

BENCHMARK (BAHAMAS) LTD.**CONSOLIDATED BALANCE SHEET**
(Expressed in Bahamian Dollars, unaudited)

| | June 30, 2016 | December 31, 2015 (audited) |
|--|---------------------------|-----------------------------------|
| PROPERTY, PLANT & EQUIPMENT | 152,299 | 18,865 |
| INVESTMENT PROPERTY | 4,511,160 | 4,511,160 |
| CURRENT ASSETS | | |
| Cash at bank | 698,551 | 2,025,736 |
| Due from brokers | 6,822,952 | 2,035,750 |
| Customer advances | 852,886 | 655,434 |
| Other receivables | 59,046 | 270,570 |
| Investments in securities (note 2) | <u>3,165,431</u> | <u>3,035,410</u> |
| | 11,598,866 | 8,022,900 |
| CURRENT LIABILITIES | | |
| Bank overdraft | 229,325 | 185,041 |
| Payables and accrued expenses | 1,094,215 | 321,024 |
| Due to customers | 11,404,407 | 10,236,128 |
| Due to agents | 197,452 | -- |
| Loan from Parent | 180,000 | 180,000 |
| Current portion of bank loan | <u>--</u> | <u>84,703</u> |
| | 13,105,399 | 11,006,896 |
| NET CURRENT LIABILITIES | (1,506,533) | (2,983,996) |
| LONG-TERM BANK LOAN | -- | 348,112 |
| | <u><u>\$3,156,926</u></u> | <u><u>\$1,197,917</u></u> |
| Shareholders' Equity | | |
| Ordinary shares | 49,591 | 49,591 |
| Preference shares | 5,000,000 | 5,000,000 |
| Contributed surplus | 4,056,273 | 4,056,273 |
| Retained deficit | (5,948,938) | (7,907,947) |
| | <u><u>\$3,156,926</u></u> | <u><u>\$1,197,917</u></u> |

BENCHMARK (BAHAMAS) LTD.

CONSOLIDATED STATEMENT OF OPERATIONS

(Expressed in Bahamian dollars, unaudited)

| | Three months ended | |
|--|----------------------|----------------------|
| | <u>June 30, 2016</u> | <u>June 30, 2015</u> |
| Investment income | 289,211 | 10,504 |
| <u>Fees and commissions</u> | <u>550,057</u> | <u>747,529</u> |
| | 839,268 | 758,033 |
| <u>General administrative expenses</u> | <u>242,207</u> | <u>326,809</u> |
| Net investment income | 597,061 | 431,224 |
| Realized gain (loss) and unrealized gain on investments | | |
| Net realized gain (loss) on investment | 142,697 | (6,952) |
| Net movement in unrealized gain on investments | 450,390 | 240,401 |
| Net realized and unrealized gain on investments | 593,087 | 233,449 |
| <u>Net income for the period</u> | <u>\$1,190,148</u> | <u>\$664,673</u> |
| Earnings per share | \$ 0.24 | \$0.13 |
| | Six months ended | |
| | <u>June 30, 2016</u> | <u>June 30, 2015</u> |
| Investment income | 330,050 | 33,210 |
| <u>Fees and commissions</u> | <u>1,224,894</u> | <u>975,416</u> |
| | 1,554,944 | 1,008,626 |
| <u>General administrative expenses</u> | <u>482,853</u> | <u>624,243</u> |
| Net investment income | 1,072,091 | 384,383 |
| Realized gain (loss) and unrealized gain on investments | | |
| Net realized gain (loss) on investment | 141,098 | (680,621) |
| Net movement in unrealized gain on investments | 745,820 | 453,301 |
| Net realized and unrealized gain (loss) on investments | 886,918 | (227,320) |
| <u>Net profit for the period</u> | <u>\$1,959,009</u> | <u>\$157,063</u> |
| Earnings per share | \$0.40 | \$0.03 |

BENCHMARK (BAHAMAS) LTD.**CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY**

Six months ended June 30, 2016 with comparative figures for the three months ended June 30, 2015

(Expressed in Bahamian dollars, unaudited)

| | Number of Shares | Ordinary Shares | Preference Shares | Contributed Surplus | Retained Earnings | Total |
|---------------------------------|---------------------|--------------------|----------------------|------------------------|----------------------|--------------------|
| Balance at December 31, 2014 | 4,959,111 | 49,591 | 5,000,000 | 4,056,273 | (7,611,606) | 1,494,258 |
| Net profit for the period | -- | -- | -- | -- | 157,063 | 157,063 |
| Balance at June 30, 2015 | 4,959,111 | \$49,591 | \$5,000,000 | \$4,056,273 | \$(7,454,543) | \$1,651,321 |
| Balance at December 31, 2015 | 4,959,111 | 49,591 | 5,000,000 | 4,056,273 | (7,907,947) | 1,197,917 |
| Net profit for the period | -- | -- | -- | -- | 1,959,009 | 1,959,009 |
| Balance at June 30, 2016 | 4,959,111 | \$49,591 | \$5,000,000 | \$4,056,273 | \$(5,948,938) | \$3,156,926 |

BENCHMARK (BAHAMAS) LTD.

