GEFINOR SA

SOCIETE ANONYME DE TITRISATION

CONSOLIDATED
FINANCIAL STATEMENTS

DECEMBER 31, 2015

GEFINOR SA

Société Anonyme

TABLE OF CONTENTS

THE COMPANY

Gefinor SA is a company incorporated in Luxembourg and is subject to the laws and jurisdiction of Luxembourg, which is a member of the European Union. Gefinor SA's shares are listed on the Luxembourg Stock Exchange.

Pursuant to a decision of the shareholders taken at an Extraordinary General Meeting held on December, 8, 2010, at which the articles of association were amended, Gefinor SA operates as a securitization company under Luxembourg law as from January 1, 2011 and securitizes the investments of three investment vehicles.

The international investment activities, the freedom to select countries and sectors, shift investments and adapt to the need of investments throughout the world are safeguarded and the determination of the investment strategies and the implementation of these strategies are carried out without government interferences.

LETTER OF THE CHAIRMAN

2015 was very volatile reflecting substantial global economic uncertainties, but also new geopolitical risks. For the year, performance was mediocre across most markets. Commodities and Energy collapsed due the China's economic slowdown. Oil prices were further impacted by the high level of inventories and by the Saudi Arabia's objective to gain market share. Government bonds did better but yearly performance figures were also disappointing as yields were already low. Investment grade bonds witnessed a widening of spread which impacted their performance. As far as the US high yield market is concerned, it was materially impacted by Energy companies as fear of bankruptcies has increased in the sector. The Euro while weak all year, strengthened in December as the ECB disappointed the market with a less aggressive forecast on its new quantitative easing program. For 2015, US equities declined by -0.7% and European equities by 3.8% but 6.4% in USD as the EUR fell by 10.2 vs the USD. Gold declined by 10.4% while oil witnessed a very sharp fall of 38.8%.

It was the macroeconomic events in China and the ill-fated policy responses that caused jitters in the markets that something bigger and badly controlled could be emerging from China. The decision to devalue the Yuan for the first time in 20 years came as a surprise to investors. The reason given was the desire to liberalize its convertibility in order to have the IMF endorse it as a reserve currency. The argument could have been very convincing in other times but the fact that it came after weak economic figures raised the spectre of a more pronounced slowdown. At the peak, capital outflow reached almost 100 billion a month in China.

The divergence in monetary policies also contributed to speculation that countries which had their currency pegged to the USD could decide to devalue their currency in order to prevent further decline in their currency reserves.

As of April of 2016, markets have stabilised and recovered from their recent lows. Still uncertainties are numerous in 2016. On the political front: the undecided US presidential election and the referendum on the UK membership to the European Union. On the economical front: the economic slowdown in China and the divergent monetary policies between the US and the rest of the world.

Group performance in 2015 has been in line with market dynamics discussed above. Net profit attributable to owners of the company was a loss of USD 3.6 million in 2015 as compared to a profit of USD 9 million in 2014 and total comprehensive profit attributable to owners was a loss of USD 3.5 million in 2015 as compared to a profit of USD 6.3 million in 2014. Total consolidated assets at December 31, 2015 were USD 141.3 million compared with USD 151.4 million at December 31, 2014, and consolidated shareholders' equity has decreased by USD 3.5 million to USD 103.4 million. Our company's cash position remains strong and we remain confident that our investment portfolio is of solid quality and has strong long term growth prospects. It is important to stress that while the Group's strategy continues to emphasize long term capital appreciation and preservation over maximization of short term gains, the application of International Financial Reporting Standards (IFRS) in the presentation of the financial statements may lead to greater fluctuations in year to year income figures and asset valuations.

Private Equity: Gefus Capital Partners II, performed well, about 64% of the capital was called and the fund still has about US$ 19 million to invest including USD 10 million SBA leverage, Gefinor's share is USD 5.6 million. The equity investments are performing well and the debt strategy produced a nice return for relatively safe invested amounts. Additional funds have been invested in GEF Private Equity Partners SPC (GEFPEP) and in Monterro AB, I, USD 57 thousand and USD 282 thousand respectively. These two private equity funds are performing well and continue their steady pace of distributions.
To date GEFPEP distributed USD1'866 thousand and Monterro USD 349 thousand.

Real Estate: Despite the instability in Syria and its negative effects on Lebanon, the Lebanese real estate market environment has held up reasonably well for land investments. The value of most of Gefinor's Lebanese real estate assets is stable. This is a tribute to the quality of the assets.

Financial Services: In 2015, the Group's repositioning strategy of spinning out its asset management activities is bearing fruit. The cost structure of the group has been substantially reduced, setting the stage for a higher long term return on equity. The financial services subsidiary is now focusing its activities on financial investments and facilitating the financing requirements of the group's investment companies. This considerable reduction in the group's consolidated overheads has not affected the quality of services for its investment portfolio. Gefinor SA is now an investment holding company that primarily invests its financial assets in equity and debt listed securities, in private equity mostly in the United States, and in real estate assets in Lebanon and in Europe.

Once again, I remain confident that the quality of our investment portfolio will enable us to continue to achieve our dual objectives of long term value creation and capital preservation. We are thankful for the unwavering support and confidence of our shareholders, partners, investors, investment and advisory professionals.

Mohamed Ousseimi
Chairman and Chief Executive Officer

We are pleased to present to you the report of the Board of Directors on the consolidated financial statements and the unconsolidated accounts for the year ended December 31, 2015 to be presented to the Annual General Meeting of Shareholders on June 24, 2016.

Financial statements

Total consolidated assets at December 31, 2015 were USD 141.3 million compared with USD 151.4 million as of December 31, 2014. Consolidated stockholders' equity was USD 103.4 million at December 31, 2015 compared with USD 106.9 million at December 31, 2014. Consolidated profit attributable to the owners of the Company was a loss of USD 3.6 million in 2015 compared with a profit of USD 9 million in 2014. The Company's investment portfolio is valued at market value, as required by IFRS, and, accordingly, unrealised gains and losses are included in Income (Loss) from Investments.

On an unconsolidated basis total assets, based on Luxembourg accounting principle at December 31, 2015 were USD 79.4 million, compared with USD 79.8 million the previous year. The net loss was USD 0.4 million compared with a net loss of USD 0.5 million the previous year. Stockholders' equity was USD 79 million compared with USD 79.4 million at December 31, 2014.

Organisation and activities

Gefinor SA as a securitisation company; owns three Gibraltar registered Holding companies managing three business segments: private equity, real estate and finance. The Group continued to decrease its operating expenses, after a reduction from USD 9'950 thousand in 2013 to USD 4'220 thousand in 2014. The Group further reduced its operating expenses to USD 2'910 thousand in 2015.

Gefinor Finance Holding Limited, Gibraltar

Gefinor Finance Holding Limited regroups the operations of Gefinor Finance SA, and Gefinor Management Limited until December 2015.

For the year ended December 31, 2015 the result of the year was a loss of USD 1.1 million (2014: profit of USD 4.1 million).

In a set of transactions Gefinor Finance Holding Limited has sold all its operations. In January 2014, Gefinor Finance Holding Limited has spun-out the fee generating operating businesses of Geneva and New York. In December 2014, Gefinor Finance Holding Limited sold its 100% interest in Gefinor Finance SAL, the Beirut operations. In October 2015, Gefinor Finance Holding Limited sold its 44.5% interest in Gefinor Advisors SA to management. In November 2015, Gefinor Finance Holding sold its 100% interest in Gefinor Management Limited the company owning the management contracts with the holdings of the Group. In December 2015, the remaining personnel of Gefinor Finance SA has been transferred to a related company or have left the Group.

After disposition of all the operating companies, the only operations remaining within Gefinor Finance Holding Limited are the treasury, the depositors and the loan portfolio management for the Group. These activities are managed by Gefinor Capital SA, a related party.

Gefinor Private Equity Limited, Gibraltar

Gefinor Private Equity Limited incorporates the private equity investments of the Group. Through private equity funds and direct private equity interests, the company invests in equity and debt in U.S. based growth companies at various stages of development, focusing on companies with innovative products and services.

For the year ended December 31, 2015 the result of the year was a loss of USD 0.7 million (2014: profit of USD 2.8 million).

- Gefus Capital Partners I, LP

The fund continues to be focused on finding realization events in an effort to wind down the remaining portfolio while maximizing cash returns. There are currently three remaining investments in the partnership.

- Gefus Capital Partners II, LP

During the year 2015, Gefinor Private Equity Limited invested an additional USD 86 thousand in Gefus Capital Partners II, LP and received USD 701 thousand in distributions. The partnership has now called 64% of its committed capital.

- GEF Private Equity Partners, SPC

During the year 2015, the company invested USD 57 thousand in Gef Private Equity SPC and received USD 1'495 thousand in distributions. The remaining NAV is USD 4'341 thousand representing an unrealized gain of USD 89 thousand for the year.

- Monterro I, AB

During the year 2015, the company invested USD 282 thousand in Monterro I, AB and received USD 146 thousand in distributions. The fund now has made six investments to date and has now called 63% of its committed capital.

- MobiTV Inc. – Direct

MobiTV Inc. continues to be focused on implementing its recent strategy redirection aimed at rolling out "3 screen" technology solutions for telecommunications providers. In 2015 Gefinor (USA) Inc. invested an additional USD 33 thousand in MobiTV Inc.

Gefinor Real Estate Limited, Gibraltar

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 44.3 million financing land for development in prime areas in Lebanon.

For the year ended December 31, 2015 the result of the year was a loss of USD 1.8 million (2014: profit of USD 2.9 million).

In 2015, the Development and Investment Company Ltd (The Garden City Project) distributed a dividend of USD 303 thousand to Gefinor Real Estate Limited. From the total Escrow account of USD 2'850 thousand on the sale of Real Estate Development Company SAL, USD 1'987 thousand was received in February 2015. The balance will be paid over 4 years in USD 287 thousand instalments. The first instalment of USD 287 thousand was received in March 2016.

Share capital

The Company has an issued share capital of 40 million shares at December 31, 2014 with a par value of USD 1.25 each, of which 39'551'180 shares were outstanding. Each share carries the same rights and entitles the holder to one vote at the general meeting of shareholders. The shares, which are in both registered and bearer form, are listed on the Luxembourg Stock Exchange. There are no restrictions on the purchase or transfer of shares.

At year end, the Company owned 448'820 of its own shares, representing 1.12% of the issued capital, with a book value of USD 5.1 million.

Shareholders

The Company has been notified of the following significant holdings of voting rights based on total issued shares of 40,000,000:

Mr Khaled Ousseimi directly and indirectly holds 40.76% of the voting rights of the Company.

A.K. Al Muhaidib & Sons of Saudi Arabia holds directly 16.97% of the voting rights of the Company;

Fondation Ousseimi of Switzerland holds directly 11.26% of the voting rights of the Company;

Al Sharq Holdings of Kuwait holds directly 9.84% of the voting rights of the Company.

The Company is not aware of any agreements between shareholders, which could result in restrictions on share transfer or voting rights.

Board of Directors, appointment and powers

The members of the Board of Directors are appointed or reappointed annually by the general meeting of shareholders. The articles of association may be amended only by an extraordinary meeting of shareholders. The Board of Directors has no power to increase or decrease the share capital, except as authorised by the shareholders.

End of service indemnities

The Company has no contractual arrangements for the payment of leaving indemnities to members of the Board of Directors, management or personnel for any reason whatsoever.

Takeover bids

The Company is not a party to any contractual arrangements containing conditions which would be automatically triggered in the event of a takeover bid.

Research and development activity

The Company has no research and development activity.

The Board of Directors

CORPORATE GOVERNANCE

General

The Corporate Governance Charter, which is updated periodically by the Board, may be consulted on the Company's web site at *www.gefinor.com*. The Board is satisfied that the Company fulfills its responsibilities and obligations under the Luxembourg law on market abuse of May 9, 2006.

Share ownership and control

The Company has approximately 50 institutional and individual shareholders, most of whom hold their shares in bearer form. At April, 2016, based on total outstanding shares of 39'551'180, the Ousseimi family's direct or indirect interests represented 40.76% of the outstanding capital. A former director, Mr Sulaiman Al Muhaidib, or persons, whom he represents, have direct and indirect interests of 16.97% of the outstanding shares. Gefinor SA owns 1.12% of its own capital. Readers are referred to the notes to the financial statements for information concerning financial relationships with related parties.

Financial statement presentation

The responsibilities of the Board of Directors are determined by law. In this respect the Board is responsible for the annual accounts and the fair representation thereof in accordance with EU directives as transposed into Luxembourg law, as well as of the consolidated accounts in accordance with International Financial Reporting Standards (IFRS), as set forth by EU Regulations. The Board of Directors considers that it has fully complied with these obligations.

The format of the audit report follows the requirements of the International Standards on Auditing (ISA) prepared by the International Federation of Accountants. The statements and opinions therein regarding the responsibilities of the Board of Directors are those of the auditors.

Directors and Officers

The Board met three times during 2015 in the presence of all the directors. The audit committee, comprised of two non-executive directors, met once during the year. There are no other permanent committees of the board.

Non-executive and non-shareholder Board members receive an annual attendance fee of USD 10 thousand each. Total annual remuneration, direct and indirect, of officers of the Company is USD 287 thousand. There is no stock option program.

Financial reporting, internal control and risk management

The Company has invested in three holding structures which have the responsibility for the management of the investments, as a securitization company, Gefinor SA is a passive investor and is not involved in the management of the investments. The size of the Company, the limited number of its investments and its status of securitization Company does not justify an internal audit function.

The Board of Directors follows closely the performance of its three investments and has appointed an audit committee which liaises with the external auditors for accounting, financial and compliance matters. The Board relies on the periodical management reports of its three investments and on the audited financial statements and audit reports of its three investments, as well as the consolidated financial statements to assess the fair preparation and presentation of the financial statements, the financial performance, the risk management and the legal compliance of its investments.

DIRECTORS AND OFFICERS

Mohamed Ousseimi
Chairman and Chief Executive Officer

Mr Ousseimi began his career with State Street Research and Management Company before joining the investment banking division of Merrill Lynch in New York. He joined Gefinor in 1993. Mr Ousseimi serves on a number of Gefinor company boards and committees. He holds a BA in Political Economy from the University of California Berkeley and an MBA from the John E. Anderson School of Management at UCLA. Mr. Ousseimi has been a member of the Board, Chairman and Chief Executive Officer of Gefinor since February 2007.

