

AKTOR SUDAN LIMITED

REPORT AND FINANCIAL STATEMENTS

Year ended 31 December 2012

AKTOR SUDAN LIMITED

REPORT AND FINANCIAL STATEMENTS

Year ended 31 December 2012

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AKTOR SUDAN LIMITED

BOARD OF DIRECTORS AND OTHER OFFICERS

Board of Directors:

Andreas Mavromatis
Loukas Yiannakoulis
Georgios Koutsopodiotis

Company Secretary:

Brena Services Limited
Zinonos Kitieos 8
Kato Lakatamia 2322
Nicosia Cyprus

Independent Auditors:

Horwath DSP Limited
Certified Public Accountants and Registered Auditors
Photiades Business Centre
1st floor, 8 Stassinou Avenue
P.O. Box 22545
Nicosia

Registered office:

Vas. Friderikis 33, Palais D'Ivoire
1st floor, office/flat 403-404
1066
Nicosia Cyprus

AKTOR SUDAN LIMITED

REPORT OF THE BOARD OF DIRECTORS

The Board of Directors presents its report and audited financial statements of the Company for the year ended 31 December 2012.

Principal activities

The principal activities of the Company, which are unchanged from last year, are the holding of investment and provision of finance.

Review of current position, future developments and significant risks

The Company has incurred losses during the year. However the board of directors expects that the appreciation of the value of the investment in the subsidiary company in the forthcoming years will outweigh these losses.

The main risks and uncertainties faced by the Company and the steps taken to manage these risks, are described in note 3 of the financial statements.

Results

The Company's results for the year are set out on page 5. The net loss for the year is carried forward.

Share capital

There were no changes in the share capital of the Company during the year under review.

Board of Directors

The members of the Company's Board of Directors at the date of this report are presented on page 1. Mrs Andriana Pias who was appointed director at the date of incorporation resigned on 31 July 2012 and at the same day Mr Andreas Mavromatis, Loukas Yiannakoulis and Georgios Koutsopodiotis were appointed in her place.

There were no significant changes in the assignment of responsibilities and remuneration of the Board of Directors.

Events after the reporting period

Any significant events that occurred after the end of the reporting period are described in note 17 to the financial statements.

Independent Auditors

The Independent Auditors, Horwath DSP Limited, have expressed their willingness to continue in office and a resolution giving authority to the Board of Directors to fix their remuneration will be proposed at the Annual General Meeting.

By order of the Board of Directors,

Andreas Mavromatis
Director

Nicosia, 17 January 2013

Independent auditor's report

To the Members of Aktor Sudan Limited

Report on the financial statements

We have audited the accompanying financial statements of parent company Aktor Sudan Limited (the "Company"), which comprise the statement of financial position as at 31 December 2012, and the statements of comprehensive income, changes in equity and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Board of Directors' responsibility for the financial statements

The Board of Directors is responsible for the preparation of financial statements that give a true and fair view in accordance with International Financial Reporting Standards as adopted by the European Union and the requirements of the Cyprus Companies Law, Cap. 113, and for such internal control as the Board of Directors determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of financial statements that give a true and fair view 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 financial statements.

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

Independent auditor's report (continued)

To the Members of Aktor Sudan Limited

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of the parent company Aktor Sudan Limited as at 31 December 2012, and of its financial performance and its cash flows for the year / period then ended in accordance with International Financial Reporting Standards as adopted by the European Union and the requirements of the Cyprus Companies Law, Cap. 113.

Report on other legal requirements

Pursuant to the requirements of the Auditors and Statutory Audits of Annual and Consolidated Accounts Law of 2009, we report the following:

- We have obtained all the information and explanations we considered necessary for the purposes of our audit.
- In our opinion, proper books of account have been kept by the Company.
- The Company's financial statements are in agreement with the books of account.
- In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Cyprus Companies Law, Cap. 113, in the manner so required.
- In our opinion, the information given in the report of the Board of Directors is consistent with the financial statements.

Other matter

This report, including the opinion, has been prepared for and only for the Company's members as a body in accordance with Section 34 of the Auditors and Statutory Audits of Annual and Consolidated Accounts Law of 2009 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whose knowledge this report may come to.

