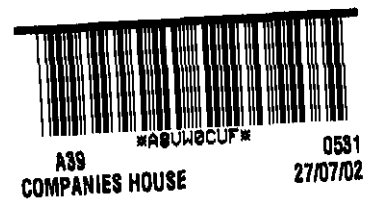


MARTRADE LOGISTICS UK HOLDING LIMITED
(Formerly Issuefocus Limited)

DIRECTORS' REPORT AND ACCOUNTS
FOR THE PERIOD ENDED 30TH SEPTEMBER 2000



Company No. 3848153

MARTRADE LOGISTICS UK HOLDING LIMITED

COMPANY INFORMATION

Directors	H Büsen C Rohling H Hahn
Secretary	Goodwille Corporate Services Limited
Company number	3848153
Registered office	29 Abingdon Road London W8 6AH
Auditors	Neil Simpson & Co 29 Abingdon Road London W8 6AH
Bankers	National Westminster Bank PLC 186 Brompton Road London SW3 1XJ

MARTRADE LOGISTICS UK HOLDING LIMITED

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Management profit and loss account	14
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MARTRADE LOGISTICS UK HOLDING LIMITED

DIRECTORS' REPORT

FOR THE PERIOD 24TH SEPTEMBER 1999 TO 30TH SEPTEMBER 2000

The directors present their report and the audited accounts for the company for the period ended 30th September 2000.

Principal activities and review of business

During the period the company's principal activity was that of investment holding company and consultants. The company commenced trading on 1st October 1999.

Results and dividends

The results for the period are set out in the profit and loss account on page 4.

The directors consider the profit achieved on ordinary activities before taxation to be satisfactory.

The directors consider the state of the company's affairs to be satisfactory.

The directors do not recommend a dividend.

Directors and their interests

The directors who held office during the period and their beneficial interests in the company's issued share capital are given below:

Name of director	£1 Ordinary share	At 30th September 2000	At 24 September 1999
H Büsen(appointed 30.9.1999)		-	-
		125	
C Rohling(appointed 30.9.1999)			-
H Hahn(appointed 1.1.2000)		-	-
Instant Companies Limited (appointed 24.9.1999, resigned 30.9.1999)		-	1

Issue of shares

The company was incorporated on 24 September 1999 with the name Issuefocus Limited, and an authorised share capital of 1000 £1 ordinary shares. On that day the company issued 1 £1 ordinary share to the subscriber to the memorandum at par for cash consideration. By special resolution the company changed its name to Martrade Logistics UK Holding Limited on 30 September 1999. On that day, the company issued 499 £1 ordinary shares at par for cash consideration to increase the capital base.

MARTRADE LOGISTICS UK HOLDING LIMITED

DIRECTORS' REPORT

FOR THE PERIOD 24TH SEPTEMBER 1999 TO 30TH SEPTEMBER 2000

Statement of directors' responsibilities

Company law requires the directors to prepare accounts for each financial period which give a true and fair view of the state of affairs of the company and of the profit or loss for that period. In preparing those accounts the directors are required to:

Select suitable accounting policies and then apply them consistently;

Make judgements and estimates that are reasonable and prudent;

State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts;

Prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose, with reasonable accuracy at any time, the financial position of the company and enable them to ensure that the accounts comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

By order of the Board



Goodwille Corporate Services Limited, Secretary
29 Abingdon Road
London
W8 6AH

Date:

23rd July 2002

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF MARTRADE LOGISTICS UK HOLDING LIMITED

We have audited the accounts of MARTRADE LOGISTICS UK HOLDING LIMITED for the period ended 30th September 2000 on pages 4 to 13. These accounts have been prepared under the historical cost convention and the accounting policies set out on page 7.

Respective responsibilities of directors and auditors

As described in the Statement of Directors' Responsibilities the company's directors are responsible for the preparation of the accounts in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the accounts in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the accounts give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Directors' Report is not consistent with the accounts, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the other information contained in the Annual Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the accounts are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the accounts.

Opinion

In our opinion the accounts give a true and fair view of the state of the company's affairs as at 30th September 2000 and of its profit for the period then ended and have been properly prepared in accordance with the Companies Act 1985.

Neil Simpson & Co

25-7-02

Neil Simpson & Co
Chartered Accountants and Registered Auditors
29 Abingdon Road
London W8 6AH
Date:

MARTRADE LOGISTICS UK HOLDING LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE PERIOD 24TH SEPTEMBER 1999 TO 30TH SEPTEMBER 2000

	Notes	2000 \$
Turnover	2	467,103
Gross profit		467,103
Administrative expenses		(454,261)
Operating profit	3	12,842
Interest payable and similar charges	4	(49)
Profit on ordinary activities before taxation		12,793
Tax on profit on ordinary activities		-
Profit for the financial period		12,793

All amounts relate to continuing activities.

There were no recognised gains or losses for 2000 other than those included in the profit and loss account.