Sulaiman A. Al Muhaidib
Non-executive Director

Mr Al Muhaidib was elected Chairman of the Al Muhaidib Group in 1997. The group is a diversified multi-division business present in a wide area of economic activity (building & construction, food and retail, animal feed). It is one of the most prominent business groups in Saudi Arabia. Mr Al Muhaidib serves as Chairman of a number of companies, as well as having various directorships. He holds a degree in Science and Medicine from Riyadh University. Mr Al Muhaidib has been a member of the Board of Gefinor since 2006. Director Al Muhaidib resigned from the Board on February 2016.

Yves Prussen
Non-executive independent Director

Mr Prussen has been a member of the Luxembourg bar since receiving his degree of Doctor at Law in 1971 and has been a partner with Elvinger, Hoss & Prussen since 1975. He has contributed numerous papers and articles to professional publications in the field of securities, tax and investment law and is a member of several professional organizations and corporate boards. Mr Prussen has been a member of the Board of Gefinor since 2004.

Damien Wigny
Non-executive independent Director

Mr Wigny worked with the United Nations, ministries of the Belgian government and as director of Asian Development Bank, before joining Kredietbank SA Luxembourgeoise in 1975, where he was Chairman of the Board from 1994 through 2002. He served as Chairman of the Association of International Bond Dealers from 1982 through 1986 and is currently Chairman of the Salle de Concert Grande-Duchesse Joséphine Charlotte in Luxembourg. Mr.Wigny has degrees in Law and Economics from the Catholic University of Louvain (UCL). He has been a member of the Board of Gefinor since 2004.

William Beckett
Chief Financial Officer

Mr Beckett worked in the investment banking division of Merrill Lynch before joining the private equity division of Gefinor in New York in 1993. He currently serves on the boards of ADC Dolls Inc., The Williams Club, and several Gefinor company boards and committees. Mr. Beckett holds a BA in Economics from Williams College and an MBA from the Graduate School of Business at Stanford University. He has been Chief Financial Officer since February 2007 and routinely acts as secretary to the Board.

FIVE YEAR FINANCIAL SUMMARY

Position	**2015**	**2014**	**2013**	**2012**	**2011**
(expressed in thousands USD)		Restated			
Total assets	141'325	151'359	155'673	189'840	250'955
Total liabilities	37'911	44'471	55'126	79'017	106'150
Total stockholder's equity	103'414	106'888	100'547	110'823	144'805
Consolidated Statement of Income					
Gross profit	-	-	504	507	1'358
Income from investments	(854)	11'982	(18)	(17'671)	(5'120)
Other income/expense (net)	(161)	148	1'739	2'368	1'514
Operating income (loss)	(1'015)	12'130	2'225	(14'796)	(2'248)
Operating expenses	(2'910)	(4'220)	(9'950)	(8'473)	(8'716)
Taxation	(160)	(104)	(219)	(491)	(820)
Net income (loss) before interests and non-controlling interest	(4'085)	7'806	(7'944)	(23'760)	(11'784)
Net interest	444	1'228	733	(44)	(364)
Net income from discontinued operations	-	-	-	(7'570)	(10'305)
Net income (loss) attributable to shareholders	**(3'641)**	**9'034**	**(7'211)**	**(31'374)**	**(22'453)**
Other Comprehensive Income, net of tax	168	(2'694)	436	807	(203)
Total Comprehensive Income (Loss)	**(3'473)**	**6'340**	**(6'775)**	**(30'567)**	**(22'656)**
Average outstanding shares	39'551'142	39'551'142	39'065'034	37'831'602	36'534'392
Earnings per share (US dollars)	(0.0921)	0.2284	(0.1846)	(0.8293)	(0.6146)

Deloitte Audit
Société à responsabilité limitée
560, rue de Neudorf
L-2220 Luxembourg
B.P. 1173
L-1011 Luxembourg
Tel: +352 451 451
Fax: +352 451 452 992
www.deloitte.lu

To the Shareholders of
Gefinor S.A.
Société Anonyme de Titrisation
5 rue Guillaume Kroll
Luxembourg

REPORT OF THE REVISEUR D'ENTREPRISES AGREE

Report on the consolidated financial statements

We have audited the accompanying consolidated financial statements of Gefinor S.A., Société Anonyme and its subsidiaries (the "group"), which comprise the consolidated statement of financial position as at December 31, 2015, and the consolidated statement of comprehensive income, statement of changes in equity and consolidated statement of cash flow for the year then ended, and a summary of significant accounting policies and other explanatory information.

Responsibility of the Board of Directors for the consolidated financial statements

The Board of Directors is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards as adopted by the European Union, and for such internal control the Board of Directors determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Responsibility of the réviseur d'entreprises agréé

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing as adopted for Luxembourg by the *Commission de Surveillance du Secteur Financier*. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the consolidated financial statements are free from material misstatement.

Deloitte.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the *réviseur d'entreprises agréé's* judgement including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the *réviseur d'entreprises agréé* considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of Gefinor S.A. as of December 31, 2015, and of its financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

Report on other legal and regulatory requirements

The consolidated management report, which is the responsibility of the Board of Directors, is consistent with the consolidated financial statements. The accompanying Corporate Governance Statement on page 7, which is the responsibility of the Board of Directors, includes the information required by the law of December 19, 2002 on the commercial and companies register and on the accounting records and annual accounts of undertakings, as amended and the description included with respect to Article 68bis paragraphs c and d of the aforementioned law is consistent with the consolidated financial statements.

For Deloitte Audit, *Cabinet de révision agréé*

Raphaël Charlier, *Réviseur d'entreprises agréé*
Partner

April 29, 2016

Management representation
on the consolidated financial statements as at December 31, 2015

In compliance with the requirements of the law of January 11, 2007, we hereby certify, to the best of our knowledge and belief, that:

- The attached consolidated financial statements of Gefinor SA, Société Anonyme de Titrisation, give a true and fair view of the assets, liabilities, financial situation and profits and losses of the company and its subsidiaries as of and for the year ended December 31, 2015 in accordance with International Financial Reporting Standards as adopted by EU;

- The annual accounts of Gefinor SA, Société Anonyme de Titrisation, presented in this Annual Report and established in conformity with the Luxembourg legal and regulatory requirements relating to the preparation of annual accounts give a true and fair view of the assets, liabilities, financial position and loss of the company; and

- The management report presents fairly the operations, results and situation of the Company and its subsidiaries and a description of the principal risks and uncertainties with which they are faced.

April 29, 2016

Mohamed Ousseimi
Chief Executive Officer

William J. Beckett
Chief Financial Officer

GEFINOR SA

Société Anonyme

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Year ended December 31, 2015

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

	Notes	31.12.2015	31.12.2014 Restated
Operating Income			
Dividends	16	303	356
Real estate income	18	639	627
Share of results of associated companies	24	(167)	(484)
Net realised gains / (losses) on investments	17	(374)	1'167
Net unrealised gains / (losses) on investments	17	(1'630)	5'347
Foreign exchange gains / (losses)		375	4'969
Income (Loss) from Investments		**(854)**	**11'982**
Management fee income		137	191
Net commission income / (expenses)		(81)	(44)
Income from Services		**56**	**147**
Total Operating Income (Loss)		**(798)**	**12'129**
Operating Expenses			
Personnel		(922)	(1'247)
Office		(298)	(451)
Professional fees		(742)	(769)
Management fees		(800)	(444)
Other general administrative expenses		(71)	(1'197)
Depreciation		(77)	(112)
Total Operating Expenses		**(2'910)**	**(4'220)**
Net Operating Income (Loss)		**(3'708)**	**7'909**
Interest income	7	1'021	1'951
Interest expense	11	(577)	(723)
Net Interest		**444**	**1'228**
Other income / (expenses)	28	(217)	1
Income (Loss) Before Tax		**(3'481)**	**9'138**
Income tax expenses	15	(160)	(104)
Net Income (Loss)		**(3'641)**	**9'034**
Other Comprehensive Income, net of tax			
Items that may be reclassified subsequently to profit or loss			
Revaluation of available-for-sale investments		357	(203)
Exchange difference on translating foreign operations		(189)	(2'491)
Total Comprehensive Income (Loss) for the period		**(3'473)**	**6'340**
Weighted average shares outstanding		39'551'142	39'551'142
Basic and Diluted Earnings per share from continuing operations (in USD dollars per share)		**(0.0921)**	**0.2284**

The notes are an integral part of the consolidated financial statements.

GEFINOR SA

Société Anonyme

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

December 31, 2015

(expressed in thousands of US dollars)

		31.12.2015	31.12.2014 Restated
ASSETS			
Current Assets			
Cash and cash equivalents	5	12'700	15'716
Trading investments	6	544	534
Loans and advances	7	25'707	23'020
Trade receivables and other current assets	8	1'061	3'309
Total Current Assets		**40'012**	**42'579**
Non-Current Assets			
Financial assets at fair value through P&L	6	84'420	87'306
Available for sale investments	6	-	1'262
Investment in associated companies		-	318
Loans and advances	7	1'532	3'809
Investment property	9	12'747	13'368
Property, plant and equipment	10	2'614	2'716
Total Non-Current Assets		**101'313**	**108'779**
Total Assets		**141'325**	**151'358**
LIABILITIES			
Current Liabilities			
Bank overdrafts and short term bank debt	11	4'246	4'277
Client deposits	12	20'407	25'388
Trade and other payables	13	515	1'109
Current tax liabilities	14	146	256
Total Current Liabilities		**25'314**	**31'030**
Non-Current Liabilities			
Borrowings and other long term payable	11	11'381	12'088
Deferred tax liabilities	15	1'216	1'353
Total Non-Current Liabilities		**12'597**	**13'441**
Equity			
Share capital	14	50'000	50'000
Reserves	14	35'448	35'448
Reserves for revaluation AFS investments		-	(357)
Retained earnings	14	26'703	17'858
Treasury shares	14	(5'096)	(5'096)
Net income (loss)		(3'641)	9'034
Total Stockholders' Equity		**103'414**	**106'887**
Total Liabilities		**141'325**	**151'358**

The notes are an integral part of the consolidated financial statements.

GEFINOR SA

Société Anonyme

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

December 31, 2015

(expressed in thousands of US dollars)

	Share capital	*Reserves*	*Legal reserve*	*Revaluation AFS reserve*	*Treasury shares*	*Retained earnings and net income for the year*	*Sub-total attributable to owners of Gefinor SA*
Balance, 01.01.2014	50'000	30'448	5'000	(154)	(5'096)	20'349	100'547
Profit for the year	-	-	-	-	-	9'034	9'034
Variation of revaluation of available-for sale investments (*)	-	-	-	(203)	-	-	(203)
Variation of exchange difference on translating foreign operations (*)	-	-	-	-	-	(2'491)	(2'491)
Total comprehensive income for the year	**-**	**-**	**-**	**(203)**	**-**	**6'543**	**6'340**
Balance, 31.12.2014	**50'000**	**30'448**	**5'000**	**(357)**	**(5'096)**	**26'892**	**106'887**

	Share capital	*Reserves*	*Legal reserve*	*Revaluation AFS reserve*	*Treasury shares*	*Retained earnings and net income for the year*	*Sub-total attributable to owners of Gefinor SA*
Balance, 01.01.2015	50'000	30'448	5'000	(357)	(5'096)	26'892	106'887
Loss for the period	-	-	-	-	-	(3'641)	(3'641)
Variation of revaluation of available-for sale investments	-	-	-	357	-	-	357
Variation of exchange difference on translating foreign operations (*)	-	-	-	-	-	(189)	(189)
Total comprehensive income for the period	**-**	**-**	**-**	**357**	**-**	**(3'830)**	**(3'473)**
Balance, 31.12.2015	**50'000**	**30'448**	**5'000**	**-**	**(5'096)**	**23'062**	**103'414**

(*) These variations are part of the other comprehensive income, net of taxes.

The notes are an integral part of the consolidated financial statements.

GEFINOR SA

Société Anonyme

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended December 31, 2015

(expressed in thousands of US dollars)

	31.12.2015	31.12.2014
Cash Flow from Operating Activities		
Real estate income paid by customers	465	611
Income from services paid by customers	5	-
Other operating assets and liabilities	(137)	4
Payments to services providers and employees	(2'622)	(3'938)
Income taxes paid	(334)	(383)
Net Cash From Operating Activities	**(2'623)**	**(3'706)**
Cash Flow from Investing Activities		
Dividends received	303	356
Acquisition of investments	(458)	(7'677)
Sale of subsidiaries	154	(470)
Proceeds from sale of financial assets at FVTPL	5'553	13'390
Net Cash Flow from Investing Activities	**5'552**	**5'599**
Cash flow from Financing Activities		
Interest received	27	943
Interest paid	(349)	(344)
(Increase) / decrease in loans and advances	(643)	(5'167)
Repayment of borrowings	(326)	(4'098)
Increase /(decrease) in client deposits	(4'654)	(4'316)
Net Cash Flow from Financing Activities	**(5'945)**	**(12'982)**
Net increase / (decrease) in cash equivalents	**(3'016)**	**(11'089)**
Cash and cash equivalents, beginning of period	**15'716**	**26'805**
Cash and cash equivalents, end of period	**12'700**	**15'716**

The notes are an integral part of the consolidated financial statements.

NOTE 1 - GENERAL

Gefinor SA ("the Company") was incorporated in Luxembourg on December 31, 1968. Since January 1, 2011, the Company has adopted the legal form of a securitisation company under Luxembourg law. At an Extraordinary General Meeting of shareholders of Gefinor SA, held on 8 December 2010, the articles of association of Gefinor SA were amended in order to make them compliant with the law on securitisation and the object and status of a securitisation company under Luxembourg law.

The registered office is at 5, rue Guillaume Kroll, Luxembourg. Since 1986, the shares of the Company have been quoted on the Luxembourg stock exchange.

The Company's financial year coincides with the calendar year.

The financial statements are approved by the Board of Directors and authorized for issue on April 26, 2016. The annual general meeting that will approve the financial statements will take place on June 24, 2016.

NOTE 2 - ADOPTION OF NEW AND REVISED STANDARDS

The accounting policies that were used for the preparation of the consolidated financial statements at December 31, 2015 are the same as those used for the preparation of the consolidated financial statements at December 31, 2014.