Chrysis Pegasiou ACA
Certified Public Accountant and Registered Auditor
for and on behalf of
Horwath DSP Limited
Certified Public Accountants and Registered
Auditors

Nicosia, 17 January 2013

AKTOR SUDAN LIMITED

STATEMENT OF COMPREHENSIVE INCOME

Year ended 31 December 2012

	Note	2012 €	2011 €
Administration expenses		(3.174)	(6.722)
Other expenses	5	<u>-</u>	<u>(1.550)</u>
Operating loss		(3.174)	(8.272)
Finance costs	7	<u>(531)</u>	<u>(193)</u>
Loss before tax		(3.705)	(8.465)
Tax	8	<u>-</u>	<u>(3)</u>
Net loss for the year / period		(3.705)	(8.468)
Other comprehensive income		<u>-</u>	<u>-</u>
Total comprehensive expense for the year / period		<u>(3.705)</u>	<u>(8.468)</u>

The notes on pages 9 to 15 form an integral part of these financial statements.

AKTOR SUDAN LIMITED

STATEMENT OF FINANCIAL POSITION 31 December 2012

	Note	2012 €	2011 €
ASSETS			
Non-current assets			
Investments in subsidiaries	9	26.041	26.041
Non-current loans receivable	10	229.030	78.959
		255.071	105.000
Current assets			
Cash at bank and in hand	11	63.250	9.959
		63.250	9.959
Total assets		318.321	114.959
EQUITY AND LIABILITIES			
Equity			
Share capital	12	1.000	1.000
Accumulated losses		(12.173)	(8.468)
Total equity		(11.173)	(7.468)
Current liabilities			
Trade and other payables	14	329.491	122.272
Borrowings	13	-	152
Current tax liabilities	15	3	3
		329.494	122.427
Total equity and liabilities		318.321	114.959

On 17 January 2013 the Board of Directors of Aktor Sudan Limited authorised these financial statements for issue.

.....
Andreas Mavromatis
Director

.....
Georgios Koutsopodiotis
Director

The notes on pages 9 to 15 form an integral part of these financial statements.

AKTOR SUDAN LIMITED

STATEMENT OF CHANGES IN EQUITY Year ended 31 December 2012

	Note	Share capital €	Accumulated losses €	Total €
Total comprehensive expense for the period		-	(8.468)	(8.468)
Issue of share capital	12	<u>1.000</u>	<u>-</u>	<u>1.000</u>
Balance at 31 December 2011/ 1 January 2012		1.000	(8.468)	(7.468)
Total comprehensive expense for the year		<u>-</u>	<u>(3.705)</u>	<u>(3.705)</u>
Balance at 31 December 2012		<u>1.000</u>	<u>(12.173)</u>	<u>(11.173)</u>

Companies which do not distribute 70% of their profits after tax, as defined by the relevant tax law, within two years after the end of the relevant tax year, will be deemed to have distributed as dividends 70% of these profits. Special contribution for defence at 20% for the tax years 2012 and 2013 and 17% for 2014 and thereafter (up to 31 August 2011 the rate was 15% and was increased to 17% for the period thereafter to 31 December 2011) will be payable on such deemed dividends to the extent that the shareholders (companies and individuals) are Cyprus tax residents. The amount of deemed distribution is reduced by any actual dividends paid out of the profits of the relevant year at any time. This special contribution for defence is payable by the Company for the account of the shareholders.

The notes on pages 9 to 15 form an integral part of these financial statements.

AKTOR SUDAN LIMITED

CASH FLOW STATEMENT

Year ended 31 December 2012

	Note	2012 €	2011 €
CASH FLOWS FROM OPERATING ACTIVITIES			
Loss before tax		<u>(3.705)</u>	<u>(8.465)</u>
Cash flows used in operations before working capital changes		<u>(3.705)</u>	<u>(8.465)</u>
Increase in trade and other payables		<u>207.219</u>	<u>122.272</u>
Cash flows from operations		<u>203.514</u>	<u>113.807</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Payment for purchase of investments in subsidiaries	9	-	(26.041)
Loans granted		<u>(150.071)</u>	<u>(78.959)</u>
Net cash flows used in investing activities		<u>(150.071)</u>	<u>(105.000)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of share capital		-	1.000
Net cash flows from financing activities		<u>-</u>	<u>1.000</u>
Net increase in cash and cash equivalents		53.443	9.807
Cash and cash equivalents:			
At beginning of the year / period		<u>9.807</u>	-
At end of the year / period	11	<u>63.250</u>	<u>9.807</u>

The notes on pages 9 to 15 form an integral part of these financial statements.

