

INDEPENDENT AUDITOR'S REPORT

To the shareholders
of "KAOLIN" AD
Senovo

Report on Consolidated Financial Statements

We have audited the consolidated financial statements of "KAOLIN" AD (The Group), consisting of consolidated balance sheets, consolidated income statement, consolidated statement of changes in equity and consolidated cash flow statement for the year ended 31 December 2006 as well as the accompanying notes. Understanding of the financial situation, presentation and the cash flows of the Group can be obtained only by reading the consolidated financial statements prepared by the management of the Group.

Responsibility of the management of the Group

The management of the Group is responsible for the preparation and the fair presentation of the consolidated financial statements, through which information is provided for the financial situation, presentation and the cash flows of the Group in accordance with the International Financial Reporting Standards (IFRS) as adopted by the EU and the national accounting legislation. This responsibility includes:

- organizing and planning the internal control in order to find and prevent from misstatements, whether or not due to fraud;
- choosing and applying accounting policy in accordance with IFRS as adopted by the EU and appropriate under the specific circumstances;
- performing the necessary accounting estimates including the preparation of essential assumptions on which these estimates are based;

Responsibility of the Auditor

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We performed the audit in accordance with the International Standards on Auditing. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatements, whether or not due to fraud. An audit includes:

- understanding of the Group's activity and environment in order to estimate the risks of material misstatements and mistakes in the financial statements as well as defining and conducting further audit procedures, so that we can manage this risk;

INDEPENDENT AUDITOR'S REPORT (continued)

- examining, on a test basis, accounting records and other information supporting the amounts and disclosures in the consolidated financial statements;
- estimating the adequacy of the accounting policy that is chosen and applied;
- assessing the reasonability of the accounting principles used and significant estimates made;
- evaluating the overall consolidated financial statement presentation as well as the notes to the consolidated financial statements

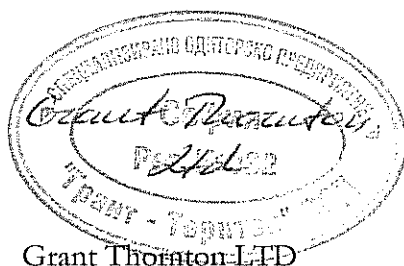
In an audit of consolidated financial statements the auditor achieves understanding of the internal control system of the Group which serves as a basis for defining the type, period and the extent of the audit procedures but the purpose of this is not to provide a reasonable basis for opinion concerning the building and effective functioning of the internal control.

We believe that our audit provides a reasonable basis for our opinion on the consolidated financial statements.

Our opinion

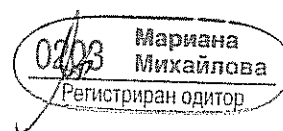
In our opinion, the consolidated financial statements present fairly, in all material aspects the financial position of the Group for the year ended 31 December 2006, and of the results of its operations and its cash flows for the period then ended in accordance with the International Financial Reporting Standards as adopted by the EU and the national accounting legislation.

Auditing company



Grant Thornton LTD

Registered auditor



Mariana Mihaylova

28 March 2007
Sofia