

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, 2017
(prepared in compliance with Art 5 para 2 of law of January 2008)

MANAGEMENT REPORT FOR THE PERIOD ENDING MARCH 31, 2017

We are pleased to present to you the management report on the consolidated financial statements accounts for the period ended March 31, 2017.

Financial statements

Total consolidated assets at March 31, 2017 were USD 166 million compared with USD 166.3 million as of December 31, 2016. Consolidated stockholders' equity was USD 101.9 million at March 31, 2017 compared with USD 102.3 million at December 31, 2016.

Net loss for the period of USD 759 thousand includes a foreign exchange loss of USD 940 thousand million recognized by Gefinor Finance SA on its USD exposure, compensated by the foreign exchange revaluation of USD 287 thousand on the Geneva building and a translation gain of USD 345 thousand. The Total comprehensive loss for the period of USD 414 thousand neutralizes these foreign exchange impacts and presents the net performance of the Group for the period ending March 31, 2017. The overheads for the period were USD 526 thousand and in line with the 2017 budget.

Segments Reports

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, 2017 the net loss was USD 360 thousand, the comprehensive income after translation gain was a loss of USD 15 thousand.

Gefinor Private Equity Limited, Gibraltar

For the period ended March 31, 2017 the net loss of Gefinor Private Equity Limited was USD 18 thousand net of management fees paid. During the period the investments performed well, the fund investments in, GEFPEP and Gef Value Advantage recognizing an increase in value, Monterro maintained its value.

Investments

Gefinor Private Equity Limited made no additional investments during the period.

Distributions

During the period, Gefinor Private Equity Limited received USD 224 thousand in distributions from GEFPEP.

Gefinor Real Estate Limited, Gibraltar

For the period ended March 31, 2017 the result was a loss of USD 291 thousand of which a management and board fees of USD 91 thousand and interest paid of USD 200 thousand.

From the remaining Escrow account on the sale of Real Estate Development Company SAL, USD 287 thousand was received in February 2017.

GEFINOR SA

Société Anonyme

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)

Period ended March 31, 2017

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

	<u>31.03.2017</u>	<u>31.03.2016</u>
Operating Income		
Dividends	-	208
Real estate income	92	88
Net realised gains / (losses) on investments	-	1
Net unrealised gains / (losses) on investments	408	721
Foreign exchange gains / (losses)	(940)	(1'789)
Income (Loss) from Investments	<u>(440)</u>	<u>(771)</u>
Net commission income / (expenses)	(4)	(21)
Income from Services	<u>(4)</u>	<u>(21)</u>
Total Operating Income (Loss)	<u>(444)</u>	<u>(792)</u>
Operating Expenses		
Personnel	-	-
Office	(54)	(66)
Professional fees	(215)	(31)
Management fees	(238)	(303)
Other general administrative expenses	(17)	(6)
Depreciation	(2)	(9)
Total Operating Expenses	<u>(526)</u>	<u>(415)</u>
Net Operating Income (Loss)	(970)	(1'207)
Interest income	528	399
Interest expense	(310)	(196)
Net Interest	<u>218</u>	<u>203</u>
Other income / (expenses)	-	-
Income (Loss) Before Tax	<u>(752)</u>	<u>(1'004)</u>
Income tax expenses	(7)	(32)
Net Income (Loss)	<u>(759)</u>	<u>(1'036)</u>
Other Comprehensive Income, net of tax		
Items that may be reclassified subsequently to profit or loss		
Exchange difference on translating foreign operations	345	951
Total Comprehensive Income (Loss) for the year	<u>(414)</u>	<u>(85)</u>
Weighted average shares outstanding	39'551'180	39'551'142
Basic and Diluted Earnings per share from continuing and discontinuing operations (expressed in USD dollars per share)	(0.0192)	(0.0262)
Basic and Diluted Earnings per share from continuing operations (in USD dollars per share)	(0.0192)	(0.0262)

GEFINOR SA
Société Anonyme

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

For the period ended March 31, 2017
(Expressed in thousands of US dollars)

	<u>31.03.2017</u>	<u>31.03.2016</u>
ASSETS		
Current Assets		
Cash and cash equivalents	8'491	9'830
Trading investments	-	-
Loans and advances	58'342	57'044
Trade receivables and other current assets	506	727
Total Current Assets	<u>67'339</u>	<u>67'601</u>
Non-Current Assets		
Financial assets at fair value through P&L	82'062	82'228
Loans and advances	1'325	1'535
Investment property	12'540	12'253
Property, plant and equipment	2'763	2'702
Total Non-Current Assets	<u>98'690</u>	<u>98'718</u>
Total Assets	<u><u>166'029</u></u>	<u><u>166'319</u></u>
LIABILITIES		
Current Liabilities		
Bank overdrafts and short term bank debt	4'280	4'204
Client deposits	46'319	46'772
Trade and other payables	835	569
Current tax liabilities	400	395
Total Current Liabilities	<u>51'834</u>	<u>51'940</u>
Non-Current Liabilities		
Borrowings and other long term payable	11'164	10'934
Deferred tax liabilities	1'125	1'125
Total Non-Current Liabilities	<u>12'289</u>	<u>12'059</u>
Equity		
Share capital	50'000	50'000
Reserves	35'448	35'448
Retained earnings	22'313	22'707
Treasury shares	(5'096)	(5'096)
Net income (loss)	(759)	(739)
Total Equity	<u>101'906</u>	<u>102'320</u>
Total Liabilities	<u><u>166'029</u></u>	<u><u>166'319</u></u>