AKTOR SUDAN LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2012

1. Incorporation and principal activities

Country of incorporation

The Company Aktor Sudan Limited (the "Company") was incorporated in Cyprus on 17 May 2011 as a private limited liability Company under the Cyprus Companies Law, Cap. 113. Its registered office is at Vas. Friderikis 33, Palais D'Ivoire, 1st floor, office/flat 403-404, 1066, Nicosia Cyprus.

Principal activities

The principal activities of the Company, which are unchanged from last year, are the holding of investment and provision of finance.

2. Accounting policies

The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented in these financial statements unless otherwise stated.

Basis of preparation

The financial statements of the Company have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union (EU) and the requirements of the Cyprus Companies Law, Cap. 113.

The Company is not required by the Cyprus Companies Law, Cap.113, to prepare consolidated financial statements because the ultimate parent company publishes consolidated financial statements in accordance with Generally Accepted Accounting Principles in Greece and the Company does not intend to issue consolidated financial statements for the year ended 31 December 2012.

Since the 7th Directive of the European Union permits the preparation of consolidated financial statements in accordance with the Directive or in a manner equivalent to the Directive, and since the Cyprus Companies Law, Cap. 113, provides the aforementioned exemption, the provisions of International Accounting Standard 27 "Consolidated and separate financial statements" that require the preparation of consolidated financial statements in accordance with IFRS do not apply.

The financial statements have been prepared under the historical cost convention

The preparation of financial statements in conformity with IFRSs requires the use of certain critical accounting estimates and requires Management to exercise its judgment in the process of applying the Company's accounting policies. It also requires the use of assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on Management's best knowledge of current events and actions, actual results may ultimately differ from those estimates.

Adoption of new and revised IFRSs

During the current year the Company adopted all the new and revised International Financial Reporting Standards (IFRS) that are relevant to its operations and are effective for accounting periods beginning on 1 January 2012. This adoption did not have a material effect on the accounting policies of the Company.

At the date of approval of these financial statements, standards and interpretations were issued by the International Accounting Standards Board which were not yet effective. Some of them were adopted by the European Union and others not yet. The Board of Directors expects that the adoption of these accounting standards in future periods will not have a material effect on the financial statements of the Company.

Subsidiary companies

AKTOR SUDAN LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2012

2. Accounting policies (continued)

Subsidiary companies (continued)

Investments in subsidiary companies are stated at cost less provision for impairment in value, which is recognised as an expense in the period in which the impairment is identified.

Finance costs

Interest expense and other borrowing costs are charged to profit or loss as incurred.

Tax

Current tax liabilities and assets are measured at the amount expected to be paid to or recovered from the taxation authorities, using the tax rates and laws that have been enacted, or substantively enacted, by the reporting date.

Financial instruments

Financial assets and financial liabilities are recognised in the Company's statement of financial position when the Company becomes a party to the contractual provisions of the instrument.

Cash and cash equivalents

For the purpose of the cash flow statement, cash and cash equivalents comprise cash on hand, deposits held at call with banks and bank overdrafts. In the statement of financial position, bank overdrafts are included in borrowings in current liabilities.

Derecognition of financial assets and liabilities

Financial assets

A financial asset (or, where applicable a part of a financial asset or part of a group of similar financial assets) is derecognised when:

- the rights to receive cash flows from the asset have expired;
- the Company retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a 'pass through' arrangement; or
- the Company has transferred its rights to receive cash flows from the asset and either (a) has transferred substantially all the risks and rewards of the asset, or (b) has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in profit or loss.

Offsetting financial instruments

Financial assets and financial liabilities are offset and the net amount reported in the statement of financial position if, and only if, there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the asset and settle the liability simultaneously. This is not generally the case with master netting agreements, and the related assets and liabilities are presented gross in the statement of financial position.

AKTOR SUDAN LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2012

2. Accounting policies (continued)

Share capital

Ordinary shares are classified as equity.

