

# ALPHINAT INC.

## INTERIM MANAGEMENT DISCUSSION AND ANALYSIS

Alphinat Inc. ("Alphinat") (TSX VENTURE EXCHANGE: NPA.P) has divulged its financial results for the six-month period ended on February 28, 2005.

### GENERAL

This interim management report has been prepared on April 20, 2005 and should be read in conjunction with the interim financial statements and notes thereto for the period ended February 28, 2005, as well as with all the information included in the definitive prospectus issued on June 28, 2004. The interim financial statements were prepared by management in accordance with accounting principles generally accepted in Canada, and were not reviewed by the auditors of the Corporation.

### BUSINESS ACTIVITY

Alphinat is classified as a Capital Pool Company according to policy 2.4 of TSX Venture Exchange, with the purpose to identify and evaluate assets or businesses in order to complete a Qualifying Transaction. The interim financial statements include the closing of Alphinat's initial public offering on July 15, 2004, for an aggregate gross amount of \$1,850,000 obtained by the issuance of 9,250,000 common shares at \$0.20 per share. Share issue expense amounted to \$435,138 and included mainly the commission paid to the Agent. During this period, Alphinat's Board of Directors was actively working to complete a Qualifying Transaction, in accordance with policy 2.4 of the TSX Venture Exchange.

### UNAUDITED OPERATING RESULTS

#### *Revenues*

For the six-month period ended February 28, 2005, interest revenue earned on the temporary investment amounted to \$10,068.

#### *Expenses*

For the six-month period ended February 28, 2005, expenses amounted to \$47,430.

#### *Net loss*

The net loss for the six-month period ended February 28, 2005 amounted to \$37,362 or \$0.0035 per share, considering a weighted average number of outstanding shares of 10,750,000.

### LIQUIDITY AND CAPITAL RESOURCES

As at February 28, 2005, Alphinat had \$10,498 in cash and \$1,068,586 in a temporary investment. This temporary investment consists of Guaranteed Investment Certificates of The Royal Bank of Canada.

## FORWARD-LOOKING STATEMENTS

This interim management report contains forward-looking statements with respect to the Corporation. These forward-looking statements by their nature involve certain risks and uncertainties that could cause actual results to differ materially from those contemplated by such statements. The Corporation considers the assumptions on which these forward-looking statements are based to be reasonable at the time they were prepared, but caution the reader that these assumptions regarding future events, many of which are beyond the control of management, may ultimately prove to be incorrect.

## SUBSEQUENT EVENTS

Following an agreement in principle with Commerce Électronique SurfNshop inc. signed on August 11, 2004 with the objective to list the shares on the TSX Venture Exchange, the regulatory authorities have approved the transaction as of April 27, 2005.

The symbol of the company is now NPA and the new board of directors is effectively in place as of April 27, 2005.