

**GEFINOR S.A.**  
**Société Anonyme**  
**5 rue Guillaume Kroll**  
**L-1882 Luxembourg**

**R.C. B8282**

**Quarterly consolidated financial report for the period ended March 31, 2016**  
**(prepared in compliance with Art 5 para 2 of law of January 2008)**

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## **MANAGEMENT REPORT**

### **For the period ending March 31, 2016**

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#### **1. Net Income:**

Total consolidated assets at March 31, 2016 were USD 142 million compared with USD 142 million as of December 31, 2015. Consolidated stockholders' equity was USD 103.3 million at March 31, 2016 compared with USD 103.4 million at December 31, 2015.

Net loss for the period of USD 1.1 million includes a foreign exchange loss of USD 1.7 million recognized by Gefinor Finance SA on its USD exposure and partly compensated by the foreign exchange revaluation of USD 0.7 million on the Geneva building. The Total comprehensive loss for the period of USD 85 thousand neutralizes these foreign exchange impacts and presents the net performance of the Group for the period ending March 31, 2016. The overheads for the period were reduced to 415 thousand of which 303 thousand paid in management fees.

#### **Organisation and activities**

##### Gefinor Finance Holding Limited, Gibraltar

Gefinor Finance Holding Limited regroups the operations of Gefinor Finance SA, and Gefinor Finance Holding Limited.

For the period ended March 31, 2016 the total comprehensive income was a profit of USD 152 thousand generated by the net interest margin and the rental income.

##### Gefinor Private Equity Limited, Gibraltar

For the period ended March 31, 2016 the result was a loss of USD 48 thousand.

##### ➤ Gefus Capital Partners II, LP

During the period, Gefinor Private Equity Limited invested an additional USD 229 thousand in Gefus Capital Partners II, LP. The partnership has now called 66% of its committed capital.

##### ➤ GEF Private Equity Partners, SPC (GEFPEP)

During the period, the company received USD 377 thousand in distributions from GEFPEP.

##### ➤ Monterro I, AB

During the period, the company invested USD 53 thousand in Monterro I, AB and received USD 89 thousand in distributions.

##### ➤ GEF Value Advantage Fund

During the period, the company received USD 600 thousand of redemption from the fund.

##### Gefinor Real Estate Limited, Gibraltar

For the period ended March 31, 2016 the result was a loss of USD 133 thousand.

Gefinor Real Estate Limited holds investments in Lebanon in the form of a 7.7% interest in the Garden City project in Beirut (formerly New City) as well as a loan of USD 45 million financing land for development in prime areas in Lebanon. In 2016, the Development and Investment Company Ltd (The Garden City Project) distributed a dividend of USD 202 thousand to Gefinor Real Estate Limited. From the remaining Escrow account of USD 863 thousand on the sale of Real Estate Development Company SAL, USD 287 thousand was received in March 2016.

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**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)**

Period ended March 31, 2016

(expressed in thousands of US dollars except earnings per share)

	<u>31.03.2016</u>	<u>31.03.2015</u>
<b>Operating Income</b>		
Dividends	208	303
Real estate income	88	134
Net realised gains / (losses) on investments	1	-
Net unrealised gains / (losses) on investments	721	631
Foreign exchange gains / (losses)	(1'789)	(1'045)
<b>Income (Loss) from Investments</b>	<u>(771)</u>	<u>23</u>
Management fee income	-	46
Net commission income / (expenses)	(21)	(3)
<b>Income from Services</b>	<u>(21)</u>	<u>43</u>
<b>Total Operating Income (Loss)</b>	<u>(792)</u>	<u>66</u>
<b>Operating Expenses</b>		
Personnel	-	(225)
Office	(66)	(73)
Professional fees	(31)	(53)
Management fees	(303)	(200)
Other general administrative expenses	(6)	(28)
Depreciation	(9)	(63)
<b>Total Operating Expenses</b>	<u>(415)</u>	<u>(642)</u>
<b>Net Operating Income (Loss)</b>	<b>(1'207)</b>	<b>(576)</b>
Interest income	399	117
Interest expense	(196)	(164)
<b>Net Interest</b>	<u>203</u>	<u>(47)</u>
Other income / (expenses)	-	(1)
<b>Income (Loss) Before Tax</b>	<u>(1'004)</u>	<u>(624)</u>
Income tax expenses	(32)	(129)
<b>Net Income (Loss)</b>	<u>(1'036)</u>	<u>(753)</u>
Other Comprehensive Income, net of tax		
Items that may be reclassified subsequently to profit or loss		
Revaluation of available-for-sale investments	-	-
Exchange difference on translating foreign operations	951	862
<b>Total Comprehensive Income (Loss) for the period</b>	<u>(85)</u>	<u>109</u>
Weighted average shares outstanding	39'551'142	39'551'142
Basic and Diluted Earnings per share from continuing operations (in USD dollars per share)	<b>(0.0262)</b>	<b>(0.0190)</b>

GEFINOR S.A.  
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**CONSOLIDATED STATEMENT OF FINANCIAL POSITION (UNAUDITED)**  
March 31, 2016  
(expressed in thousands of US dollars)

	<u>31.03.2016</u>	<u>31.12.2015</u>
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash and cash equivalents	12'011	12'700
Trading investments	536	544
Loans and advances	26'524	25'707
Trade receivables and other current assets	921	1'061
<b>Total Current Assets</b>	<u>39'992</u>	<u>40'012</u>
<b>Non-Current Assets</b>		
Financial assets at fair value through P&L	83'678	84'420
Loans and advances	1'549	1'532
Investment property	13'318	12'747
Property, plant and equipment	2'729	2'614
<b>Total Non-Current Assets</b>	<u>101'274</u>	<u>101'313</u>
<b>Total Assets</b>	<u><u>141'266</u></u>	<u><u>141'325</u></u>
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Bank overdrafts and short term bank debt	4'436	4'246
Client deposits	19'907	20'407
Trade and other payables	377	497
Current tax liabilities	139	146
<b>Total Current Liabilities</b>	<u>24'859</u>	<u>25'296</u>
<b>Non-Current Liabilities</b>		
Borrowings and other long term payable	11'863	11'381
Deferred tax liabilities	1'216	1'216
<b>Total Non-Current Liabilities</b>	<u>13'079</u>	<u>12'597</u>
<b>Equity</b>		
Share capital	50'000	50'000
Reserves	35'448	35'448
Retained earnings	24'012	26'703
Treasury shares	(5'096)	(5'096)
Net income (loss)	(1'036)	(3'623)
<b>Total Stockholders' Equity</b>	<u>103'328</u>	<u>103'432</u>
<b>Total Liabilities</b>	<u><u>141'266</u></u>	<u><u>141'325</u></u>