3. Financial risk management

Financial risk factors

The Company is exposed to interest rate risk, credit risk, liquidity risk and capital risk management arising from the financial instruments it holds. The risk management policies employed by the Company to manage these risks are discussed below:

3.1 Interest rate risk

Interest rate risk is the risk that the value of financial instruments will fluctuate due to changes in market interest rates. Borrowings issued at variable rates expose the Company to cash flow interest rate risk. Borrowings issued at fixed rates expose the Company to fair value interest rate risk. The Company's Management monitors the interest rate fluctuations on a continuous basis and acts accordingly.

3.2 Credit risk

Credit risk arises when a failure by counter parties to discharge their obligations could reduce the amount of future cash inflows from financial assets on hand at the reporting date. The Company has no significant concentration of credit risk.

3.3 Liquidity risk

Liquidity risk is the risk that arises when the maturity of assets and liabilities does not match. An unmatched position potentially enhances profitability, but can also increase the risk of losses. The Company has procedures with the object of minimising such losses such as maintaining sufficient cash and other highly liquid current assets and by having available an adequate amount of committed credit facilities.

3.4 Capital risk management

The Company manages its capital to ensure that it will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance. The Company's overall strategy remains unchanged from last year.

4. Critical accounting estimates and judgments

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

- **Income taxes**

Significant judgment is required in determining the provision for income taxes. There are transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Company recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

AKTOR SUDAN LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2012

4. Critical accounting estimates and judgments (continued)

• Impairment of investments in subsidiaries

The Company periodically evaluates the recoverability of investments in subsidiaries whenever indicators of impairment are present. Indicators of impairment include such items as declines in revenues, earnings or cash flows or material adverse changes in the economic or political stability of a particular country, which may indicate that the carrying amount of an asset is not recoverable. If facts and circumstances indicate that investment in subsidiaries may be impaired, the estimated future undiscounted cash flows associated with these subsidiaries/associates would be compared to their carrying amounts to determine if a write-down to fair value is necessary.

5. Other expenses

	2012	2011
	€	€
Incorporation expenses	-	1,550
	<u>-</u>	<u>1,550</u>

6. Expenses by nature

	2012	2011
	€	€
Auditors' remuneration	1,180	1,170
Accounting fees	1,994	575
Other professional fees	-	2,677
Administration expenses	-	2,300
Other expenses	-	1,550
Total expenses	<u>3,174</u>	<u>8,272</u>

7. Finance costs

	2012	2011
	€	€
Sundry finance expenses	531	193
	<u>531</u>	<u>193</u>

8. Tax

	2012	2011
	€	€
Corporation tax - current year	-	3
Charge for the year	<u>-</u>	<u>3</u>

AKTOR SUDAN LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2012

8. Tax (continued)

The tax on the Company's results before tax differs from the theoretical amount that would arise using the applicable tax rates as follows:

	2012 €	2011 €
Loss before tax	<u>(3.705)</u>	<u>(8.465)</u>
Tax calculated at the applicable tax rates	(371)	(847)
Tax effect of expenses not deductible for tax purposes	83	-
Tax effect of allowances and income not subject to tax	-	850
Tax effect of tax loss for the year	<u>288</u>	<u>-</u>
Tax charge	<u>-</u>	<u>3</u>

The corporation tax rate is 10%.

Under certain conditions interest income may be subject to defence contribution at the rate of 15% (10% to 30 August 2011). In such cases this interest will be exempt from corporation tax. In certain cases, dividends received from abroad may be subject to defence contribution at the rate of 20% for the tax years 2012 and 2013 and 17% for 2014 and thereafter (up to 31 August 2011 the rate was 15% and was increased to 17% for the period thereafter to 31 December 2011).

Due to tax losses sustained in the year, no tax liability arises on the Company. Under current legislation, tax losses may be carried forward and be set off against taxable income of the following years. As at 31 December 2012, the balance of tax losses which is available for offset against future taxable profits amounts to €2.880 for which no deferred asset is recognised in the statement of financial position.