CONSOLIDATED STATEMENT OF CASH FLOWS
 (Expressed in Bahamian dollars, unaudited)

| | Six months ended | |
|--|---------------------------|---------------------------|
| | <u>June 30, 2016</u> | <u>June 30, 2015</u> |
| Cash flows from operating activities: | | |
| Net profit for the period | \$1,959,009 | \$157,063 |
| Adjustments for: | | |
| Net realized gain | (141,098) | (680,621) |
| Net movement in unrealized (gain) loss on investments | (745,820) | 453,301 |
| <u>Depreciation and amortization</u> | <u>4,925</u> | <u>2,937</u> |
| Cash provided (used) by operations before changes in operating assets and liabilities | 1,077,016 | (67,320) |
| Decrease (increase) in other receivables | 211,524 | (21,941) |
| Increase in due to customers | 1,168,279 | 3,957,276 |
| <u>Increase in payables and accrued expenses</u> | <u>773,191</u> | <u>219,784</u> |
| <u>Net cash provided by operating activities</u> | <u>3,230,010</u> | <u>4,087,799</u> |
| Cash flows from investing activities: | | |
| Purchase of fixed assets | (138,359) | -- |
| Purchase of securities | (127,020) | (796,971) |
| <u>Sale of securities</u> | <u>883,917</u> | <u>1,566,540</u> |
| <u>Net cash provided by investing activities</u> | <u>618,538</u> | <u>769,569</u> |
| Cash flows from financing activities: | | |
| Parent loan repayment | -- | (180,000) |
| <u>Bank loan movement</u> | <u>(432,815)</u> | <u>(38,218)</u> |
| <u>Net cash used by financing activities</u> | <u>(432,815)</u> | <u>(218,218)</u> |
| Net increase in cash & cash equivalent | 3,415,733 | 4,639,150 |
| Cash & cash equivalents, beginning of period | 3,876,445 | 2,247,515 |
| <u>Cash & cash equivalents, end of period</u> | <u>\$7,292,178</u> | <u>\$6,886,665</u> |

Cash & cash equivalents comprise of cash at bank and brokers less bank overdraft and amounts due to brokers.

BENCHMARK (BAHAMAS) LTD.

EXPLANATORY NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS (Expressed in Bahamian dollars, unaudited)

1. Accounting policies

These interim financial statements have been prepared in accordance with International Financial Reporting Standards using the same accounting policies and methods of computation as compared with the 2015 audited financial statements.

The consolidated financial statements include the accounts of Benchmark (Bahamas) Ltd. and its wholly owned subsidiaries Benchmark Advisors (Bahamas) Ltd, Alliance Investment Management Ltd (“Alliance”) and Benchmark Properties Ltd (“Properties”).

2. Investments

Investments are comprised of publicly traded equities in the following industries:

| Industry | June 30, 2016 | | | December 31, 2015 | | |
|---------------------|----------------------|--------------------|------------|--------------------------|--------------------|------------|
| | Cost | Fair Value | % | Cost | Fair Value | % |
| <i>Unrestricted</i> | | | | | | |
| Biotechnology | 1,899 | 39 | -- | 94,486 | 1,361 | -- |
| Entertainment | 139,661 | 17,584 | 1 | 139,661 | 17,584 | -- |
| Financial services | 735,864 | 2,684,879 | 85 | 1,361,047 | 2,523,670 | 83 |
| Industrial | 967,504 | 132,621 | 4 | 837,093 | 233,770 | 8 |
| Insurance | 215,305 | 2,258 | -- | 215,755 | 1,474 | -- |
| Technology | 11,580 | 58 | -- | 42,831 | 24,212 | 1 |
| Utilities | 78,606 | 31,802 | 1 | 78,606 | 31,050 | 1 |
| Wholesale & retail | 58,054 | 65,783 | 2 | 78,958 | 47,247 | 2 |
| Other | 227,794 | 230,407 | 7 | 487,139 | 155,042 | 5 |
| <hr/> | | | | | | |
| | \$2,436,267 | \$3,165,431 | 100 | \$3,335,576 | \$3,035,410 | 100 |