2.1. New and revised IFRSs in issue but not yet effective

The Group has not applied the following new and revised IFRSs that have been issued but are not yet effective:

IFRS 9	Financial instruments [5]
IFRS 15	Revenue from Contracts with Customers [4]
Amendments to IFRS 11	Accounting for Acquisitions of Interests in Joint Operations [1]
Amendments to IAS 16 and IAS 38 (*)	Clarification of Acceptable Methods of Depreciation and Amortisation [2]
Amendments to IAS 16 and IAS 41 (*)	Agriculture: Bearer Plants [2]
Amendments to IAS 19 (*)	Defined Benefit Plans: Employee Contributions [3]
Amendments to IFRSs (*)	Annual Improvements to IFRSs 2012-2014 Cycle [3]
IFRS 16 (*)	Leases [6]

1 Endorsed 24 July, 2014, effective for annual periods beginning on or after 1 January 2016, with earlier application permitted.
2 Endorsed 19 September 2014, effective for annual periods beginning on or after 1 January 2016, with earlier application permitted.
3 Effective for annual periods beginning on or after 1 January 2016, with earlier application permitted.
4 Effective for annual periods beginning on or after 1 January 2017, with earlier application permitted.
5 Effective for annual periods beginning on or after 1 January 2018, with earlier application permitted.
6 Effective for annual periods beginning on or after 1 January 2019, with earlier application permitted.

(*) Amendments with no impact on the consolidated financial statements of the group.

- IFRS 9, Financial Instruments

IFRS 9, issued in November 2009, introduced new requirements for the classification and measurement of financial assets.

All recognised financial assets that are within the scope of IAS 39 Financial Instruments: Recognition and Measurement are required to be subsequently measured at amortised cost or fair value. Specifically, debt investments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortised cost at the end of subsequent accounting periods. Debt instruments that are held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets, and that have contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding, are measured at FVTOCI. All other debt investments and equity investments are measured at their fair value at the end of subsequent accounting periods. In addition, under IFRS 9 entities may make an irrevocable election to present subsequent changes in the fair value of an equity investment (that is not held for trading) in other comprehensive income, with only dividend income generally recognised in profit or loss.

With regard to the measurement of financial liabilities designated as at fair value through profit or loss, IFRS 9 requires that the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is presented in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss.

In relation to the impairment of financial assets, IFRS 9 requires an expected credit loss model, as opposed to an incurred credit loss model under IAS 39.

Management anticipates that IFRS 9 will be adopted in the Group's consolidated financial statements for the annual period beginning January 1, 2018 and that the impact of the application of the Standard will have no significant impact on amounts reported in the Group's financial assets.

- IFRS 15, Revenue from Contracts with Customers

In May 2014, IFRS 15 was issued which establishes a single comprehensive model for entities to use in accounting for revenue arising from contacts with customers. IFRS 15 will supersede the current revenue recognition guidance including IAS 18 *Revenue,* IAS 11 *Construction Contracts* and the related Interpretations when it becomes effective.

The core principle of IFRS 15 is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the considerations to which the entity expects to be entitled in exchange for those goods or services.

Under IFRS 15, an entity recognises revenue when (or as) a performance obligation is satisfied, i.e. when 'control' of the goods or services underlying the particular performance obligation is transferred to the customer. Far more prescriptive guidance has been added in IFRS 15 to deal with specific scenarios. Furthermore, extensive disclosures are required by IFRS 15.

The directors of the Company anticipate that the application of IFRS 15 in the future may have limited material impact on the amounts reported and disclosures made in the Group's consolidated financial statements.

- *Amendments to IFRS 11, Accounting for Acquisition of Interests in Joint Operations*

The amendments to IFRS11 provide guidance on how to account for the acquisition of a joint operation that constitutes a business as defined in IFRS3 Business Combination. Specifically, the amendments state that the relevant principles on accounting for business combinations in IFRS3 and other standards (e.g. IAS 36 Impairment of Assets regarding impairment testing of a cash-generating unit to which goodwill on acquisition of a joint operation has been allocated) should be applied to the formation of a joint operation if and only if an existing business is contributed to the joint operation by one of the parties that participate in the joint operation.

A joint operator is also required to disclose the relevant information required by IFRS 3 and other standards for business combinations.

The amendments to IFRS 11 apply prospectively for annual periods beginning on or after January 1, 2016. The directors of the Company do not anticipate that the application of these amendments to IFRS 11 will have a material impact on the Group's consolidated financial statements.

- *IFRS 16, Leases*

IFRS 16 specifies how an IFRS reporter will recognise, measure, present and discloses leases. The standard provides a single lessee accounting model, requiring lessees to recognise assets and liabilities for all leases unless the lease term is 12 months or less or the underlying asset has a low value. Lessors continue to classify leases as operating or finance, with IFRS 16's approach to lessor accounting substantially unchanged from its predecessor, IAS 17.

The directors of the Company do not anticipate that the application of IFRS 16 in future will have a material impact on the Group's consolidated financial statements.

2.2. Standards, amendments and interpretations to existing standards that are effective in the current period and applicable to the Group

The following new and revised IFRSs have been applied in the current year and have affected the amounts reported in these financial statements. Details of other new and revised IFRSs applied in these financial statements that have had no material effect on the financial statements are set out hereafter.

- Annual improvements to IFRSs 2010-2012 Cycle

The annual improvement to IFRSs 2010-2012 cycle include a number of amendments to various IFRSs which are summarized below, when impacting the Group Financial Statements.

The amendments to IFRS 8 (i) require an entity to disclose the main judgement made by management in applying the aggregation criteria to operating segments, including a description of the operating segments aggregated and the economic indicators assessed in determining whether the operating segments have "similar economic characteristics"; (ii) clarify that a reconciliation of the total of the reportable segments' assets should only be provided if the segments' assets are regularly provided to the chief operating decision maker.

The amendments to the basis for conclusions of IFRS 13 clarify that the issue of IFRS 13 and consequential amendments to IAS 39 and IFRS 9 did not remove the ability to measure short-term receivables and payables with no stated interest rate at their invoice amounts without discounting, if the effect of discounting is immaterial. As the amendments do not contain any effective date, they are considered to be immediately effective.

The amendments to IAS 16 and IAS 38 remove perceived inconsistencies in the accounting for accumulated depreciation/amortization when an item of Property, Plant and Equipment or an intangible asset is revalued. The amended standards clarify that the gross carrying amount is adjusted in a manner consistent with the revaluation of the carrying amount of the asset and that accumulated depreciation/ amortization is a difference between the gross carrying amount and the carrying amount after taking into account accumulated impairment losses.

The amendments to IAS 24 clarify that management entities providing key management personnel services to a reporting entities are related parties of the reporting entity. Consequently, the reporting entity should disclose as related party transactions the amounts incurred for the service paid or payables to the management of the entity for the provision of key management personnel. However, disclosure of the components of such compensation is not required.

- Annual improvements to IFRSs 2011-2013 Cycle

The amendments to IFRS 13 clarify that the scope of the portfolio exception for measuring the fair value of a group of financial assets and financial liabilities on a net basis includes all contracts that are within the scope of, and accounted for in accordance with IAS 39 or IFRS 9 even if those contracts do not meet the definitions of financial assets or financial liabilities within IAS 32.

The amendments to IAS 40 clarify that IAS 40 and IFRS 3 are not mutually exclusive and application of both standards may be required. Consequently, an entity acquiring investment property must determine whether:
(a) The property meets the definition of investment property in terms of IAS 40; and
(b) The transaction meets the definition of a business combination under IFRS 3.

The application of these amendments has had no impact on the Group's consolidated Financial Statements.

NOTE 3 - SIGNIFICANT ACCOUNTING POLICIES

3.1. Statement of compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union.

3.2. Basis of preparation

The financial statements have been prepared on the historical cost basis except for the revaluation of certain financial instruments and non-current assets. The principal accounting policies are set out below.

During 2015, there were no critical judgements that had to be exercised by the management in the application of the Group accounting policies, apart from those related to the estimation (see Note 4 below).

3.3. Basis of consolidation

The consolidated financial statements incorporate the financial statements of Gefinor SA and entities (including special purpose entities) controlled by the Company (its subsidiaries). Control is achieved where the Company has the power to govern the financial and operating policies of an entity to obtain benefits from its activities. The subsidiaries of the Company ("the Group") are described in Note 23.

The results of subsidiaries acquired or disposed of during the year are included in the consolidated income statement from the effective date of acquisition or up to the effective date of disposal, as appropriate.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by other members of the Group.

All intra-group transactions, balances, income and expenses are eliminated in full on consolidation.

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

When the Group loses control of a subsidiary, the profit or loss on disposal is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under IAS 39.

Non-controlling interests in the net assets (excluding goodwill) of consolidated subsidiaries are identified separately from the Group's equity therein. Non-controlling interests consist of the amount of those interests at the date of the original business combination and the non-controlling interests' share of changes in equity since the date of the combination. Losses applicable to the non-controlling interests in excess of the non-controlling's interest in the subsidiary's equity are allocated against the interests of the Group except to the extent that the non-controlling interests have a binding obligation and are able to make an additional investment to cover the losses.

3.4. Business combinations

Acquisitions of subsidiaries and businesses are accounted for using the purchase method. The cost of the business combination is measured as the aggregate of the fair values at the date of exchange of assets given, liabilities incurred or assumed, and equity instruments issued by the Group in exchange for control of the acquired entity. The acquired entity's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition under IFRS 3, "Business Combinations" are recognised at their fair values at the acquisition date, except for non-current assets (or disposal groups) that are classified as held for sale in accordance with IFRS 5, "Non-current Assets Held for Sale and Discontinued Operations", which are recognised and measured at fair value less costs to sell.

Goodwill arising on acquisition is recognised as an asset and initially measured at cost, being the excess of the cost of the business combination over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities recognised. If, after reassessment, the Group's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities exceeds the cost of the business combination, the excess is recognised immediately in profit or loss.

Non-controlling interests in the acquired entity are initially measured at the non-controlling interests' proportionate share of the net fair value of the assets, liabilities and contingent liabilities recognised.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

There was no business combination in 2015.

3.5. Investments in associates

An associate is an entity over which the Group has significant influence and that is neither a subsidiary nor an interest in a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the entity but is not control or joint control over those policies.

The results and assets and liabilities of associates are incorporated in these consolidated financial statements using the equity method of accounting, except when the investment is classified as held for sale, in which case it is accounted for in accordance with IFRS 5, "Non-current Assets Held for Sale and Discontinued Operations". Under the equity method, investments in associates are carried in the consolidated statement of financial position at cost as adjusted for post-acquisition changes in the Group's share of the net assets of the associate, less any impairment in the value of individual investments.

Losses of an associate in excess of the Group's interest in that associate (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate) are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate.

Any excess of the cost of acquisition over the Group's share of the net fair value of the identifiable assets, liabilities and contingent liabilities of the associate recognised at the date of acquisition is recognised as goodwill. The goodwill is included within the carrying amount of the investment and is assessed for impairment as part of that investment. Any excess of the Group's share of the net fair value of the identifiable assets, liabilities and contingent liabilities over the cost of acquisition, after reassessment, is recognised immediately in profit or loss.

Where a Group entity transacts with an associate of the Group, profits and losses are eliminated to the extent of the Group's interest in the relevant associate.

3.6. Revenue recognition

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Dividend income from investments is recognised when the shareholders' rights to receive payment have been established.

Revenue from the sale of investments is recognised upon transfer of the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

Revenue from the provision of services is recognised when the service is provided.

The Group's policy for recognition of revenue from operating leases is described in Note 3.7 below.

3.7. Leasing

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases. All leases have been classified as operating leases in 2015 and 2014.

When the Group acts as lessor, rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

3.8. Foreign currencies

The individual financial statements of each Group entity are presented in the currency of the primary economic environment in which the entity operates (its functional currency).

For the purpose of the consolidated financial statements, the results and financial position of each group entity are expressed in US Dollars (USD), which is the functional currency of the Company and the presentation currency for the consolidated financial statements.

In preparing the financial statements of the individual entities, transactions in currencies other than the entity's functional currency (foreign currencies) are recorded at the rates of exchange prevailing at the dates of the transactions. At each balance sheet date, monetary items denominated in foreign currencies are retranslated at the rates prevailing at the balance sheet date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences are recognised in profit or loss in the period in which they arise.

For the purpose of presenting consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated at exchange rates prevailing at the balance sheet date. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuated significantly during that period, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising, if any, are recognized in other comprehensive income and accumulated in equity.

Such exchange differences are recognised in profit or loss in the period in which the foreign operation is disposed of.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the rate of exchange prevailing at balance-sheet date.

3.9. Retirement benefit costs

Contributions to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions. All benefit plans are accounted for as defined contribution plans in 2015 and 2014.

3.10. Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

3.10.1. Current tax

Group tax expense results from taxable income of Gefinor SA, a securitization Company, and Group subsidiaries under tax law in their jurisdictions and corporate tax rates payable by Gefinor SA and these subsidiaries.

The tax currently payable is based on a combination of revenue, capital and taxable profit for the year. Taxable profit may differ from profit as reported in the consolidated income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

3.10.2. Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences, and deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the balance sheet date. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

3.10.3. Current and deferred tax for the period

Current and deferred tax are recognised as an expense or income in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. In the case of a business combination, the tax effect is taken into account in calculating goodwill or in determining the excess of the acquirer's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over the cost of the business combination.

3.11. Property, plant and equipment

Properties held for administrative purposes, or for purposes not yet determined, are carried at cost, less any recognised impairment loss. Cost includes professional fees. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Fixtures and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

Depreciation is charged so as to write off the cost or valuation of assets over their estimated useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at each year end, with the effect of any changes in estimate accounted for on a prospective basis.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset.

The gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

3.12. Investment property

Investment property, which is property held to earn rentals and/or for capital appreciation, is measured initially at its cost, including transaction costs. Subsequent to initial recognition, investment property is measured at fair value.

Gains and losses arising from changes in the fair value of investment property are included in profit or loss in the period in which they arise.

3.13. Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the balance sheet date, taking into account the risks and uncertainties surrounding the obligation.

Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

3.14. Financial assets

Investments are recognised and derecognised on the trade date where the purchase or sale of an investment is under a contract whose terms require delivery of the investment within the timeframe established by the market concerned, and are initially measured at fair value, plus transaction costs, except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value.

Financial assets are classified into the following specified categories: financial assets 'at fair value through profit or loss' (FVTPL), 'held-to-maturity' investments, 'available-for-sale' (AFS) financial assets and 'loans and receivables'.