9. Investments in subsidiaries

	2012 €	2011 €
Balance at 1 January	26.041	-
Additions	<u>-</u>	<u>26.041</u>
Balance at 31 December	<u>26.041</u>	<u>26.041</u>

The details of the subsidiaries are as follows:

<u>Name</u>	<u>Country of incorporation</u>	<u>Principal activities</u>	2012 Holding %	2011 Holding %
Baqtor Mining Co. Ltd	Sudan	Dormant company	90	90

10. Non-current loans receivable

	2012 €	2011 €
Loans to own subsidiaries (Note 16)	<u>229.030</u>	<u>78.959</u>
	<u>229.030</u>	<u>78.959</u>

The fair values of non-current receivables approximate to their carrying amounts as presented above.

AKTOR SUDAN LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2012

11. Cash at bank and in hand

For the purposes of the cash flow statement, the cash and cash equivalents include the following:

	2012	2011
	€	€
Cash at bank and in hand	63.250	9.959
Bank overdrafts (Note 13)	<u>-</u>	<u>(152)</u>
	<u>63.250</u>	<u>9.807</u>

12. Share capital

	2012	2012	2011	2011
	Number of	€	Number of	€
	shares		shares	
Authorised				
Ordinary shares of €1 each	<u>5.000</u>	<u>5.000</u>	<u>5.000</u>	<u>5.000</u>
Issued and fully paid				
Balance at 1 January	1.000	1.000	-	-
Issue of shares	<u>-</u>	<u>-</u>	<u>1.000</u>	<u>1.000</u>
Balance at 31 December	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>

13. Borrowings

	2012	2011
	€	€
Current borrowings		
Bank overdrafts (Note 11)	<u>-</u>	<u>152</u>

14. Trade and other payables

	2012	2011
	€	€
Shareholders' current accounts - credit balances (Note 16)	327.720	120.527
Accruals	<u>1.771</u>	<u>1.745</u>
	<u>329.491</u>	<u>122.272</u>

The fair values of trade and other payables due within one year approximate to their carrying amounts as presented above.

15. Current tax liabilities

	2012	2011
	€	€
Corporation tax	<u>3</u>	<u>3</u>
	<u>3</u>	<u>3</u>

AKTOR SUDAN LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2012

16. Related party transactions

The following transactions were carried out with related parties:

16.1 Loans to own subsidiaries (Note 10)

	2012	2011
	€	€
As at 31 December	<u>229.030</u>	<u>78.959</u>
	<u>229.030</u>	<u>78.959</u>

The loan to related company Baqtor Mining Co. Ltd was provided interest free, and there was no specified repayment date.

16.2 Shareholders' current accounts - credit balances (Note 14)

	2012	2011
	€	€
As at 31 December	<u>327.720</u>	<u>120.527</u>
	<u>327.720</u>	<u>120.527</u>

The shareholders' current accounts are interest free, and have no specified repayment date.

17. Events after the reporting period

There were no material events after the reporting period, which have a bearing on the understanding of the financial statements.

Independent auditor's report on pages 3 and 4

AKTOR SUDAN LIMITED

DETAILED INCOME STATEMENT

Year ended 31 December 2012

	Page	2012 €	2011 €
Revenue			
Operating expenses			
Administration expenses	17	<u>(3.174)</u>	<u>(6.722)</u>
		(3.174)	(6.722)
Other operating expenses			
Incorporation expenses		<u>-</u>	<u>(1.550)</u>
Operating loss		(3.174)	(8.272)
Finance costs	18	<u>(531)</u>	<u>(193)</u>
Net loss for the year / period before tax		<u>(3.705)</u>	<u>(8.465)</u>

AKTOR SUDAN LIMITED

OPERATING EXPENSES

Year ended 31 December 2012

	2012	2011
	€	€
Administration expenses		
Auditors' remuneration	1.180	1.170
Accounting fees	1.994	575
Other professional fees	-	2.677
Administration Expenses	-	2.300
	<u>3.174</u>	<u>6.722</u>

AKTOR SUDAN LIMITED

FINANCE COSTS

Year ended 31 December 2012

	2012 €	2011 €
Finance costs		
Sundry finance expenses		
Bank charges	<u>531</u>	<u>193</u>
	<u>531</u>	<u>193</u>

AKTOR SUDAN LIMITED

COMPUTATION OF CORPORATION TAX

Year ended 31 December 2012

	Page	€	€
Net loss per detailed statement of comprehensive income	16		(3.705)
<u>Add:</u>			
Expenses not allowable for tax purposes:			
Non - allowable expenses		378	
Notional interest on loan receivable		<u>447</u>	
			<u>825</u>
Net loss for the year			<u><u>(2.880)</u></u>

