine months ended</i>	
	<i>30 September</i>	<i>30 September</i>	<i>30 September</i>	<i>30 September</i>
	<i>2012</i>	<i>2011</i>	<i>2012</i>	<i>2011</i>
	<i>(Unaudited)</i>	<i>(Unaudited)</i>	<i>(Unaudited)</i>	<i>(Unaudited)</i>
	<i>AED'000</i>	<i>AED'000</i>	<i>AED'000</i>	<i>AED'000</i>
Non-life insurance (which comprises healthcare)	<b>(9,827)</b>	(9,913)	<b>(48,176)</b>	(51,689)
Life insurance	<b>(239)</b>	<u>9</u>	<b>(404)</b>	<u>(597)</u>
	<b>(10,066)</b>	<u>(9,904)</u>	<b>(48,580)</b>	<u>(52,286)</u>
Change in reinsurer's share of unearned premiums				
- Non-life insurance (which comprises healthcare)	<b>(2,995)</b>	(5,408)	<b>14,529</b>	11,874
- Life insurance	<b>(88)</b>	<u>(180)</u>	<b>67</b>	<u>203</u>
	<b>(3,083)</b>	<u>(5,588)</u>	<b>14,596</b>	<u>12,077</u>
Total premiums ceded to reinsurers	<b>(13,149)</b>	<u>(15,492)</u>	<b>(33,984)</b>	<u>(40,209)</u>
Total net premiums	<b>15,101</b>	<u>56,214</u>	<b>70,239</b>	<u>154,015</u>

### 5 GENERAL AND ADMINISTRATIVE EXPENSES

	<i>Three months ended</i>		<i>Nine months ended</i>	
	<i>30 September</i>	<i>30 September</i>	<i>30 September</i>	<i>30 September</i>
	<i>2012</i>	<i>2011</i>	<i>2012</i>	<i>2011</i>
	<i>(Unaudited)</i>	<i>(Unaudited)</i>	<i>(Unaudited)</i>	<i>(Unaudited)</i>
	<i>AED'000</i>	<i>AED'000</i>	<i>AED'000</i>	<i>AED'000</i>
Salaries allowances and other benefits	<b>4,052</b>	5,454	<b>12,910</b>	15,727
Legal and professional fees	<b>1,163</b>	1,981	<b>3,135</b>	4,604
Rentals	<b>679</b>	407	<b>1,425</b>	1,164
Marketing and advertising	<b>25</b>	192	<b>74</b>	633
Travel and transport	<b>21</b>	49	<b>82</b>	187
Other expenses	<b>1,157</b>	<u>402</u>	<b>2,600</b>	<u>2,555</u>
	<b>7,097</b>	<u>8,485</u>	<b>20,226</b>	<u>24,870</u>

### 6 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 2011: AED 4,000 thousand) which cannot be utilized without the consent of the UAE Insurance Authority.

# Green Crescent Insurance Company PJSC

## NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS 30 September 2012 (Unaudited)

### 7 REINSURANCE ASSETS

	<i>30 September 2012 (Unaudited) AED'000</i>	<i>31 December 2011 (Audited) AED'000</i>
Reinsurers' share of unearned premiums	30,016	15,420
Reinsurers' share of gross claims outstanding	<u>8,417</u>	<u>14,985</u>
	<u><b>38,433</b></u>	<u><b>30,405</b></u>

### 8 INSURANCE RECEIVABLES AND PREPAYMENTS

	<i>30 September 2012 (Unaudited) AED'000</i>	<i>31 December 2011 (Audited) AED'000</i>
Insurance receivables, net of provision	35,459	61,748
Notes receivable	3,205	6,949
Reinsurance receivables	4,829	3,555
Reinsurance reserve deposit	18,459	-
Prepayments	2,785	4,797
Deferred acquisition costs	7,728	10,098
Brokerage commission receivable from reinsurer	17	1,028
Advances to brokers and suppliers	1,097	747
Interest receivable	2,288	22,836
Staff receivables	494	206
Other receivables	<u>386</u>	<u>336</u>
	<u><b>76,747</b></u>	<u><b>112,300</b></u>

Reinsurance reserve deposit represents deposit in relation to an unearned premiums reserve created under a reinsurance agreement against net premiums to be ceded to the reinsurer. The reserve and the related deposit equal 40% of the net premium to be ceded under the reinsurance agreement. The corresponding reserve carries interest at the rate of 2.5% per annum payable to the reinsurer.

Prepayments include an amount of AED 2,135 thousand (31 December 2011: AED 4,057 thousand) representing 'Operational fees' prepaid to New Century Management Consultancy Limited for management and advisory services, in accordance with a Management Services Agreement, covering a period up to July 2013 (note 11).