The financial assets purchased or sold under regular way are accounted for at the trade date. There is no allowance account used to reduce the carrying amount of financial assets impaired by credit loss.

Net gain and losses are determined in financial assets as the difference between the acquisition cost/the fair value of the last reporting date and the fair value at the closing date of the current period or the selling price.

There is no financial asset renegotiated that would have been otherwise passed due or impaired.

3.14.1. Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees on points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial asset, or, where appropriate, a shorter period.

Income is recognised on an effective interest basis for debt instruments other than those financial assets designated as at FVTPL.

3.14.2. Financial assets at FVTPL

Financial assets are classified as at FVTPL where the financial asset is either held for trading or it is designated as at FVTPL.

A financial asset is classified as held for trading if:
- It has been acquired principally for the purpose of sale in the near future; or
- It is a part of an identified portfolio of financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- It is a derivative that is not designated and effective as a hedging instrument.

A financial asset other than a financial asset held for trading may be designated as at FVTPL upon initial recognition if:
- Such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- The financial asset forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Group's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- It forms part of a contract containing one or more embedded derivatives, and IAS 39 Financial Instruments.

Recognition and Measurement permits the entire combined contract (asset or liability) to be designated as at FVTPL.

Financial assets at FVTPL are stated at fair value, with any resultant gain or loss recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset. Fair value is determined in the manner described in Note 4.

3.14.3. AFS financial assets

AFS financial assets are non-derivatives that are designated as AFS or are not classified as:
- Loans and receivables
- Held-to-maturity
- Fair value through profit and loss

Gains and losses arising from changes in fair value are recognised directly in equity in the investments revaluation reserve with the exception of impairment losses, interest calculated using the effective interest method and foreign exchange gains and losses on monetary assets, which are recognised directly in profit or loss. Where the investment is disposed of or is determined to be impaired, the cumulative gain or loss previously recognised in the investments revaluation reserve is included in profit or loss for the period.

The fair value of AFS monetary assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the balance sheet date. The change in fair value attributable to translation differences that result from a change in amortised cost of the asset is recognised in profit or loss, and other changes are recognised in other comprehensive income.

3.14.4. Loans and receivables

Trade receivables, loans, and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as loans and receivables. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment. Interest income is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

3.14.5. Impairment of financial assets

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at each balance sheet date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been impacted.

For unlisted shares classified as AFS, a significant or prolonged decline in the fair value of the security below its cost is considered to be objective evidence of impairment.

For all other financial assets, objective evidence of impairment could include:
- Significant financial difficulty of the issuer or counterparty; or
- Default or delinquency in interest or principal payments; or
- The probability that the borrower will enter bankruptcy or financial re-organisation.

For certain categories of financial assets, such as trade receivables, assets that are assessed not to be impaired individually are subsequently assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the Group's past experience of collecting payments, as well as observable changes in national or local economic conditions that correlate with default on receivables.

For financial assets carried at amortised cost, the amount of the impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

When an AFS financial asset is considered to be impaired, cumulative gains or losses previously recognized in other comprehensive income are reclassified to profit or loss of the period.

3.14.6. Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred assets, the Group recognized its retained interests in the assets and associated liabilities from amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognize the financial assets and also recognizes a collateralized borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognized in other comprehensive income and accumulated in equity is recognized in profit or loss.

On derecognition of a financial asset other than in its entirety, the Group allocates the previous carrying amount of the financial asset between the part it continues to recognize under continuing involvement, and the part it no longer recognizes on the basis of the relative fair value of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognize and the sum of the consideration received for the part no longer recognized and any cumulative gain or loss allocated to it that had been recognized in other comprehensive income is recognized in profit or loss.

3.15. Financial liabilities and equity instruments issued by the Group

3.15.1. Classification as debt or equity

Debt and equity instruments are classified either as financial liabilities or as equity in accordance with the substance of the contractual arrangement.

3.15.2. Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recorded at the proceeds received, net of direct issue costs.

3.15.3. Treasury shares

Where any Group company purchases the Company's equity share capital (treasury shares), the consideration paid, including any directly attributable incremental transaction costs, is deducted from equity attributable to the Company's equity holders until the shares are cancelled or reissued.
Treasury shares owned by the Company are carried at weighted average cost and recorded directly in equity as a reduction of capital and reserves in the balance sheet.

Where such shares are subsequently reissued, any consideration received, net of any directly attributable to incremental transaction costs, is included in equity attributable to the Company's equity holders.

Under Luxembourg law, a company may own up to a maximum of 10% of its own capital, and available reserves available for distribution are decreased by an equivalent amount.

Any gain or loss on treasury shares is recorded in equity through profit (loss) brought forward.

3.15.4. Financial liabilities

Financial liabilities, including borrowings, are initially measured at fair value, net of transaction costs.

Financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period.

Net gain and losses are determined in financial liabilities as the difference between the initial price/the fair value of the last reporting date and the fair value at the closing date of the current period or the settling value.

3.15.5. Derecognition of financial liabilities

The Group derecognises financial liabilities when the Group's obligations have been discharged, cancelled or expired. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in profit or loss.

3.16. Cash and cash equivalents

Cash and cash equivalents include cash on hand and current bank accounts, net of outstanding bank overdrafts, checks received but not yet deposited, checking accounts, petty cash, savings accounts and short term deposits.

Cash and cash equivalents at the end of the reporting period as shown in the consolidated statement of cash flows can be reconciled to the related items in the consolidated statement of financial position.
All balances included are unrestricted.

NOTE 4 - CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in Note 3, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period affected by the revision.

The following are the critical judgments that have the most significant effect on the amounts recognised in financial statements.

4.1. Valuation of financial instruments

The Group measures financial assets and liabilities, and non-financial assets at fair value at each balance sheet date.

4.1.1 Fair value related disclosures for financial instruments.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either, in the principal market for the asset or liability; or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible to the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1: quoted prices in active markets for identical assets or liabilities. This level includes all trading investments at FVTPL and available-for-sale investments, those being the investments in quoted bonds as of December 31, 2014.

- Level 2: inputs other than quoted prices included in the Level 1, which are observable for the asset or liability, either directly or indirectly. This level includes third party funds for which prices and valuations are observable. The prices and capital account statements reported by the Funds are not revalued or adjusted by the Group. This level includes the following investments and corresponding observable inputs:

- Gefus Capital Partners I, LP, a Private Equity Fund, valued on the basis of the capital account statement reported by the Fund. The capital account is calculated by the Fund based on the effective ownership interest of the Group in the Net Assets Value of the Fund as of December 31, 2015 as reported in the financials of the Fund (see 4.1.2.1 and 4.1.2.3).
- Gefus Capital Partners II, LP, a Private Equity Fund valued on the basis of the capital account statement reported by the Fund. The capital account is calculated by the Fund based on the effective ownership interest of the Group in the Net Assets Value of the Fund as of December 31, 2015 as reported in the audited financials of the Fund (see 4.1.2.1).
- .GEF Private Equity Partners SPC, valued on the basis of the capital account statement reported by the Fund on the basis of Group's commitment to the total commitment of the Fund. Total commitments represent amounts reported by each partnership. The effective ownership of the Group and its share of the calculated Net Asset Value of the Fund as reported by the Manager of the Fund (see 4.1.2.1).
- Monterro I, AB, a Private Equity Fund, valued on the basis of the capital account statement reported by the Fund. The capital account is calculated by the Fund based on the effective ownership interest of the Group in the Net Asset Value of the Fund as of December 31, 2015 as reported in the audited financials of the Fund (see 4.1.2.1).
- Aquilus Inflection Fund, a Hedge Fund, valued on the basis of the capital account statement reported by the Fund. The capital account is calculated by the Fund based on the effective ownership interest of the Group in the Net Assets Value of the Fund as of December 31, 2015 as reported in the financials of the Fund (see 4.1.2.1).
- Gef Opportunities (Cayman) Fund Ltd, a securities Fund, valued on the basis of the capital account statement reported by the Fund. The capital account is calculated by the Fund based on the effective ownership interest of the Group in the Net Assets Value of the Fund as of December 31, 2015 as reported in the audited financials of the Fund (see 4.1.2.1).

- Level 3: inputs for assets or liabilities that are not based on observable market data (unobservable inputs). This level includes equity instruments and investments whose valuation is based on significant unobservable components. The Directors use their judgment in selecting an appropriate valuation technique for these financial instruments.

This level includes the following investments and corresponding valuation methods applied:

- Loan to Globe Holding SAL valued on the basis of the Net Assets Value of the pool of assets it finances. The Net Asset Value of the pool of assets is adjusted by the independent valuation reports performed on the real estate assets financed (see also Note 4.3). The independent valuations of the lands were performed between January and March 2016 (see 4.1.2.1).
- New City Project valued on the basis of effective ownership interest of 7.72% in the Net Asset Value of the company which is the owner of lands in Lebanon. The Net Asset Value of the company is adjusted by the independent valuation reports on the lands. The independent valuation of land was performed on March 23, 2016 (see 4.1.2.1 and 4.1.2.3).

- MobiTV Inc. valued on the basis of an independent fair market valuation analysis reports, based on earnings multiple (see 4.1.2.2) were available for both MobiTV's common stock and Series A-1 preferred stock for year-end 2015. As of December 31, 2015, the Group owned 1'116'138 common shares valued at USD 0 per share, 456'205 A-1 shares valued at USD 0.625 per share and a preferred allocation valued at USD 34 thousand.
- Western Resource Investment II, LLC valued on the basis of effective ownership interest of 11.87% in the Net Assets as reported in the capital account of 2015 tax return (see 4.1.2.1).
- SmartInst SAS valued on the basis of effective ownership interest in the net assets as of December 31, 2015 (see 4.1.2.1).

The fair value of the level 3 investments are dependent on and proportionate to the unobservable inputs mentioned above. The Group does not consider here there is interrelationship between the unobservable inputs.

Changing one or more unobservable inputs mentioned above to value level 3 financial instruments would affect the fair value of the concerned assets. The Group considers that as of December 31, 2015 the unobservable inputs could not vary in such a way that could change the fair value significantly.

There was no change in valuation techniques in 2014 and 2015.

4.1.2. Valuation Techniques, Description of the Inputs used and Adjustments

4.1.2.1 Net Assets Value
Description: Appropriate for businesses with low operating activity and long term asset value appreciation strategy. Used for investment in real estate and equity instruments.

Inputs: Net Asset Value or Stockholders equity as reported by the financials of the company.

Adjustments: The Net Asset Value reported by the company are assessed and adjusted by the values reported by external valuation reports to reflect the fair value of the underlying assets.

4.1.2.2 Earnings
Description: Most commonly used Private Equity valuation methodology. This methodology is used for investments which are profitable and for which it is possible to determine a set of listed companies and precedent transactions with similar characteristics.

Inputs: Earnings multiples are applied to the earning of the company to determine the enterprise value
Most common measure is earnings before interest, tax, depreciation and amortization ("EBITDA"). Earnings used are usually based on the management accounts, unless data from forecasts or the latest audited accounts provides a more reliable picture of maintainable earnings.

Adjustments: A marketability or liquidity discount is applied to the enterprise value, using factors such as our alignment with management and other investors and our investment rights in the deal structure.

4.1.2.3 External valuations
Description: External valuers are involved for valuation of significant assets, such as investment property and equity securities at fair value through profit or loss. Involvement of external valuers is decided upon annually. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained.

Inputs: The fair value determined by the external valuer in its report. For real estate, the fair value is determined by an independent valuer after a visit on the site and after taking into consideration the location and the characteristics of the land, mainly the accessibility, the surroundings and the development potential of each lot. Based on these criteria each building or land is estimated on the basis of a price in USD per square meter.

No adjustments.

4.1.3 Transfer of levels

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization at the end of each reporting period. There is no transfer between levels in 2015.

4.1.4 Financial instruments not measured at fair value

For all financial instruments measured at amortized cost, notably the loans and advances, the other receivables, the deposits from clients and related parties and the other liabilities and interest-bearing liabilities, the carrying amount is a reasonable approximation of fair value.

Due to their liquid nature, financial assets and financial liabilities such as cash and cash equivalents, restricted cash, receivables, bank overdrafts, accounts payable and client deposits, are categorized in Level 2. No management assessment and no valuation technics are applied by the Group in order to determine the value of these financial assets and financial liabilities. The values of these instruments are based on the corresponding observable statements or invoices.

The loans and advances are categorized in Level 2. For loans and advances carried at amortized cost, the Group evaluates for impairment, for each individual loan or advance, the debtors' ability to pay all amounts due according to the contractual terms of the concerned assets and the existence of collaterals. The loan and advances impairment evaluation is based on the internal credit risk assessment as disclosed in note 20. The carrying value is adjusted by difference between the asset's carrying value and the present value of the estimated future cash flows as assessed. Given that interest of loans and advances are mostly variable, management estimates the impact of the change in interest rates as limited on Fair Value.

In 2014 and 2015 there was no change in the valuation technics.

4.2. Investments in Private Equity and Real Estate

4.2.1 Investments in Gefus Capital Partners I, L.P, in Gefus Capital Partners II, LP and Gef Opportunities Fund (Cayman) Ltd.

As at December 31, 2015 and December 31, 2014, the Company owns 17.34% of Gefus Capital Partners I L.P. and 57.19% of Gefus Capital Partners II, LP.

As at December 31, 2015, the Company owns 35.3% of Gef Opportunities Fund (Cayman) Ltd (December 31, 2014: 42%).

Because of the structure, organization, rules and regulations applicable to these entities, the Company has no control, as defined by IFRS 10, over these investments. Consequently, these investments have been designated at inception at fair value through profit or loss in accordance with IAS 39.

4.2.2 Investments through Gef Private Equity Partners SPC and Gefus Strategic Partners I, LLC

Gef Private Equity Partners, SPC (GEFPEP) is a segregated portfolio company organized in the Cayman Islands through which Gefinor and third party investors can invest in private equity fund partnership investments principally in the US and Europe. Each segregated portfolio invests in a specific private equity fund and Gefinor has invested in a dedicated segregated portfolio.

Gefus Strategic Partners I, LLC is a company organized in Delaware, USA through which Gefinor and third party investors had invested in private equity investments principally in the US and Europe. The membership interest in Gefus Strategic Partners I, LLC is divided into series to represent the different investments and the assets, liabilities, obligations, expenses, profit and losses which are held separately from other series. Gefus Strategic Partners I, LLC had an interest in a dedicated series which was transferred during the year to Gefinor (USA). Inc. and Gefinor Private Equity Limited.

