

AKTOR SUDAN LIMITED

REPORT AND FINANCIAL STATEMENTS 31 December 2013

AKTOR SUDAN LIMITED

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31 December 2013

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AKTOR SUDAN LIMITED

BOARD OF DIRECTORS AND OTHER OFFICERS

Board of Directors:

Andreas Mavromatis
Loukas Giannakoulis
Georgios Koutsopodiotis

Company Secretary:

Brena Services Limited
8 Zinonos Kitieos
P.C. 2322, Kato Lakatamia
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
1522 Nicosia

Registered office:

33 Vas. Friderikis, 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 2013.

Principal activities

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

Review of current position, future developments and significant risks

The Company's development to date, financial results and position as presented in the financial statements are not considered satisfactory and the Board of Directors is making an effort to reduce the Company 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.

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 as at the date of this report are presented on page 1. All of them were members of the Board of Directors throughout the year ended 31 December 2013.

In accordance with the Company's Articles of Association all directors presently members of the Board continue in office.

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

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 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, 16 January 2014

Independent auditor's report

To the Members of Aktor Sudan Limited

Report on the financial statements

We have audited the financial statements of parent company Aktor Sudan Limited (the "Company") on pages 5 to 15 which comprise the statement of financial position as at 31 December 2013, 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.

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of parent company Aktor Sudan Limited as at 31 December 2013, and of its financial performance and its cash flows for the year 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.

Independent auditor's report (continued)

To the Members of Aktor Sudan Limited

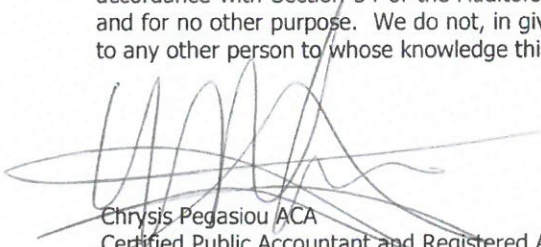
Report on other legal requirements

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, 16 January 2014

AKTOR SUDAN LIMITED

STATEMENT OF COMPREHENSIVE INCOME

Year ended 31 December 2013

	Note	2013 €	2012 €
Administration expenses		<u>(7.794)</u>	(3.174)
Operating loss		(7.794)	(3.174)
Finance costs	6	<u>(1.260)</u>	(531)
Loss before tax		(9.054)	(3.705)
Tax	7	<u>-</u>	-
Net loss for the year		(9.054)	(3.705)
Other comprehensive income		<u>-</u>	-
Total comprehensive expense for the year		<u>(9.054)</u>	(3.705)

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

AKTOR SUDAN LIMITED

STATEMENT OF FINANCIAL POSITION

31 December 2013

	Note	2013 €	2012 €
ASSETS			
Non-current assets			
Investments in subsidiaries	8	26.041	26.041
Non-current loans receivable	9	<u>479.030</u>	<u>229.030</u>
		<u>505.071</u>	<u>255.071</u>
Current assets			
Cash at bank and in hand	10	<u>60.812</u>	<u>63.250</u>
		<u>60.812</u>	<u>63.250</u>
Total assets		<u>565.883</u>	<u>318.321</u>
EQUITY AND LIABILITIES			
Equity			
Share capital	11	1.000	1.000
Accumulated losses		<u>(21.227)</u>	<u>(12.173)</u>
Total equity		<u>(20.227)</u>	<u>(11.173)</u>
Current liabilities			
Trade and other payables	12	586.107	329.491
Current tax liabilities	13	<u>3</u>	<u>3</u>
		<u>586.110</u>	<u>329.494</u>
Total equity and liabilities		<u>565.883</u>	<u>318.321</u>

On 16 January 2014 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 2013

	Share capital €	Accumulated losses €	Total €
Balance at 1 January 2012	1.000	(8.468)	(7.468)
Total comprehensive expense for the year	-	(3.705)	(3.705)
Balance at 31 December 2012 / 1 January 2013	1.000	(12.173)	(11.173)
Comprehensive income			
Total comprehensive expense for the year	-	(9.054)	(9.054)
Balance at 31 December 2013	1.000	(21.227)	(20.227)

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 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 2013

	Note	2013 €	2012 €
CASH FLOWS FROM OPERATING ACTIVITIES			
Loss before tax		<u>(9.054)</u>	<u>(3.705)</u>
Cash flows used in operations before working capital changes		<u>(9.054)</u>	<u>(3.705)</u>
Increase in trade and other payables		<u>256.616</u>	<u>207.219</u>
Cash flows from operations		<u>247.562</u>	<u>203.514</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Loans granted		<u>(250.000)</u>	<u>(150.071)</u>
Net cash flows used in investing activities		<u>(250.000)</u>	<u>(150.071)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		<u>-</u>	<u>-</u>
Net (decrease) /increase in cash and cash equivalents		<u>(2.438)</u>	<u>53.443</u>
Cash and cash equivalents:			
At beginning of the year		<u>63.250</u>	<u>9.807</u>
At end of the year	10	<u>60.812</u>	<u>63.250</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 2013

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 33 Vas. Friderikis, 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 investments 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 2013.

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 2013. 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.

AKTOR SUDAN LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2013

2. Accounting policies (continued)

Subsidiary companies

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 at bank and in hand.

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 2013

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:

- **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.

AKTOR SUDAN LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2013

5. Expenses by nature

	2013	2012
	€	€
Auditors' remuneration	1.770	1.180
Accounting fees	1.475	1.994
Accounting fees - prior years	1.062	-
Annual company levy	700	-
Administration expenses	2.360	-
Other professional fees	427	-
Total expenses	7.794	3.174

6. Finance costs

	2013	2012
	€	€
Net foreign exchange transaction losses	3	-
Sundry finance expenses	1.257	531
	1.260	531

7. Tax

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

	2013	2012
	€	€
Loss before tax	(9.054)	(3.705)
Tax calculated at the applicable tax rates	(1.132)	(371)
Tax effect of expenses not deductible for tax purposes	297	83
Tax effect of tax loss for the year	835	288
Tax charge	-	-

The corporation tax rate is 12,5% (2012:10%).

Under certain conditions interest income may be subject to defence contribution at the rate of 30% (2012:15%). 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.

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 five succeeding years. As at 31 December 2013, the balance of tax losses which is available for offset against future taxable profits amounts to €9.562 for which no deferred asset is recognised in the statement of financial position.

AKTOR SUDAN LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2013

8. Investments in subsidiaries

	2013 €	2012 €
Balance at 1 January	<u>26.041</u>	26.041
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>	<u>Holding %</u>
Baqtor Mining Co. Ltd	Sudan	Dormant company	90

9. Non-current loans receivable

	2013 €	2012 €
Loans to own subsidiaries (Note 14)	<u>479.030</u>	229.030
	<u>479.030</u>	<u>229.030</u>

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

10. Cash at bank and in hand

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

	2013 €	2012 €
Cash at bank and in hand	<u>60.812</u>	63.250
	<u>60.812</u>	<u>63.250</u>

11. Share capital

	2013 Number of shares	2013 €	2012 Number of shares	2012 €
Authorised				
Ordinary shares of €1 each	<u>5.000</u>	<u>5.000</u>	5.000	5.000
Issued and fully paid				
Balance at 1 January	<u>1.000</u>	<u>1.000</u>	1.000	1.000
Balance at 31 December	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>

AKTOR SUDAN LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2013

15. 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