# Green Crescent Insurance Company PJSC

## NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS 30 September 2012 (Unaudited)

### 9 CASH AND CASH EQUIVALENTS

Cash and cash equivalents reflected in the interim statement of cash flows comprise of the following interim statement of financial position amounts:

	<i>30 September 2012 (Unaudited) AED'000</i>	<i>31 December 2011 (Audited) AED'000</i>	<i>30 September 2011 (Unaudited) AED'000</i>
Bank deposits	75,000	126,268	126,264
Bank balances and cash	<u>1,864</u>	<u>3,917</u>	<u>4,352</u>
	<b>76,864</b>	130,185	130,616
Less: bank overdraft	<b>(10,973)</b>	(14,845)	(4,079)
Less: deposits with original maturities of more than three months	<b>(75,000)</b>	(100,000)	(115,000)
Cash and cash equivalents	<u><b>(9,109)</b></u>	<u>15,340</u>	<u>11,537</u>

At 30 September 2012, bank deposits carried an effective interest rate of 1.25% - 4.00% (2011: 0.9% - 8.22%).

Bank overdraft accrues interest at 2.25% per annum (2011: 1.9% per annum) and is secured by a pledge over a bank deposit of AED 25,000 thousand (31 December 2011: AED 25,000 thousand). As at 30 September 2012, balance undrawn under the bank overdraft facility amounted to AED 8,527 thousand (31 December 2011: AED 4,655 thousand).

All bank balances and deposits are held with banks in the United Arab Emirates.

### 10 LOSS PER SHARE

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

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

	<i>Three months ended</i>		<i>Nine months ended</i>	
	<i>30 September (Unaudited) 2012</i>	<i>30 September (Unaudited) 2011</i>	<i>30 September (Unaudited) 2012</i>	<i>30 September (Unaudited) 2011</i>
Loss for the period attributable to ordinary equity holders (AED' 000)	<u><b>(4,913)</b></u>	<u>(5,344)</u>	<u><b>(18,792)</b></u>	<u>(36,575)</u>
Number of ordinary shares in issue	<u><b>250,000,000</b></u>	<u>250,000,000</u>	<u><b>250,000,000</b></u>	<u>250,000,000</u>
Loss per share (AED)	<u><b>0.02</b></u>	<u>0.02</u>	<u><b>0.08</b></u>	<u>0.15</u>

As of 30 September 2012, the Company has not issued any instruments which would have a dilutive impact on loss per share when converted or exercised.

# Green Crescent Insurance Company PJSC

## NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

30 September 2012 (Unaudited)

### 11 RELATED PARTY TRANSACTIONS

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.

Transactions with related parties included in the interim statement of income are as follows:

	<i>Three months ended</i>		<i>Nine months ended</i>	
	<i>30 September 2012</i>	<i>30 September 2011</i>	<i>30 September 2012</i>	<i>30 September 2011</i>
	<i>(Unaudited)</i>	<i>(Unaudited)</i>	<i>(Unaudited)</i>	<i>(Unaudited)</i>
	<i>AED'000</i>	<i>AED'000</i>	<i>AED'000</i>	<i>AED'000</i>
Management Services Agreement fees	<u>(641)</u>	<u>(641)</u>	<u>(1,922)</u>	<u>(1,922)</u>

A Management Services Agreement was ratified by the Board of Directors between New Century Management Consultancy Limited ("NCMCL") and the Company to provide management and advisory services towards fees amounting to AED 12,813 thousand. To align the interest of the Company and the NCMCL, the principals of NCMCL have acquired 12,500 thousand founder shares in the Company which they have committed not to dispose of for a period of 5 years as long as the Management Services Agreement is continuing.

#### Compensation of key management personnel

The remuneration of key management personnel during the period is as follows:

	<i>Three months ended</i>		<i>Nine months ended</i>	
	<i>30 September 2012</i>	<i>30 September 2011</i>	<i>30 September 2012</i>	<i>30 September 2011</i>
	<i>(Unaudited)</i>	<i>(Unaudited)</i>	<i>(Unaudited)</i>	<i>(Unaudited)</i>
	<i>AED'000</i>	<i>AED'000</i>	<i>AED'000</i>	<i>AED'000</i>
Short term benefits	569	1,168	1,743	2,773
Employees' end of service benefits	<u>19</u>	<u>19</u>	<u>60</u>	<u>81</u>
	<u>588</u>	<u>1,187</u>	<u>1,803</u>	<u>2,854</u>

### 12 CONTINGENCIES

As of the reporting date, 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 3,046 thousand (31 December 2011: AED 3,036 thousand).

### 13 SEGMENT INFORMATION

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

- The non-life 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 reportable operating segments.

No inter-segment transactions occurred in the three month and nine month periods ended 30 September 2012 and 2011.