Because of the structure, organization, rules and regulations applicable to these entities, the Company has no control, as defined by IFRS 10, over these investments. Consequently, these investments have been designated at inception at fair value through profit or loss in accordance with IAS 39.

4.2.3 Investments through the loan towards Globe Holding SAL

Nature of the loan

Gefinor, through its subsidiary Gefinor Real Estate Limited, provided a financing to Globe Holding SAL for a total amount of USD 42 million. Globe Holding SAL used this financing to acquire the interests in the lands in Byblos, Kfardebian and Aramoun, which were previously held by Gefinor, as well as two land plots in Yarzé, Beirut (together the ‘Assets’).

The terms of the loan agreement between Gefinor Real Estate Limited and Globe Holding SAL will give to Gefinor the same economic rights and benefits in the Assets as the Globe shareholders. Based on the terms of the loan agreement, the financial benefits received by Gefinor shall only be in relation to the Assets, to the exclusion of any other assets of Globe Holding SAL. As per the agreement, the principal amount of the loan shall fluctuate with the value of the Assets.

Considering that the loan has no fixed or determinable payments and has no fixed maturity, the classification as Loans and Receivables or as Held-to-Maturity are both not applicable.

The company has retained to classify the loan and after that the bonds as held for trading the FV through P&L as allowed by IAS 39.9. The Company invests in different types of assets, mainly Private Equity and Real Estate-related assets. The investment in these assets consists in the core business of the Company. The performance of these assets is assessed by the key Management of the Company based on their changes in fair value. Therefore the Company retained to book the financing of the Lebanese real estate using the fair value though profit or loss option as the management's decisions are made based on the Fair Value changes of the Group's investments.

Change in the classification of the financed assets as of December 31, 2014

In order to ensure the comparability and consistence between current year and prior year financial information, the presentation of the financial statements as of December 31, 2014 has been modified considering the new conditions of the agreement.

As such, within the present financial statements, the aforementioned loan is presented as a financial asset at fair value through profit and loss (See Note 6) as of December 31, 2015 and as of December 31, 2014. This implies that the following reclassifications impacting the figures as at December 31, 2014 were performed in the present version of the financial statements:

	As of December 31, 2014	**As of December 31, 2014, restated**
Lebanese Investment property		
Byblos Land, (RECD SAL)	15'415	-
Kfardebian Land	10'772	-
Aramoun Land (Globe Aramoun SAL)	1'938	-
Yarzé Land, (GREL Yarzé SAL & Globe Yarzé SAL)	17'000	-
TOTAL investment property	**45'125**	**-**
Minority interest	(119)	
TOTAL minority interests	**(119)**	**-**
Financial assets at FVTPL	-	45'006
TOTAL Financial assets at FVTPL	**-**	**45'006**

The Assets financed by the above mentioned loan have been evaluated by the independent valuer after a visit on the site and after taking into consideration the location and the characteristics of the land, mainly the accessibility, the surroundings and the development potential of each lot. Based on these criteria each lot of each land plot is estimated on the basis on a price in US dollar per square meter.

4.3. Fair value of investment properties

Fair value of property investments is determined by a recent independent professional evaluation or on the basis of objective criteria relating to current local real estate market conditions. The independent valuations are performed by professional valuers who hold a recognised and relevant professional qualification and who have recent experience in the location and category of the investment property valued.

The fair value measurements of the Group's land investments as of December 31, 2015 and December 31, 2014 were performed by an independent evaluator not related to the Group and were based on the market comparable approach that reflects recent transaction prices for similar properties. For the Geneva building a value per square meter for each floor based on the location, the building condition and the local market conditions has been considered to calculate the fair value.

There has been no change to the valuation technique during the year, and the lands are currently used at their best and highest use. The fair value hierarchy level is level 2, and no transfers from one level to another occurred during 2015.

4.4. Useful life of property, plant and equipment

Depreciation on property, plant and equipment is charged to write off the cost over the estimated useful life using the straight-line method at 15% (furniture and equipment). Works of arts are not amortised.

NOTE 5 - CASH AND CASH EQUIVALENTS

In $'000	31.12.2015	31.12.2014
Petty cash	16	11
Current bank accounts	684	3'705
Short-term deposits with banks	12'000	12'000
	12'700	**15'716**

NOTE 6 - INVESTMENTS

In $'000	31.12.2015	31.12.2014
Trading Investments		Restated
Aquilus Inflection Fund Ltd	544	534
	544	**534**
Available for sale investments		
Bond portfolio	-	1'262
	-	**1'262**
Financial assets at fair value through profit & loss		
Loan to Globe Holding SAL	44'354	45'006
Garden City project (New City)	22'889	22'950
Gefus Capital Partners II, LP.	9'554	9'959
GEF Private Equity Partners, SPC (1)	4'341	5'692
Gef Value Advantage Fund (Cayman) Ltd	1'655	1'943
Monterro 1 AB	524	329
Western Resource Investment II, LLC	763	806
MobiTV Inc.	319	411
Gefus Capital Partners I, LP.	20	209
SmartInst SA	1	1
	84'420	**87'306**

Financial assets at Fair Value Through Profit & Loss Held for Trading
Trading investments consists of the investment in Aquilus Inflection Fund Ltd. In November 2014, Gefinor Private Equity Limited sold 10'000 shares of Aquilus Inflection Fund Ltd for USD 1.4 million.

Available-for-sale investments
Available-for-sale investments consist of a corporate bond portfolio. In 2014, Gefinor Finance Holding Limited sold corporate bonds for a total of USD 8.5 million. In 2015, the remaining corporate bonds for a total of USD 1'262 thousand were sold with a gain of USD 9 thousand.

Financial assets at fair value through profit & loss designated as such at initial recognition
In May 2014, Gefinor Real Estate Limited sold to Globe Holding SAL (Globe) Lebanese real estate assets (see Note 9) for which Gefinor Real Estate Limited provided the financing by arranging a loan, of USD 42 million. Under the terms of the loan, Gefinor Real Estate Limited will keep the same economic rights and benefits in the real estate assets (the Assets) sold as the Globe shareholders. The financial benefits of the loan in form of interest are calculated on the basis of the value of the Assets financed and accordingly the amount of the loan fluctuates with the value of the Assets.
The value of the Assets is assessed every year by an external valuator. Hereafter the Net Assets Value as of December 31, 2015:

	Value in USD
Yarzé Land (GREL Yarzé SAL & Globe Yarzé SAL), Lebanon	16'706
Kfardebian land, Lebanon	10'772
Aramoun Land (Globe Aramoun SAL) Lebanon	1'912
Byblos Land (RECD SAL), Lebanon	14'964
Total	**44'354**

In 2014, Gefinor Private Equity Limited invested an additional USD 4'804 thousand in Gefus Capital Partners II, LP and received USD 1'824 thousand in distributions from Gefus Capital Partners II, LP. In 2015, Gefinor Private Equity Limited invested an additional USD 86 thousand in Gefus Capital Partners II, LP and received USD 701 thousand in distributions from Gefus Capital Partners II, LP

In 2014, Gefinor Private Equity Limited funded an additional USD 169 thousand in GEF Private Equity Partners, SPC (GEFPEP) funds and received USD 1'628 thousand in distributions from GEFPEP funds. In 2015, Gefinor Private Equity Limited funded an additional USD 56 thousand in GEF Private Equity Partners, SPC (GEFPEP) funds and received USD 1'495 thousand in distributions from GEFPEP funds.

In 2014, Gefinor Private Equity Limited invested USD 2 million in Gef Value Advantage Fund (Cayman) (Formerly Gef Opportunities Fund (Cayman) Ltd), a securities fund managed by Gefinor Capital Management Inc., New York.

In 2014, Gefinor Private Equity Limited invested an additional USD 197 thousand in Monterro I, AB. In 2015, Gefinor Private Equity Limited funded an additional USD 282 thousand in Monterro I, AB and received USD 146 thousand in distributions from Monterro I, AB.

In 2015, Gefinor (USA) Inc. invested an additional USD 33 thousand in MobiTV Inc. Series A-1 preferred shares.

(1) GEF Private Equity Partners, SPC consists of investments in the following funds:

In $'000	31.12.2015	31.12.2014
PAPEF III-Buyout Segregated Portfolio	186	274
PAPEF III-Venture Segregated Portfolio	220	282
PAPEF III-Special Situations	118	176
CHARTERHOUSE CCP VIII	48	94
TPG Capital Partners V, L.P.	274	384
First Reserve Fund XI, L.P.	30	85
PAPEF IV-Buyout Segregated	413	562
PAPEF IV-Venture Segregated	430	541
PAPEF IV-Special Situations Se	227	304
SILVER LAKE PARTNERS III, L.P.	322	391
BRAEMAR ENERGY VENTURES II, LP	193	181
BLACKSTONE CP V L.P.Co-Inv.	18	38
SANKATY CREDIT OPPORT. IV,L.P.	37	57
PAPEF V-Special Situations	407	536
OAK HILL CAPITAL PARTNERS III,LP	194	207
GENERAL ATLANTIC INVESTMENT PARTNERS I, LP	1'224	1'580
Total GEFPEP	**4'341**	**5'692**

NOTE 7 - LOANS AND ADVANCES

In $'000	31.12.2015	31.12.2014
Short-term loans and advances		
To third parties	-	582
To related parties		
Basmala Establishment	15'674	14'943
Globe Holding SAL	5'718	5'636
Gefinor Finance SAL	3'993	1'483
Gefinor Capital Management Inc.	214	-
Gefinor Management Limited	78	-
Others	30	376
	25'707	**23'020**
Long-term loans and advances to related parties		
Gefinor Capital Management Inc.	1'232	1'166
Gefinor Finance SAL	-	2'343
Loans and advances to personnel	260	260
Other long-term advance	40	40
	1'532	**3'809**

Short-term loans and advances
The loan to Basmala Establishment of USD 15'674 thousand is a short term loan, the interest rate applicable is 2.5% over USD Libor 3 month. The loan is guaranteed by the pledges of 6'058'000 Gefinor SA shares.

The loan to Globe Holding SAL, amounting to USD 5'718 thousand, payable on demand and bearing interest rate of 3.0% of USD 3 month LIBOR, has no additional rights attached.

The loan to Gefinor Finance SAL, Beirut of USD 3'993 thousand is a short term loan. The interest rate applicable is 2.0% over USD 1 year LIBOR. The loan is guaranteed by the pledges of 1'509'405 Gefinor SA shares.

The amount of USD 78 thousand due by Gefinor Management Limited is an interest free advance.

Loans and advances to other related parties of USD 30 thousand are short term loans with interest rate applicable of USD 3 month LIBOR.

Long-term loans and advances to related parties
The sale of the 4.4% interest in TAP in 2014 is financed by a four year note to Gefinor Capital Management Inc. arranged by Gefinor (USA) Inc., payable in two tranches in year 3 and year 4 and bearing interest at a rate of 6% per year.

Loans and advances to personnel of USD 260 thousand are long term interest free loans to employees without a fixed term.

The other long-term advance consists of a guarantee deposit of Gefinor (USA). Inc. for the office rental.
The long-term loan repayment schedule is as follows:

In $ '000	**31.12.2015**	**31.12.2014**
In the second year	-	-
In the third year	550	550
In the fourth to fifth years inclusive	550	550
Subsequent years	432	2'709
	1'532	**3'809**
Loan interest rate ranges		
Libor 3 month 2.5% to 3%	21'392	-
Libor 1 year +1.5%	-	20'579
Libor 1 year +2%	3'993	3'826
Other interest rates	1'854	2'424
	27'239	**26'829**

Interest income on loans and advances is as follows:

In $'000	31.12.2015	31.12.2014
Bank deposits	438	-
Third party loans	70	-
Gef Real Estate Holding S.A.	-	408
Globe Holding SAL	9	397
Basmala Establishment	365	224
Gefinor Finance SAL	114	-
Other related parties	25	922
	1'021	**1'951**

NOTE 8 - TRADE RECEIVABLES AND OTHER CURRENT ASSETS

In $'000	31.12.2015	31.12.2014
Management fees receivable	-	153
Expenses to be reimbursed	57	97
Receivable on asset sale (Redco Escrow)	863	2'850
Receivable from a related party	37	63
Trade receivables	-	12
Prepaid expenses	101	90
Other receivables and other current assets	3	44
	1'061	**3'309**

Trade receivables from related party are due at receipt and bear no interests. Of the receivables on asset sale of USD 2’850 thousand as of December 31, 2014, USD 1’987 thousand were received in February 2015, USD 287 thousand were received in March 2016 and the balance will be paid over a 3 year period.

NOTE 9 - INVESTMENT PROPERTY

In $'000	2013	Additions - retirements	Translation adjustments	Fair value revaluation	2014 Restated
Gefinor Building, Geneva	13'926	-	(1'461)	903	13'368
Byblos land, Lebanon	12'521	(12'521)	-	-	-
Kfardebian land, Lebanon	10'772	(10'772)	-	-	-
Aramoun Land, Lebanon	1'938	(1'938)	-	-	-
Yarzé Land, Lebanon	-	-	-	-	-
Total	**39'157**	**(25'231)**	**(1'461)**	**903**	**13'368**

In $'000	2014 Restated	Additions - retirements	Translation adjustments	Fair value revaluation	2015
Gefinor Building, Geneva	13'368	-	(99)	(522)	12'747
Byblos land, Lebanon	-	-	-	-	-
Kfardebian land, Lebanon	-	-	-	-	-
Aramoun Land, Lebanon	-	-	-	-	-
Yarzé Land, Lebanon	-	-	-	-	-
Total	**13'368**	**-**	**(99)**	**(522)**	**12'747**

- The Gefinor building in Geneva is owned by Gefinor Finance SA a wholly owned subsidiary. The Company owns four floors of the building (approximately 55% of the building). The building was revalued as of June 30 2014 based on an external valuation report performed in July 2014.

- In May 2014, Gefinor Real Estate Limited sold to Globe Holding SAL, the Byblos land, an undeveloped real estate with a surface area of 880’877 square meters in the Byblos area, the Kfardebian land an undeveloped real estate with a surface of 8,618 square meters in Fakhra, Lebanon and the land in Aramoun. Gefinor Real Estate Limited has provided the financing to Globe Holding SAL through an initial loan for a total of USD 25 million. In December 2014, Globe Holding SAL acquired two land plots in Yarzé, Beirut for USD 17 million and for which Gefinor Real Estate Limited provided the financing by arranging a new loan, thus increasing the total amount of the loan to USD 42 million. The loan is classified as Fair Value through Profit and Loss (see Note 6).

