

INTRAKAT INTERNATIONAL LIMITED

Report and

Financial Statements

for the period from

24 August 2007 to 31 December 2007

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INTRAKAT INTERNATIONAL LIMITED

BOARD OF DIRECTORS AND OTHER OFFICERS

BOARD OF DIRECTORS

Dimitrios Klonis
Polakis Sarris
Petros Souretis
Christina Sarris
Kyriacos Kyriacou
Christina Minaidou
Demetrios Pappas

SECRETARY

Christina Sarris

AUDITORS

M. Michaelides & Co
Corner Dighenis Akritas & Kypranoros 36
6th Floor, Office 602
1061 Nicosia
Cyprus

REGISTERED OFFICE

36 Vyronos Street
Nicosia Tower Center
8th Floor, Office 801
1096 Nicosia
Cyprus

INTRAKAT INTERNATIONAL LIMITED

REPORT OF THE BOARD OF DIRECTORS OF "INTRAKAT INTERNATIONAL LIMITED" ON THE FINANCIAL STATEMENTS FOR THE PERIOD FROM 24 AUGUST 2007 TO 31 DECEMBER 2007

1. Incorporation

The company was incorporated on 24 August 2007. No trading activity was undertaken by the company from incorporation to 31 December 2007.

2. Financial Statements

The Board of Directors presents its first report and audited financial statements for the period ended 31 December 2007.

3. Principal activities

The principal activity of the company is that of holding.

4. Results

No trading activity was undertaken by the company.

5. Dividends

The Board of Directors does not recommend the payment of a dividend.

6. Share capital

The company issued and fully paid 200.000 shares of Euro € 1 each on 24 August 2007.

7. Board of Directors

The members of the Board of Directors at the date of this report are shown on page 1. All of them were appointed members of the Board on 24 August 2007. The directors served throughout the period and will continue in office.

8. Auditors

The auditors Messrs M. Michaelides & Co. have expressed their willingness to continue in office.

Nicosia, 18 April 2008

By order of the Board

(Signature)

Christina Sarris
Secretary

M. Michaelides & Co.
Chartered Certified Accountants

Corner Dighenis Akritas & Kypranoros 36, 1061 Nicosia
P.O. Box 25391, 1309 Nicosia, Cyprus
Tel: +357 22765511, 22755512, 22755013 Telefax: 2275938.
E-mail: mixael@spidernet.com.cy

Our reference:

Your reference:

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF INTRAKAT INTERNATIONAL LTD

REPORT ON THE FINANCIAL STATEMENTS

We have audited the financial statements of Intrakat International Limited on pages 5 to 7, which comprise the balance sheet as at 31 December 2007 and a summary of significant accounting policies and other explanatory notes.

Board of Directors' Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards as adopted by the European Union (EU) and International Financial Reporting Standards as issued by the International Accounting Standards Board (IASB) and the requirements of the Cyprus Companies Law, Cap 113. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion, on these financial statements based on our audit. This report is made solely to the Company's members, as a body, in accordance with Section 156 of the Companies Law, Cap. 113. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed. 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 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 and fair presentation of the 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 financial statements.

INTRAKAT INTERNATIONAL LIMITED

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 Intrakat International Limited as of 31 December 2007, and of its financial performance and its cash flows for the period then ended in accordance with International Financial Reporting Standards as adopted by the EU and International Financial Reporting Standards as issued by the IASB and the requirements of the Cyprus Companies Law, Cap 113.

REPORT ON OTHER LEGAL REQUIREMENTS

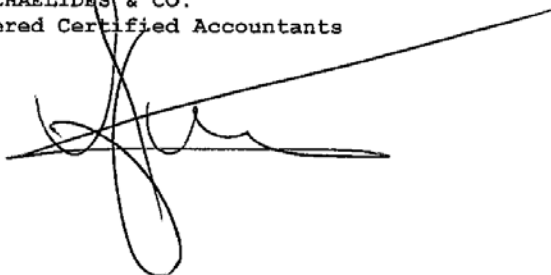
Pursuant to the requirements of the Companies Law, Cap. 113, we report the following:

- 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 Companies Law, Cap. 113, in the manner so required.
- In our opinion, the information given in the report of the Board of Directors on page 2 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 156 of the Companies Law, Cap.113 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.

M. MICHAELIDES & CO.
Chartered Certified Accountants



INTRAKAT INTERNATIONAL LIMITED

BALANCE SHEET

| <i>(figures in Euro)</i> | Note | 24.08.2007 – 31.12.2007 |
|--------------------------------------|------|----------------------------|
| <u>ASSETS</u> | | |
| CURRENT ASSETS | | |
| Deferred expenditure | | 12.535 |
| Other receivables | 3 | 200.000 |
| Cash and cash equivalents | 4 | -- |
| TOTAL ASSETS | | <u>212.535</u> |
| <u>EQUITY AND LIABILITIES</u> | | |
| CAPITAL AND RESERVES | | |
| Share capital | 5 | 200.000 |
| Retained earnings | | -- |
| | | <u>200.000</u> |
| CURRENT LIABILITIES | | |
| Payables | 6 | 12.535 |
| Taxation | | -- |
| TOTAL LIABILITIES | | <u>12.535</u> |
| TOTAL EQUITY AND LIABILITIES | | <u>212.535</u> |

On 18 April 2008 the Board of Directors of Intrakat International Limited authorized these financial statements for issue.

Kyriacos Kyriacou (Signature)

Christina Sarris (Signature)

NOTES TO THE FINANCIAL STATEMENTS**1. General Information****Country of incorporation**

The Company was incorporated in the Republic of Cyprus on 24 August 2007 as a private limited liability company in accordance with the provisions of the Company's Law Cap. 113. Its registered office address is situated at 36 Vyronos Street, Nicosia Tower Center, 8th Floor, Office 801, 1096 Nicosia, Cyprus.

Principal activities

The principal activity of the company is that of holding.

2. Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below.

Basis of preparation

The financial statements which have been prepared in accordance with International Financial Reporting Standards (IFRS) and the provisions of the Companies Law, Cap. 113, are for the period ended 31 December 2007 and are expressed in Euro. The financial statements have been prepared under the historical cost convention.

Foreign currencies

The books and records of the company are maintained in Euro. Transactions in foreign currencies are converted into Euro at the rates of exchange ruling on the day the transactions take place. At the period end, monetary assets and liabilities denominated in foreign currencies are retranslated into Euro using the rates of exchange ruling on that date.

3. Other receivables

| | |
|-----------------------|-----------|
| Shareholders' account | € 200.000 |
|-----------------------|-----------|

4. Cash and cash equivalents

| | |
|--------------|-------|
| Cash at bank | € --- |
|--------------|-------|

5. Share capital

| | |
|-----------------------------------|-------------|
| Authorized | |
| 1.000.000 shares € 1 each at cost | € 1.000.000 |

| | |
|---------------------------------|-----------|
| Issued and fully paid | |
| 200.000 shares € 1 each at cost | € 200.000 |

INTRAKAT INTERNATIONAL LIMITED

6. Payables

| | |
|---------------------------|--------------|
| Accruals - Formation fees | € 11.960 |
| Accruals - Audit fees | <u>€ 575</u> |
| | € 12.535 |

7. Comparative figures

As this is the first period the company presents financial statements no comparative figures are shown.

8. No trading activity was undertaken by the company from incorporation to 31 December 2007.