# Green Crescent Insurance Company PJSC

## NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS 30 September 2012 (Unaudited)

### 13 SEGMENT INFORMATION continued

#### Segment interim statement of income for the nine months 30 September 2012 (Unaudited)

	<i>Non-life</i> <i>AED'000</i>	<i>Life</i> <i>AED'000</i>	<i>Total</i> <i>AED'000</i>
Gross premiums written, net of change in unearned premiums	103,675	548	104,223
Premium ceded to reinsurers	<u>(33,647)</u>	<u>(337)</u>	<u>(33,984)</u>
<b>Net premiums</b>	<b><u>70,028</u></b>	<b><u>211</u></b>	<b><u>70,239</u></b>
Reinsurance commission	3,087	-	3,087
Investment income	3,526	-	3,526
Fair value gain on investments	<u>1,424</u>	<u>-</u>	<u>1,424</u>
<b>Other revenue</b>	<b><u>8,037</u></b>	<b><u>-</u></b>	<b><u>8,037</u></b>
<b>Total revenue</b>	<b><u>78,065</u></b>	<b><u>211</u></b>	<b><u>78,276</u></b>
Gross benefits and claims paid	(91,959)	(123)	(92,082)
Claims ceded to reinsurers	30,352	57	30,409
Brokerage commission charged to reinsurers	906	-	906
Commission expenses	<u>(7,366)</u>	<u>(59)</u>	<u>(7,425)</u>
<b>Net benefits and claims</b>	<b><u>(68,067)</u></b>	<b><u>(125)</u></b>	<b><u>(68,192)</u></b>
Finance costs	(333)	-	(333)
General and administrative expenses	(20,210)	(16)	(20,226)
Claims administration fees	(5,582)	-	(5,582)
Depreciation and amortization	(2,399)	-	(2,399)
Provision for impairment of insurance receivables	<u>(322)</u>	<u>(14)</u>	<u>(336)</u>
<b>Other expenses</b>	<b><u>(28,846)</u></b>	<b><u>(30)</u></b>	<b><u>(28,876)</u></b>
<b>Total benefits, claims and other expenses</b>	<b><u>(96,913)</u></b>	<b><u>(155)</u></b>	<b><u>(97,068)</u></b>
<b>(Loss) profit for the period</b>	<b><u>(18,848)</u></b>	<b><u>56</u></b>	<b><u>(18,792)</u></b>

#### Segment interim statement of income for the nine months ended 30 September 2011 (Unaudited)

Gross premiums written, net of change in unearned premiums	193,615	609	194,224
Premium ceded to reinsurers	<u>(39,815)</u>	<u>(394)</u>	<u>(40,209)</u>
<b>Net premiums</b>	<b><u>153,800</u></b>	<b><u>215</u></b>	<b><u>154,015</u></b>
Reinsurance commission	5,399	-	5,399
Investment income	7,712	-	7,712
Fair value gain on investments	<u>344</u>	<u>-</u>	<u>344</u>
<b>Other revenue</b>	<b><u>13,455</u></b>	<b><u>-</u></b>	<b><u>13,455</u></b>
<b>Total revenue</b>	<b><u>167,255</u></b>	<b><u>215</u></b>	<b><u>167,470</u></b>
Gross benefits and claims paid	(187,804)	(365)	(188,169)
Claims ceded to reinsurers	35,943	236	36,179
Brokerage commission charged to reinsurers	2,014	-	2,014
Commission expenses	<u>(13,538)</u>	<u>(56)</u>	<u>(13,594)</u>
<b>Net benefits and claims</b>	<b><u>(163,385)</u></b>	<b><u>(185)</u></b>	<b><u>(163,570)</u></b>
Finance costs	(179)	-	(179)
General and administrative expenses	(24,754)	(116)	(24,870)
Claims administration fees	(11,188)	-	(11,188)
Depreciation and amortization	(2,154)	-	(2,154)
Provision for impairment of insurance receivables	<u>(2,084)</u>	<u>-</u>	<u>(2,084)</u>
<b>Other expenses</b>	<b><u>(40,359)</u></b>	<b><u>(116)</u></b>	<b><u>(40,475)</u></b>
<b>Total benefits, claims and other expenses</b>	<b><u>(203,744)</u></b>	<b><u>(301)</u></b>	<b><u>(204,045)</u></b>
<b>Loss for the period</b>	<b><u>(36,489)</u></b>	<b><u>(86)</u></b>	<b><u>(36,575)</u></b>

**NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS**

30 September 2012 (Unaudited)

**14 COMPARATIVE FIGURES**

Certain comparative figures have been reclassified, where necessary, to conform with the presentation adopted in these interim condensed financial statements.

- Premiums ceded to reinsurers, amounting to AED 2,709 thousand, previously classified under “Reinsurance premiums” for the period ended 30 September 2011, have been reclassified under “Premiums ceded to reinsurers”;
- Reinsurance commission, amounting to AED 5,399 thousand, previously classified under “Reinsurance premiums” for the period ended 30 September 2011, has been reclassified under “Reinsurance commission”;
- Unrealized gain on investments carried at fair value through profit or loss, amounting to AED 344 thousand, previously classified under “Other income” for the period ended 30 September 2011, has been disclosed on the face of the “Interim statement of income” as “Fair value gains (losses) on investments”;

The above reclassifications had no effect on the previously reported loss or the equity of the Company for the period ended 30 September 2011.