NOTE 10 - PROPERTY, PLANT AND EQUIPMENT

In $'000	2013	Additions	Retirements	Translation adjustments	2014
Cost	5'637	5	(528)	(464)	4'650
Accumulated depreciation	(2'227)	(112)	405	-	(1'934)
Total	**3'410**	**(107)**	**(123)**	**(464)**	**2'716**

In $'000	2014	Additions	Retirements	Translation adjustments	2015
Cost	4'650	-	-	(20)	4'630
Accumulated depreciation	(1'934)	(82)	-	-	(2'016)
Total	**2'716**	**(82)**	**-**	**(20)**	**2'614**

Property, plant and equipment include property investment held for own use for an amount of USD 1,290 thousand (2014: USD 1,290 thousand). The fair value of the property investment held for own use is USD 4,250 thousand (2014: USD 4,250 thousand). The charge for accumulated depreciation is disclosed on the line "depreciation" of the consolidated statement of comprehensive income.

NOTE 11 - BANK OVERDRAFTS, BANK DEBT, BORROWINGS AND OTHER LONG TERM PAYABLES

Overdrafts and bank debt with maturity of less than 1 year:

In $ '000	31.12.2015	31.12.2014
Bank Overdraft	4'246	4'277
	4'246	**4'277**

Long-term borrowing and other long term payable:

Long-term borrowing (net of current portion)	-	340
Long-term payable	16	17
Mortgage (a)	11'365	11'731
	11'381	**12'088**

(a) USD 11.37 million of debt of Gefinor Finance SA is secured by a mortgage on the Gefinor Building in Geneva. The mortgage has no fixed term, the annual principal repayment of the mortgage amounts CHF 280 thousand.

Debt is repayable as follows:

In $ '000	31.12.2015	31.12.2014
On demand or within one year	4'246	4'277
In the second year	280	283
In the third to fifth years	849	849
Subsequent years	10'252	10'956
	15'627	**16'365**

The weighted average interest rates paid were as follows:

	31.12.2015	31.12.2014
Short-term bank debt	2.26%	2.08%
Long-term bank debt	1.95%	2.10%
	2.04%	**2.09%**

Interest expenses by financing category were as follows:

In $'000	31.12.2015	31.12.2014
Interest on bank debts	107	133
Interest on mortgage financing	225	264
Interest on deposits	219	262
Interest on other financial liabilities	26	64
	577	**723**

NOTE 12 - CLIENT DEPOSITS

In $'000	31.12.2015	31.12.2014
Deposits from		
Third parties, on demand	4'072	8'427
Third parties, short-term deposits	9'253	9'963
Due on demand to related parties		
Due to related parties	7'082	6'998
	20'407	**25'388**

Client deposits from third parties, on demand, represent current accounts of third parties clients with Gefinor Finance SA bearing an interest rate of Libor 48 hours less 50 basis points.

Client deposits from third parties, short term deposits, represent term deposits of 3, 6 or 12 months of third parties clients with Gefinor Finance SA bearing an interest rate of the Libor for the corresponding term period.

The deposits due to related parties are current accounts with Gefinor Finance SA or bearing an interest rate of Libor 48 hours less 50 basis points.

NOTE 13 - TRADE PAYABLES AND OTHER PAYABLES

Trade payables and other payables

In $'000	31.12.2015	31.12.2014
Trade payables	101	477
Accrued expenses	279	230
Management fees to be paid	64	17
Dividends to be paid	18	18
Others	53	367
	515	**1'109**

NOTE 14 - EQUITY

14.1. Capital

At December 31, 2015 and December 31, 2014 the authorised and issued capital was USD 50 million. The issued capital is fully paid and represented by 40 million shares with a par value of USD 1.25 each.

14.2. Legal reserve

The Company is required to appropriate to the legal reserve a minimum of 5% of the annual net profit, until such reserve equals 10% of the share capital. This reserve is not available for distribution, except upon dissolution of the Company.

14.3. Treasury shares

As December 31, 2015 and December 31, 2014, Gefinor SA owned 448’820 (1.12%) of its own shares with a book value of USD 5.1 million.

14.4. Reserves

This reserve is available for distribution.

NOTE 15 - TAXATION

Taxes for Gefinor SA, as a securitization company, are assessed on the basis of its net income reduced by amounts payable or committed to be paid to Gefinor’s shareholders. As a result, group tax expense results from taxable income of Group subsidiaries under tax law of their jurisdictions at corporate tax rates payable by these subsidiaries.

In $'000	31.12.2015	31.12.2014
Current tax liabilities	5	-
Other tax liabilities	141	256
	146	**256**

In $'000	31.12.2015	31.12.2014
Deferred tax liabilities		
Geneva Building	1'216	1'353
	1'216	**1'353**

Deferred taxes of USD 1'216 thousand (2014: USD 1'353 thousand) have been provided on the Geneva building related to the provision of a 24% deferred tax on the revaluation to fair value of the building.

Gefinor (USA) Inc. has tax losses available for carry forward for an amount of USD 7.8 million (2014: USD 7.8 million) from previous years which are not expected to be recoverable. Accordingly the Group has not recorded any deferred tax asset.

NOTE 16 - DIVIDENDS

In 2015, Gefinor Real Estate Limited received a dividend of USD 303 thousand (2014: USD 336 thousand) from Development & Investment Company SAL (Garden City Project).

NOTE 17 - REALISED AND UNREALISED GAINS / (LOSSES) ON INVESTMENTS

In $'000	31.12.2015	31.12.2014
Net realised gains / (losses) on investments		
Recycled loss on AFS	(348)	-
Depreciation of ADC loan	-	(256)
Sale of Gefinor Advisors Limited	-	(33)
Sale of International Project Company Limited Inc.	-	(49)
Sale of Gefinor Finance SAL	-	1'537
Other realized losses	(26)	(32)
	(374)	**1'167**
Net unrealised gains / (losses) on investments		
Gefus Capital Partners I, LP	(190)	(393)
Gefus Capital Partners II, LP	211	3'755
MobiTV, Inc.	(125)	(361)
Gef Private Equity Partners, SPC (GEFPEP)	89	627
Monterro I, AB	60	(258)
Globe Holding SAL loan valuation	(653)	3'006
New City Investment	(61)	-
Gef Opportunities	(288)	-
Aquilus Inflection Fund	10	-
Geneva Building	(640)	(1'022)
Others investments	(43)	(7)
	(1'630)	**5'347**

NOTE 18 - REAL ESTATE INCOME

Real Estate income consists of the rental income of the Geneva building of USD 639 thousand (2014: USD 627 thousand).

NOTE 19 - MANAGEMENT FEE INCOME

In $'000	31.12.2015	31.12.2014
Related parties		
Fondation Ousseimi	137	191
	137	**191**

Management fee income consists of a fixed management fee received by Gefinor Finance SA from Fondation Ousseimi for administrative and accounting services. The remuneration was CHF 175 thousand per year. The contract was terminated by Fondation Ousseimi for September 2015. The fee received in 2015 represents the pro-rata of the annual fee.

NOTE 20 - RISK MANAGEMENT

Capital risk

Debt relationships are reviewed regularly by the Board.

The Group is in compliance with all contractual obligations under its borrowing agreements. The capital maintenance and debt ratios set the benchmarks for capital risk management. At a current level, the debt equity ratio, calculated as follows, is considered to be in line with the Group's investment financing needs.

In $'000	31.12.2015	31.12.2014
Debt	15'627	16'365
Cash	(12'700)	(15'716)
Net Debt	**2'927**	**649**
Equity	**103'414**	**106'887**
Net Debt to equity ratio	**2.8%**	**0.6%**

Categories of financial instruments

Details of the significant accounting policies and methods adopted for each class of financial asset and financial liability are disclosed in note 4.2 of the financial statements.

In $'000	31.12.2015	31.12.2014
Cash and cash equivalents	12'700	15'716
Fair value through profit and loss		
Level 1 - Trading investment at FVTPL and AFS investments	-	1'262
Level 2 - Investments at FVTPL	16'638	18'666
Level 3 - Investments at FVTPL	23'972	24'168
Amortised cost		
Loans and advances	27'239	26'829
Trade and other receivables	1'061	3'309
Financial liabilities		
Amortised cost		
Bank loans	15'627	16'365
Deposits from clients	20'407	25'388
Trade and other payables	515	1'109

Level 1: quoted prices in active markets for identical assets or liabilities. This level includes all trading investments at FVTPL and available-for-sale investments, those being the investments in quoted bonds as of December 31, 2014.

Level 2: inputs other than quoted prices included in the Level 1 that are observable for the asset or liability either directly or indirectly. This level includes the investments in Gefus Capital Partners I, LP, Gefus Capital Partners II, LP, GEF Private Equity Partners SPC, Gef Opportunities Fund (Cayman) Ltd, in Aquilus Inflection Fund and in Monterro I, AB.

Level 3: inputs for assets or liabilities that are not based on observable market data (unobservable inputs). This level includes the investments in New City Project, MobiTV Inc., Western Resource Investment II, LLC and SmartInst SA. The fair value measurement methods are described in note 4.1.

Reconciliation of Level 3 fair value measurement of financial assets

In $'000	31.12.2015	31.12.2014
Opening Balance	24'168	25'758
Total gains or losses in profit or loss	(229)	(490)
Purchases	33	-
Sales	-	(1'100)
Closing Balance	**23'972**	**24'168**

All level 3 investments are unquoted securities at FVTPL. Total gains or losses for the period included in profit or loss for assets held at the end of the reporting period amount to a loss of USD 490 thousand for 2014 and USD 229 thousand for 2015.

Credit risk

Apart from loans made to related companies through financing subsidiaries, the Company has no significant concentrations of credit risk. The financial subsidiaries monitor their loan portfolio on a quarterly basis reviewing the performance and risk of all loans. The Group evaluates for impairment the debtors' ability to pay all amounts due according to the contractual terms of each loan or advance. The impairment evaluation is based on the internal credit risk assessment estimated on the basis of:

- The purpose of the loan or advance;
- The financial position of the counterparty and its ability to fulfill its obligations;
- The quality of the guarantees provided by the debtor;
- Historical lending experience with similar counterparties with similar credit risk characteristics;
- The present market conditions.

In addition, as for all other financial assets, objective evidence of impairment includes:

- Significant financial difficulty of the issuer or counterparty; or
- Default or delinquency in interest or principal payments; or
- The probability that the borrower will enter bankruptcy or financial re-organisation.

The above criteria are assessed for each new loan or advance and reviewed on quarterly basis. Based on the internal credit risk assessment, the Group has mitigated its credit risk by limiting its lending activity to well-known related parties.

All loans are fully performing.

The maximum exposure is USD 8'122 thousand as per the following detail:

In $'000	31.12.2015	Of which collateral	31.12.2014	Of which collateral
To third parties	-	-	582	560
To related parties				
Basmala Establishment	15'674	15'674	14'943	15'123
Globe Holding SAL	5'718	-	5'636	-
Gefinor Finance SAL	3'993	3'993	3'826	-
Gefinor Capital Management Inc.	1'446	1'100	1'166	-
Other loans to related parties	408	-	636	-
	27'239	**20'767**	**26'789**	**15'683**
% of portfolio with collateral		76.2%		58.5%

The quality of the trade receivables and other current assets is as follows:

In $'000	31.12.2015	Fully performing	Past due
Expenses to be reimbursed	57	57	-
Receivable on asset sale	863	863	-
Receivable from a related party	37	37	-
Prepaid expenses	101	101	-
Other receivables and other current assets	3	3	-
	1'061	**1'061**	**-**

In $'000	31.12.2014	Fully performing	Past due
Management fees receivable	153	153	-
Rental receivables	-	-	-
Expenses to be reimbursed	97	97	-
Receivable on asset sale	2'850	2'850	-
Receivable from a related party	63	63	-
Trade receivables	12	12	-
Prepaid expenses	90	90	-
Other receivables and other current assets	44	44	-
	3'309	**3'309**	**-**

The carrying amount of the trade receivables and other current assets represents approximately the fair value.

Liquidity risk

The Group monitors its cash flow on a continuing basis in order to ensure that obligations are covered by available funding. A yearly liquidity plan is approved and monitored by Management. This plan includes all cash obligations and available sources of funding to ensure, as far as possible, that it will always have sufficient liquidity to meet its obligations when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation. The exposure to liquidity risk is mainly influenced by open private equity commitments which require cash resources available timely to pay capital contributions and by client deposits which may withdraw substantial cash amounts. For this purpose, the Group monitors closely its liquidity with daily and monthly review of the net cash positions.

The liquidity risk is mitigated by the following main factors:
- The short term loan portfolio allowing funding of unexpected obligations;
- The possibility of selling third party funds commitments in the secondary market;
- The ability to slow down or potentially reduce the investment activities at any time;
- The possibility to arrange new credit lines as the Group has low leverage.

The liquidity monitoring may give rise, when required, to corrective measures such as the consideration of the temporary or permanent reallocation of assets.

Liquidity analysis for the year ending December 31, 2014

In $'000	2015 Mandatory repayment	2016 Mandatory repayment	2017 Mandatory repayment	2018 Mandatory repayment	2019 Mandatory repayment
Principal repayment	(4'277)	(276)	(276)	(276)	(276)
Interest (estimate)	(150)	(140)	(135)	(129)	(128)
Total mandatory repayments	**(4'427)**	**(416)**	**(411)**	**(405)**	**(404)**

Cash planning	2015	2016	2017	2018	2019
Bank debts and borrowings	(4'427)	(416)	(411)	(405)	(404)
Deposits	(25'388)	-	-	-	-
Trade and other payables	(1'109)	-	-	-	-
Current tax liabilities	(256)	-	-	-	-
Total cash liabilities	**(31'180)**	**(416)**	**(411)**	**(405)**	**(404)**
Cash and cash equivalents	15'716	-	-	-	-
Trading investments	534	-	-	-	-
Loans and advances	23'020	-	-	-	-
LT loans and advances	-	-	550	656	-
Trade receivables and other current assets	3'309	-	-	-	-
Total cash assets	**42'579**	**-**	**550**	**656**	**-**

Other assets could be sold to match liabilities and commitments.