AKTOR SUDAN LIMITED

**Vas. Friderikis 33, Palais D'Ivoire
1st floor, office/flat 403-404
1066
Nicosia Cyprus**

Nicosia, 17 January 2013

Horwath DSP Limited
Certified Public Accountants and Registered Auditors
Photiades Business Centre
1st floor, 8 Stassinou Avenue
P.O. Box 22545
Nicosia

17 January 2013

Management representation letter for the audit of the year ended 31 December 2012

Dear Sirs

This representation letter is provided in connection with your audit of the financial statements of Aktor Sudan Limited (the "Company") for the year ended 31 December 2012 for the purpose of expressing an opinion as to whether the financial statements give a true and fair view of the financial position of the Company as at 31 December 2012, and of its financial performance and its cash flows for the year / period then ended in accordance with International Financial Reporting Standards as adopted by the European Union and the requirements of the Cyprus Companies Law, Cap. 113.

By a resolution of the Board of Directors, passed today, I am directed to confirm to you, in respect of the financial statements of the Company for the year ended 31 December 2012, the following:

We confirm, to the best of our knowledge and belief and having made appropriate inquiries of other Directors and officials and staff of the Company as we considered necessary for the purpose of appropriately informing ourselves, that we can make the following representations to you.

We acknowledge our legal responsibilities regarding disclosure of information to you as auditors and confirm that so far as we are aware, there is no relevant audit information needed by you in connection with preparing your audit report of which you are unaware. Each Director has taken all the steps that he ought to have taken as a Director in order to make himself aware of any relevant audit information and to establish that you are aware of that information.

I. Financial statements

- 1) We have fulfilled our responsibilities, for the preparation of the financial statements in accordance with IFRSs as adopted by the EU and the Cyprus Companies Law, Cap. 113, which give a true and fair view in accordance therewith, and for making accurate representations to you. We have approved the financial statements.
- 2) We confirm that we have reviewed the Company's accounting policies and estimation techniques and, having regard to the possible alternative policies and techniques, the accounting policies and estimation techniques selected for use in the preparation of the financial statements are the most appropriate to give a true and fair view for the Company's particular circumstances, as required by International Accounting Standard IAS1: Presentation of Financial Statements.
- 3) Significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable.
- 4) We have no plans or intentions that may materially alter the carrying value and where relevant the fair value measurements or classification of assets and liabilities reflected in the financial statements.
- 5) Related party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of IFRSs as adopted by the EU.

6) Litigation

- i) We confirm that all known, actual or possible litigation and claims whose effects should be considered when preparing the financial statements have been disclosed to you and accounted for and disclosed in the financial statements in accordance with IFRSs as adopted by the EU.
- ii) We are not aware of any pending or threatened litigation, proceedings, hearing or claims negotiations, which may result in significant loss to the Company

7) Events after the reporting period

All events subsequent to the date of the financial statements and for which IFRSs as adopted by the EU require adjustment or disclosure have been adjusted or disclosed in the financial statements. Other than as described in the financial statements, there have been no circumstances or events subsequent to the period end, which require adjustment of or disclosure in the financial statements or in the notes thereto.

8) Uncorrected misstatements

We confirm that the financial statements are free of material misstatements, including omissions. We believe that the effects of uncorrected misstatements identified during the audit are immaterial, both individually and in the aggregate, to the financial statements as a whole.

9) Going concern

- i) We confirm that, having considered our expectations and intentions for the next twelve months, and the availability of working capital, the Company is a going concern. We further confirm that the disclosures in the accounting policies are an accurate reflection of the reasons for our consideration that the financial statements should be drawn up on a going concern basis.

II. Information provided

10) Accounting records

- i) All the accounting records, supporting documentation, agreements and details of all bank accounts have been made available to you for the purpose of your audit and all the transactions undertaken have been properly reflected and recorded in the accounting records. All other records and related information which might affect the truth and fairness of, or necessary disclosure in, the financial statements, including minutes of directors, shareholders and relevant management meetings, have been made available to you and no such information has been withheld. We have also provided unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.
- ii) All transactions undertaken by the Company have been properly reflected in the accounting records and the financial statements.