Liquidity analysis for the year ending December 31, 2015

In $'000	2016 Mandatory repayment	2017 Mandatory repayment	2018 Mandatory repayment	2019 Mandatory repayment	2020 Mandatory repayment
Principal repayment	(4'246)	(280)	(280)	(280)	(280)
Interest (estimate)	(280)	(135)	(129)	(128)	(125)
Total mandatory repayments	**(4'526)**	**(415)**	**(409)**	**(408)**	**(405)**

	2016	2017	2018	2019	2020
Cash planning					
Bank debts and borrowings	(4'526)	(415)	(409)	(408)	(405)
Deposits	(20'407)	-	-	-	-
Trade and other payables	(515)	-	-	-	-
Current tax liabilities	(146)	-	-	-	-
Total cash liabilities	**(25'594)**	**(415)**	**(409)**	**(408)**	**(405)**
Cash and cash equivalents	12'700	-	-	-	-
Trading investments	544	-	-	-	-
Loans and advances	25'707	-	-	-	-
LT loans and advances	-	550	722	-	-
Trade receivables and other current assets	1'061	-	-	-	-
Total cash assets	**40'012**	**550**	**722**	**-**	**-**

Market risk

(a) *Foreign exchange risk*

The Group has foreign exchange exposure through the non-US dollar assets and liabilities of certain subsidiaries, principally in Swiss francs, pounds sterling and euros. Real estate assets situated in Lebanon are valued in US dollars and are not considered to represent an exchange risk. The major assets in Swiss francs are the investment property and the property, plant and equipment in Geneva and at December 31, 2015, the Group foreign exchange exposure on a consolidated basis is as follows:

In $'000	31.12.2015	31.12.2014
CHF exposure		
Assets	9'331	16'469
Liabilities	(16'235)	(16'074)
	(6'904)	**395**
EUR exposure		
Assets	133	711
Liabilities	(1'790)	(2'572)
	(1'657)	**(1'861)**
GBP exposure		
Assets	37	185
Liabilities	(107)	(72)
	(70)	**113**

In view of the above, a fluctuation of 10% of the exchange rate CHF to USD would impact negatively or positively the net income and equity of the Group by approximately USD 690 thousand, a fluctuation of 10% of the exchange rate EUR to USD would impact negatively or positively the net income and equity of the Group by approximately USD 165 thousand. The other currency fluctuations have a marginal impact on the consolidated financial position.

(b) *Interest rate risk*

The Group's principal interest rate risk derives from short and long term bank debt as well as assets held for customers and loans made, principally to related companies, by a subsidiary. Interest rates of financial assets and liabilities are generally based on a spread over the current interbank rate. An increase or decrease of 50 basis points on the USD interest rates would impact negatively or positively the net income and equity of the Group by approximately USD 79 thousand (2014: USD 79 thousand).

The interest rates on components of the net financial assets are as follows:

	31.12.2015	**31.12.2014**
Financial assets		
Cash and cash equivalents	12'700	15'716
Loans - Libor	25'385	24'405
Fixed interest rate	1'232	1'166
Other interest rate	622	1'258
	39'939	**42'545**
Financial liabilities		
Bank debts - Libor 3 month	-	-
Bank debts - Libor - other terms	15'627	16'365
Deposits - Libor 3 month	4'072	8'427
Deposits - Libor other terms	16'335	16'961
	36'034	**41'753**
Net financial assets (liabilities)	**3'905**	**792**

(c) *Other*

The Group is exposed to the fluctuation in the valuation of real estate in Lebanon. The fair value of the Lebanese real estate remained unchanged in 2015 (2014: increase of USD 2'894 thousand). An increase or a decrease of 10% in the Lebanese real estate market might impact the Group's loan to Globe Holding SAL in the same magnitude and accordingly impact positively or negatively the Group's financial statements by USD 4.5 million (2014: USD 4.5 million). Gefinor Real Estate Limited monitors its real estate portfolio on a quarterly basis reviewing and analysing the performance of each investment.

The private equity portfolio is not correlated to any standard index or standard group of indices, nevertheless a variation of 10% of the private equity portfolio valuation would impact the financial statements by USD 4 million (2014: USD 4.2 million). Gefinor Private Equity Limited monitors its private equity portfolio on a quarterly basis reviewing and analysing the performance of each investment.

NOTE 21 - COMMITMENTS

At December 31, 2015, the Group had funding commitments in Gef Private Equity Partners, SPC of USD 1.0 million (December 31, 2014 : USD 1.07 million), funding commitment in Gefus Capital Partners II, LP of USD 5.6 million (December 31, 2014 : USD 5.7 million) and funding commitment in Monterro I, AB of USD 436 thousand (2014: USD 778 thousand).

There is no lease payment commitment.

NOTE 22 - OTHER RELATED PARTY INFORMATION

Remuneration allocated to the Board of Directors in 2015 is USD 20 thousand (2014: USD 20 thousand).

The remuneration of key management personnel during the year was as follows:

In $'000	31.12.2015	31.12.2014
Short-term benefits	287	272
Post-employment benefits	-	-
Other long-term benefits	-	-
Share based payments	-	-
	287	**272**

In 2013, a board member of Gefinor SA provided advisory services to the Gefinor SA Group represented by Gefinor Management Limited ("GML") in the period of transition initiated by the Group in the restructuring of its operations. As compensation for these services, he received USD 200 thousand in April 2014 and a second payment of USD 200 thousand in April 2015.

NOTE 23 - CONSOLIDATED SUBSIDIARIES

Subsidiaries	Country	Effective Interest % 2015	Effective Interest % 2014
Gefinor Finance Holding Limited	Gibraltar	100	100
Gefinor Finance SA	Switzerland	100	100
Gefinor Capital Services S.A.	Switzerland	100	100
Gefinor Private Equity Limited	Gibraltar	100	100
Gefinor (USA) Inc.	USA	100	100
Alexander Doll Company Inc.	USA	72	72
Gefinor Real Estate Limited	Gibraltar	100	100
Gefinor Management Limited	Cayman	-	100

Transactions during the year ended December 31, 2014

In New York, the private equity management business includes Gefinor Capital Limited, Gefinor Capital Advisors Limited, Gefinor Capital Advisors, Inc. and GEF Private Equity Associates Limited, collectively (GCL) was sold in 2014 by the Group to the management team and an investment partner (See also management report). This transaction has no impact on the consolidated financial statements of Gefinor SA.

In 2014, Gefinor Real Estate Limited initiated a sale process of the Société des Immeubles Modernes SAL (SIM), the company managing the restaurant in the REDCO building. The impact of this transaction on the consolidated financial statements of Gefinor SA is nil.

Following the restructuring of the Group's operations, Gefinor (USA) Inc. sold Gefinor Ventures Management Inc. in 2014. In addition, Gefinor (USA) Inc. was the managing member of Gefus Strategic Partners I, LLC as per December 31, 2013. From January 2014, Gefinor Capital Management Inc. is the managing member of Gefus Strategic Partners I, LLC.

In May 2014, Gefinor Real Estate Limited sold in a first step its 100% interest in Globe Holding SAL (Globe); this transaction has no impact on the consolidated financial statements of Gefinor SA. In a second step, Gefinor Real Estate Limited sold to Globe its 100% interest in International Projects Company Limited Inc. (IPCO) and in Real Estate and Commercial Development SAL. In this second transaction a part of the debt of IPCO to Gefinor Management Ltd amounting to USD 1'585 thousand has been assigned to Gefinor Real Estate Ltd, this transaction has no impact on the consolidated financial statements of Gefinor SA.

In December 2014, Gefinor Finance Holding Limited sold its 100% interest in Gefinor Finance SAL (GFSAL). In this transaction a part of the debt of GFSAL to Gefinor Management Ltd amounting to USD 1'333 thousand has been assigned to Gefinor Finance Holding Limited. The net operating loss of GFSAL is USD 243 thousand for the year 2014 representing the net impact of the sale of GFSAL on the consolidated financial statements of Gefinor SA.

Transactions during the year ended December 31, 2015

In December 2015, Gefinor Finance Holding Limited sold its 100% interest in Gefinor Management Limited to a shareholder of the Group. This transaction has no impact on the consolidated financial statements of Gefinor SA.

NOTE 24 - ASSOCIATED COMPANIES

Gefinor Advisors SA, Geneva.

In Geneva, Gefinor Finance entered in January 2014 in a joint venture with a private bank with the transfer of the advisory operations to Gefinor Advisors SA, a new entity with a share capital of CHF 1million in which Gefinor Finance SA owns 44.5% of the share capital.

In October 2015, Gefinor Finance and the private bank sold both their interests in Gefinor Advisors SA to the management of the later. The sale resulted in a loss of USD 167 thousand for the period.

NOTE 25 - BUSINESS SEGMENTS

The Group is active in three business segments: private equity, real estate and finance and corresponding exactly to the three investments held by Gefinor SA

The Private Equity segment includes all investments held by Gefinor Private Equity Limited.
The Real Estate segment includes all investments held by Gefinor Real Estate Limited.
The Finance segment includes all the operating companies held by Gefinor Finance Holding Limited
The Corporate segment includes all the expenses incurred in the Luxembourg Securitization Company.

The figures presented below present the financial statements of the three investments held by Gefinor SA and correspond to the statements reviewed by the management and the Board of each investment.

The information about geographical areas is not available and as not relevant the cost to develop it would be excessive.

The accounting policies of the reportable segments are the same as the Group's accounting policies described in Note 3. Specific business segment information for 2015 and 2014 in accordance with the requirements of IFRS 8 is as follows:

NET ASSETS 2014 - Restated in $'000	**Private Equity**	**Real Estate**	**Finance**	**Corporate**	**Consolidation**	**Total**
Segment current assets	298	2'850	17'752	5'589	(6'930)	19'559
Segment financial investments	19'884	67'956	447	-	(662)	87'625
Segment loans and advances	13'192	(1'237)	67'183	-	(52'309)	26'829
Segment investment property	-	-	13'368	-	-	13'368
Segment property, plant & Equipm.	65	-	2'643	-	8	2'716
Segment intangible assets	-	-	-	-	-	-
Assets classified as held for sale	-	-	1'262		-	1'262
Total Assets	**33'439**	**69'569**	**102'655**	**5'589**	**(59'893)**	**151'359**
Segment current liabilities	384	42'358	47'638	421	(59'771)	31'030
Segment Non-current liabilities	-	-	13'434	-	7	13'441
Liabilities classified as held for sale	-	-			-	-
Total Liabilities	**384**	**42'358**	**61'072**	**421**	**(59'764)**	**44'471**
Total Net Assets	**33'055**	**27'211**	**41'583**	**5'168**	**(129)**	**106'888**

NET ASSETS 2015 in $'000	**Private Equity**	**Real Estate**	**Finance**	**Corporate**	**Consolidation**	**Total**
Segment current assets	602	863	12'820	19	1	14'305
Segment financial investments	17'177	67'243	-	-	-	84'420
Segment loans and advances	14'586	-	68'262	5'333	(60'942)	27'239
Segment investment property	-	-	12'746	-	-	12'746
Segment property, plant & Equipm.	37	-	2'578	-	-	2'615
Segment intangible assets	-	-	-	-	-	-
Assets classified as held for sale	-	-	-	-	-	-
Total Assets	**32'402**	**68'106**	**96'406**	**5'352**	**(60'941)**	**141'325**
Segment current liabilities	69	42'657	43'133	397	(60'942)	25'314
Segment Non-current liabilities	-	-	12'597	-	-	12'597
Total Liabilities	**69**	**42'657**	**55'730**	**397**	**(60'942)**	**37'911**
Total Net Assets	**32'333**	**25'449**	**40'676**	**4'955**	**1**	**103'414**

NET INCOME 2014 -Restated in $'000	Private Equity	Real Estate	Finance	Corporate	Consolidation	Total
Profit or loss of associates	-	-	-	-	(484)	(484)
Dividends	-	336	20		-	356
Real estate income	-	-	627	-	-	627
Realised gain /(losses) on investments	(305)	-	1'460	-	12	1'167
Unrealised gain /(losses) on investments	3'361	3'125	3'883	-	(53)	10'316
Income from services	(1)	-	975	(1)	(826)	147
Total Operating Income	**3'055**	**3'461**	**6'965**	**(1)**	**(1'351)**	**12'129**
Operating expenses	(383)	(532)	(3'880)	(494)	1'181	(4'108)
Depreciation	(29)	-	(83)	-	-	(112)
Net Operating Income	**2'643**	**2'929**	**3'002**	**(495)**	**(170)**	**7'909**
Interest income	123	1	1'889	14	(76)	1'951
Interest expenses	(2)	(5)	(847)	-	131	(723)
Non operating income / (expenses)	1	-	(1)	-	1	1
Income Before Tax	**2'765**	**2'925**	**4'043**	**(481)**	**(114)**	**9'138**
Taxes	(4)	-	(87)	(14)	1	(104)
Net Income before discontinued operations	**2'761**	**2'925**	**3'956**	**(495)**	**(113)**	**9'034**
Net Income	**2'761**	**2'925**	**3'956**	**(495)**	**(113)**	**9'034**

NET INCOME 2015 in $'000	Private Equity	Real Estate	Finance	Corporate	Consolidation	Total
Profit or loss of associates	-	-	-	-	(167)	(167)
Dividends	-	303	-		-	303
Real estate income	-	-	639	-	-	639
Realised gain /(losses) on investments	(27)	-	(1'005)	-	658	(374)
Unrealised gain /(losses) on investments	(276)	(714)	83	(164)	(185)	(1'256)
Income from services	(1)	-	1'089	-	(1'032)	56
Total Operating Income	**(304)**	**(411)**	**806**	**(164)**	**(726)**	**(799)**
Operating expenses	(421)	(701)	(2'411)	(332)	1'032	(2'833)
Depreciation	(29)	-	(48)	-	-	(77)
Net Operating Income	**(754)**	**(1'112)**	**(1'653)**	**(496)**	**306**	**(3'709)**
Interest income	85	-	1'739	16	(819)	1'021
Interest expenses	-	(780)	(613)	-	816	(577)
Non operating income / (expenses)	1	127	(458)	115	-	(215)
Income Before Tax	**(668)**	**(1'765)**	**(985)**	**(365)**	**303**	**(3'480)**
Taxes	(54)	-	(98)	(9)	-	(161)
Net Loss before discontinued operations	**(722)**	**(1'765)**	**(1'083)**	**(374)**	**303**	**(3'641)**
Profit (loss) from discontinued operation	-	-	-		-	-
Net Loss	**(722)**	**(1'765)**	**(1'083)**	**(374)**	**303**	**(3'641)**

NOTE 26 - FEES PAID TO THE GROUP AUDITOR

The fees expenses paid to the Group auditor are as follows:

In $'000	31.12.2015	31.12.2014
Audit fees	267	300
Other fees	31	11
	298	**311**

NOTE 27 - STAFF HEADCOUNT

The full time equivalent of staff was 6 as of December 31, 2014 and December 31, 2015. In 2015, all the staff was employed by Gefinor Finance SA, Geneva. As per January 1st, 2016 the Group has no staff anymore.

NOTE 28 - OTHER INCOME / (EXPENSES)

In $'000	31.12.2015	31.12.2014
Other expenses	(352)	-
Other income	135	1
	(217)	**1**

Other expenses of USD 352 thousand consist of an extraordinary loss for Gefinor Finance SA. In January 2015, a client of Gefinor Finance SA was the victim of a cyber-attack that also affected the business relationship with Gefinor. The legal actions were taken by and in coordination with the client however the amounts misappropriated could not be recovered to date.

NOTE 29 - POST BALANCE SHEET EVENTS

No substantial post balance sheet event is to be reported.

GEFINOR SA

SOCIETE ANONYME DE TITRISATION

ANNUAL ACCOUNTS AND REPORT OF

THE RÉVISEUR D'ENTREPRISES AGRÉÉ

DECEMBER 31, 2015

5, rue Guillaume Kroll

L-1882 Luxembourg

R.C.S. Luxembourg : B 008.282

Gefinor SA

Société Anonyme de Titrisation

TABLE OF CONTENTS

Deloitte Audit
Société à responsabilité limitée
560, rue de Neudorf
L-2220 Luxembourg
B.P. 1173
L-1011 Luxembourg
Tel: +352 451 451
Fax: +352 451 452 992
www.deloitte.lu

To the Shareholders of
Gefinor S.A.
Société Anonyme de Titrisation
5, rue Guillaume Kroll
L-1882 Luxembourg

REPORT OF THE REVISEUR D'ENTREPRISES AGREE

We have audited the accompanying annual accounts of Gefinor S.A., which comprise the balance sheet as at December 31, 2015 and the profit and loss account for the year then ended, and a summary of significant accounting policies and other explanatory information.

Responsibility of the Board of Directors' for the annual accounts

The Board of Directors is responsible for the preparation and fair presentation of these annual accounts in accordance with Luxembourg legal and regulatory requirements relating to the preparation of the annual accounts, and for such internal control as the Board of Directors determines is necessary to enable the preparation of annual accounts that are free from material misstatement, whether due to fraud or error.

Responsibility of the réviseur d'entreprises agréé

Our responsibility is to express an opinion on these annual accounts based on our audit. We conducted our audit in accordance with International Standards on Auditing as adopted for Luxembourg by the *Commission de Surveillance du Secteur Financier*. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the annual accounts are free from material misstatement.

Société à responsabilité limitée au capital de 35.000 €
RCS Luxembourg B 67.895
Autorisation d'établissement : 10022179

Deloitte.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the annual accounts. The procedures selected depend on the *réviseur d'entreprises agréé's* judgement, including the assessment of the risks of material misstatement of the annual accounts, whether due to fraud or error. In making those risk assessments, the *réviseur d'entreprises agréé* considers internal control relevant to the entity's preparation and fair presentation of the annual accounts 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors, as well as evaluating the overall presentation of the annual accounts.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the annual accounts give a true and fair view of the financial position of Gefinor S.A. as at December 31, 2015, and of the results of its operations for the year then ended in accordance with Luxembourg legal and regulatory requirements relating to the preparation of the annual accounts.

For Deloitte Audit, *Cabinet de révision agréé*

Raphaël Charlier, *Réviseur d'entreprises agréé*
Partner

April 29, 2016

Gefinor SA
Société Anonyme de Titrisation
BALANCE SHEET
December 31, 2015
(In US dollars)

ASSETS	December 31, 2015	December 31, 2014
FIXED ASSETS		
Financial fixed assets (note 3)	74'027'227.75	74'188'917.75
CURRENT ASSETS		
Debtors		
a) Trade receivables becoming due and payable within one year (note 4)	5'335'584.49	5'572'203.33
Cash at banks, cash in postal cheque accounts, cheques and cash in hand	15'976.63	16'544.07
	79'378'788.87	79'777'665.15

LIABILITIES	December 31, 2015	December 31, 2014
CAPITAL AND RESERVES (note 5)		
Subscribed capital	50'000'000.00	50'000'000.00
Reserves		
Legal reserve	5'000'000.00	5'000'000.00
Reserve for own shares	1'184'885.00	1'346'575.00
Other reserves	36'482'566.05	36'320'876.05
Profit or loss brought forward	(13'310'505.53)	(12'816'123.00)
Profit or loss for the financial year	(374'694.13)	(494'382.53)
NON SUBORDINATED DEBT		
a) Trade creditors becoming due and payable within one year (note 6)	396'537.48	420'719.63
	79'378'788.87	79'777'665.15

.

The underlying notes form an integral part of these annual accounts.

Gefinor SA

Société Anonyme de Titrisation

PROFIT AND LOSS ACCOUNT

December 31, 2015

(In US dollars)

	2015	2014
CHARGES		
Other external charges (note 7)	341'471.19	507'430.21
Loss on treasury shares	161'690.00	-
Value adjustment and fair value adjustments on financial fixed assets	1'381.19	-
Interest and other financial charges (note 8)	736.86	750.52
PROFIT OR LOSS FOR THE FINANCIAL YEAR (note 5)	(374'694.13)	(494'382.53)
	130'585.11	13'798.20
INCOME		
Income from reversal of provision	115'000.00	-
Other interest and other financial income derived from affiliated undertakings	15'585.11	13'798.20
	130'585.11	13'798.20

NOTE 1 - GENERAL

Gefinor SA, Société Anonyme, hereafter “the Company” was incorporated on December 31, 1968 as a “Société Anonyme Holding” company within the definition of the Luxembourg law of July 31, 1929. The registered office of the Company is in Luxembourg at 5, rue Guillaume Kroll. Since 1986, the shares of the Company have been quoted on the Luxembourg stock exchange.

As from January 1, 2011 the Company operates as a securitization company under Luxembourg law and its investments have been restructured accordingly.

The Company's financial year coincides with the calendar year.

The Company also prepares consolidated accounts which are published in accordance with the legal principles. These consolidated accounts are available at the registered office of the Company.

NOTE 2 - ACCOUNTING POLICIES

2.1. General principles

These annual accounts have been prepared in accordance with the laws and regulations of the Grand-Duchy of Luxembourg and in conformity with generally accepted accounting principles.

In accordance with article 26 of the Law of December 19, 2002, these annual accounts are presented with certain modifications to the legal format requirements in order to present the annual accounts with the utmost clarity.

Following article 65 of the Law of December 19, 2002 on the commercial and companies register and on the accounting records and annual accounts of undertakings, certain financial information on investments is not disclosed.

2.2. Translation of foreign currencies

The Company maintains its records in US dollars (USD) and the balance sheet and the profit and loss account are expressed in this currency.

Income and expenses in currencies other than the US dollar are translated into US dollars at the exchange rates applicable on the transaction dates.

2.3. Financial fixed assets

Financial fixed assets: unquoted participations
Unquoted participations and shares in Group companies are valued individually at the lower of their acquisition cost and their value estimated by the Board of Directors.

Financial fixed assets: shares in Group companies
Treasury shares are valued at lower of cost or market if this difference is considered as durable.

2.4. Debtors

Debtors are valued at their nominal value. A value adjustment is recorded if their estimated realisable value is lower than their nominal value.

2.5. Creditors

Creditors are valued at their nominal value.

2.6. Revenue recognition

Interest income is accrued on a time basis, by reference to the principal outstanding and the effective interest rate applicable.

Dividend income from investments is recognised only when the right to receive payment has been established.

NOTE 3 - FINANCIAL FIXED ASSETS

	2015 USD	2014 USD
Cost, at beginning of year	117'984'975.11	117'984'975.11
Additions	-	-
Disposals	-	-
Cost, at end of year	117'984'975.11	117'984'975.11
Value adjustments, at beginning of year	(43'796'057.36)	(43'796'057.36)
Additions	-	-
Disposals	-	-
Reversals	-	-
Value adjustment, at end of year	(43'796'057.36)	(43'796'057.36)

Transactions on the Treasury shares

As December 31, 2015 and December 31, 2014, Gefinor SA owned 448’858 (1.12%) of its own shares with a book value of USD 1’346’575.

	Country	December 31, 2015				December 31, 2014			
		Number of shares	Cost	Carrying amount	Effective interest %	Number of shares	Cost	Carrying amount	Effective interest %
			USD	USD			USD	USD	
Treasury shares									
Gefinor SA	Luxembourg	448'858	7'967'998.03	1'184'885.00	1.12%	448'858	7'967'998.03	1'346'575.00	1.12%
			7'967'998.03	1'184'885.00			7'967'998.03	1'346'575.00	
Shares in affiliated undertakings									
Gefinor Real Estate Limited	Gibraltar	32'175'013	2'355'342.75	2'355'342.75	100.00%	32'175'013	2'355'342.75	2'355'342.75	100.00%
Gefinor Private Equity Limited	Gibraltar	63'000'000	54'661'633.33	30'294'000.00	100.00%	63'000'000	54'661'633.33	30'294'000.00	100.00%
Gefinor Finance Holding Limited	Gibraltar	53'000'000	53'000'000.00	40'193'000.00	100.00%	53'000'000	53'000'000.00	40'193'000.00	100.00%
			110'016'976.08	72'842'342.75			110'016'976.08	72'842'342.75	
			117'984'974.11	74'027'227.75			117'984'974.11	74'188'917.75	

NOTE 4 - DEBTORS

	2015 USD	2014 USD
Trade receivables becoming due and payable within one year		
Financial debtors (*)	5'332'813.33	5'567'721.39
Other debtors	2'771.16	4'481.94
	5'335'584.49	5'572'203.33

(*) Financial debtors consists in a loan agreement of up to USD 7'000'000 arranged with Gefinor Finance SA, Geneva and bearing an interest equivalent to 1% over USD 3 months Libor.

NOTE 5 - CAPITAL AND RESERVES

5.1. Subscribed capital

The Company was incorporated on December 31, 1968 with a capital of USD 1'260'000 and a share premium of USD 5'670'000. After successive increases, the issued capital was raised to USD 200'000'000 represented by 40'000'000 shares of USD 5 each.

At an Extraordinary General Meeting held on December 5, 2007, the shareholders approved a reallocation of the issued capital of the Company to bring it from USD 100 million to USD 50 million by the attribution of USD 50 million to a reserve account through the adjustment of the nominal value per share from USD 2.5 to USD 1.25.

On December 18, 2008, in execution of decisions taken at the Extraordinary General Meeting of December 5, 2007, (a) the Company repurchased for cancellation 8 million shares at a price of USD 11.11 per share, thereby reducing the issued capital by USD 10 million to 32 million shares and reducing the reserves by USD 79 million, and (b) reissued 8 million new shares on a pro rata basis to holders of outstanding shares, thereby increasing the issued capital by USD 10 million to 40 million shares.

Accordingly, at December 31, 2014 and 2013 the authorised and issued capital is USD 50 million. The issued capital is fully paid and represented by 40 million shares with a par value of USD 1.25 each.

5.2. Legal reserve

The Company is required to appropriate to the legal reserve a minimum of 5% of the annual net profit, until such reserve equals 10% of the share capital. This reserve is not available for distribution, except upon dissolution of the Company.

On June 27, 2013, the Annual General Meeting of shareholders ratified the transfer of USD 5 million from the legal reserve to other reserves, accordingly, the legal reserve was reduced from USD 10 million to USD 5 million, the minimum required being USD 5 million, equal to 10% of the share capital.

5.3. Reserve for own shares

In accordance with the law, the Company has created a non-distributable reserve disclosed in the equity under “Treasury shares reserve” for an amount of USD 1’346’575.

	Subscribed capital	Other reserves	Legal reserve	Treasury shares reserve	Profit Brought forward	Profit of the year	Total Capital and reserves
Balance 01.01.2014	50'000'000.00	36'320'876.05	5'000'000.00	1'346'575.00	(31'864'014.39)	19'047'891.39	79'851'328.05
Allocation of income	-	-	-	-	19'047'891.39	(19'047'891.39)	-
Net income (loss) of the period	-	-	-	-	-	(494'382.53)	(494'382.53)
Balance 31.12.2014	**50'000'000.00**	**36'320'876.05**	**5'000'000.00**	**1'346'575.00**	**(12'816'123.00)**	**(494'382.53)**	**79'356'945.52**
Balance 01.01.2015	50'000'000.00	36'320'876.05	5'000'000.00	1'346'575.00	(12'816'123.00)	(494'382.53)	79'356'945.52
Allocation of income	-	-	-	-	(494'382.53)	494'382.53	-
Impairment Treasury shares	-	161'690.00	-	(161'690.00)	-	-	-
Net income (loss) of the period	-	-	-	-	-	(374'694.13)	(374'694.13)
Balance 31.12.2015	**50'000'000.00**	**36'482'566.05**	**5'000'000.00**	**1'184'885.00**	**(13'310'505.53)**	**(374'694.13)**	**78'982'251.39**

NOTE 6 - NON SUBORDINATED DEBTS

	2015 USD	2014 USD
Trade creditors becoming due and payable within one year		
Trade payables	1.00	1.00
Taxes and fees payables	140'500.00	255'500.00
Professional fees payables	255'922.03	165'104.18
Treasury shares	114.45	114.45
Total other creditors becoming due and payable within one year	396'537.48	420'719.63

NOTE 7 - OTHER EXTERNAL CHARGES

	2015 USD	2014 USD
Administrative expenses	4'343.10	169'437.25
Professional fees	328'152.14	324'137.63
Other taxes	8'975.95	13'855.33
	341'471.19	507'430.21

Administrative expenses include remuneration allocation to the Board of Directors of USD 20’000 in 2015 (2014: USD 20’000).

NOTE 8 - INTEREST AND OTHER FINANCIAL CHARGES

	2015 USD	2014 USD
Other interest and similar financial charges	736.86	750.52
	736.86	750.52

NOTE 9 – POST BALANCE SHEET EVENTS

No substantial post balance sheet event is to be reported.