11) Related parties

We confirm that we have disclosed to you the identity of the Company's related parties and all the related party relationships and transactions of which we are aware. We also confirm that we have appropriately accounted for and disclosed in the financial statements all related party transactions relevant to the Company and that we are not aware of any other such matters required to be disclosed in the financial statements under International Accounting Standard 24 'Related Party Disclosures'.

12) Fraud

- i) We acknowledge as Directors that we are responsible for the design, implementation and maintenance of internal controls to prevent and detect fraud and error.

- ii) We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
- iii) We have disclosed to you all information relating to any fraud or suspected fraud known to us that may have affected the Company (regardless of the source or form and including, without limitation, allegations by "whistle-blowers"), and involves management, employees who have significant roles in internal control or others where fraud could have a material effect on the financial statements. We have also disclosed any allegations of fraud or suspected fraud communicated by employees, former employees, analysts, regulators or others, that could affect the Company's financial statements.

13) Laws and regulations

- i) We confirm that we are not aware of any instances of actual or potential breaches of or non-compliance with laws and regulations that are central to the Company's ability to conduct its business or that could have a material effect on the financial statements.
- ii) We confirm that we are not aware of any irregularities, or allegations of irregularities including fraud, involving management or employees who have a significant role in the accounting and internal control systems, or that could have a material effect on the financial statements.

14) Contractual arrangements / agreements

- i) All contractual arrangements entered into by the Company with third parties have been properly reflected in the accounting records or, where material (or potentially material) to the financial statements, have been disclosed to you.
 - ii) The Company has complied with all aspects of contractual agreements that could have a material effect on the financial statements in the event of non-compliance.
 - iii) There are no other agreements not in the ordinary course of business.
- 15) The Company has satisfactory title to all assets and there are no liens or encumbrances on the Company's assets, except for those disclosed in the financial statements.

III. Other representations

Assets and liabilities

- 16) We have no plans or intentions that may materially alter the carrying value or classification of assets and liabilities reflected in the financial statements.
- 17) In our opinion on realization in the ordinary course of business, the current assets in statement of financial position are expected to produce no less than the net book amounts at which they are stated.
- 18) We have no plans to abandon lines of product or other plans or intentions that will result in any excess or obsolete inventory, and no inventory is stated at an amount in excess of net realizable value.
- 19) Details of all financial instruments, including derivatives, entered into during the year have been made available to you. Any such instruments open at the year-end have been properly valued and that valuation incorporated into the financial statements. When appropriate, open positions in off-balance sheet financial instruments have also been properly disclosed in the financial statements.

Provisions

- 20) Provisions for depreciation and diminution in value including obsolescence have been made against property, plant and equipment on the basis and at rates calculated to reduce the net book amount of each asset to its estimated residual value by the end of its probable useful life in the Company's business. In this respect, we are satisfied that the probable useful lives have been realistically estimated.

- 21) Full provision has been made for all liabilities at the reporting date including guarantees, commitments and contingencies where the items are expected to result in significant loss to the Company. Other such items, where in our opinion provision is unnecessary, have been appropriately disclosed in the financial statements.

Disclosures

- 22) We have recorded or disclosed, as appropriate, all capital stock repurchase options or agreements, and capital stock reserved for options, warrants, conversions and other requirements.
- 23) We have recorded or disclosed, as appropriate, all arrangements with financial institutions involving compensating balances or other arrangements involving restrictions on cash balances and lines of credit or similar arrangements.
- 24) We have recorded or disclosed, as appropriate, all liabilities, both actual and contingent, and have disclosed in the notes to the financial statements all guarantees that we have given to third parties, including oral guarantees made by the Company on behalf of an affiliate, director, officer or any other third party.

25) Taxation

We have provided you with all information related to all significant income tax uncertainties of which we are aware. We have also provided you with access to all opinions and analyses that relate to positions we have taken in regard to significant income tax matters.

26) Transactions with Directors/officers

Except as disclosed in the financial statements, no other transactions involving Directors, officers and others requiring disclosure in the financial statements under the Companies Law, Cap. 113 have been entered into.

Yours faithfully,
For and on behalf of the Board of Directors

.....
Andreas Mavromatis
Director

.....
Georgios Koutsopodiotis
Director