MARTRADE LOGISTICS UK HOLDING LIMITED

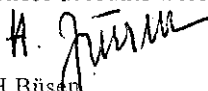
BALANCE SHEET

AS AT 30TH SEPTEMBER 2000

	Notes	\$	2000 \$
Fixed assets			
Tangible assets	6		721
Investments	7		9,528
			<u>10,249</u>
Current assets			
Debtors	9	227,175	
Cash at bank and in hand		15,107	
		<u>242,282</u>	
Creditors: amounts falling due within one year	10	(238,913)	
Net current assets			<u>3,369</u>
Total assets less current liabilities			<u>13,618</u>
Capital and reserves			
Share capital	11		825
Profit and loss account			12,793
Shareholders' funds	12		<u>13,618</u>

These accounts were approved by the board on 23.07.2002

and signed on its behalf by:


H Büsen
Director

MARTRADE LOGISTICS UK HOLDING LIMITED

CASH FLOW STATEMENT

FOR THE PERIOD 24TH SEPTEMBER 1999 TO 30TH SEPTEMBER 2000

	Notes	2000 \$
Reconciliation of operating profit to net cash flow from operating activities		
Operating profit		12,842
Depreciation		254
Increase in debtors		(227,175)
Increase in creditors		238,913
Net cash inflow from operating activities		<u>24,834</u>

CASH FLOW STATEMENT

Net cash inflow from operating activities		24,834
Returns on investments and servicing of finance	15	(49)
Capital expenditure and financial investment	15	(10,503)
Cash inflow before use of liquid resources and financing		<u>14,282</u>
Increase in cash		<u>15,932</u>
Reconciliation of net cash flow to movement in net cash		
Increase in cash in the period		<u>15,932</u>
Decrease in net cash		<u>15,932</u>
Net funds at 30th September 2000		<u>15,932</u>

MARTRADE LOGISTICS UK HOLDING LIMITED

NOTES TO THE ACCOUNTS

FOR THE PERIOD ENDED 30TH SEPTEMBER 2000

1 Accounting policies

Basis of accounting

The accounts have been prepared under the historical cost convention and in accordance with applicable accounting standards.

These financial statements have been prepared in US Dollars as this is the principal currency in which the company operates.

Consolidation

The accounts contain information about MARTRADE LOGISTICS UK HOLDING LIMITED as an individual company and do not contain consolidated financial information as the parent of a group. The company is exempt under section 248 of the Companies Act 1985 from the requirement to prepare consolidated financial statements as IQ Martrade Holding und Managementgesellschaft mbH, the ultimate holding company, consolidates the results of the company in its financial statements. A copy of the consolidated financial statements translated into English will be filed at Companies House.

Turnover

Turnover represents management charges and consultancy fees receivable exclusive of value added tax.

Tangible fixed assets and depreciation

Depreciation has been provided at the following rates in order to write down the cost or valuation, less estimated residual value, of all tangible fixed assets, by equal annual instalments over their expected useful lives:

Furniture and equipment	25% per annum
-------------------------	---------------

Investments

Investments are included at cost less amounts written off. Profits or losses arising from disposals of fixed asset investments are treated as part of the result from ordinary activities.

Deferred taxation

Provision is made for deferred taxation using the liability method to take account of timing differences between the incidence of income and expenditure for taxation and accounting purposes except to the extent that the directors consider that a liability to taxation is unlikely to crystallise.

Foreign currencies

Transactions in foreign currencies are translated at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities in foreign currencies are translated at the rates of exchange ruling at the balance sheet date. Where exchange differences result from the translation of foreign currency borrowings raised to acquire foreign assets they are taken to reserves and offset against the differences arising from the translation of those assets. All other exchange differences are dealt with through the profit and loss account.

MARTRADE LOGISTICS UK HOLDING LIMITED

NOTES TO THE ACCOUNTS

FOR THE PERIOD ENDED 30TH SEPTEMBER 2000

Operating leases

All other leases are regarded as operating leases and the payments made under them are charged to the profit and loss account on a straight line basis over the lease term.

2 Turnover

The geographical analysis of turnover is as follows:

	2000
	\$
UK	467,103
	<u>467,103</u>

3 Operating profit

The operating profit is stated after charging or crediting:

	2000
	\$
Depreciation of tangible fixed assets:	
-owned assets	254
Operating leases:	
-land and buildings	80,896
Auditors' remuneration	4,560
Foreign exchange	4,488
	<u>4,488</u>

4 Interest payable and similar charges

	2000
	\$
Interest payable on bank loans and overdrafts	49
	<u>49</u>

5 Directors and employees

Staff costs, including directors' remuneration, were as follows:

	2000
	\$
Wages and salaries	208,537
	<u>208,537</u>

Directors' emoluments

	2000
	\$
Aggregate emoluments	69,209
	<u>69,209</u>

MARTRADE LOGISTICS UK HOLDING LIMITED

NOTES TO THE ACCOUNTS

FOR THE PERIOD ENDED 30TH SEPTEMBER 2000

6 Tangible fixed assets

	Furniture and equipment
Cost	\$
Additions	975
At 30th September 2000	<u>975</u>
Depreciation	
Charge for the period	254
At 30th September 2000	<u>254</u>
Net book value	
At 30th September 2000	<u>721</u>

7 Fixed asset investments

	Shares in group undertakings
Cost	\$
Additions	9,528
At 30th September 2000	<u>9,528</u>
Net book value	
At 30th September 2000	<u>9,528</u>

MARTRADE LOGISTICS UK HOLDING LIMITED

NOTES TO THE ACCOUNTS

FOR THE PERIOD ENDED 30TH SEPTEMBER 2000

8 Shares in group undertakings

Name of company and registered office	Country of incorporation	Details of investments	Proportion held by company	Nature of business
Martrade Shipping + Transport UK Limited	England	400 £1 ordinary shares	80%	Shipping and freight services
M.L.S. Logistics Limited	England	400 £1 ordinary shares	80%	Shipping and freight services
Martrade Shipping Services UK Limited	England	500 £1 ordinary shares	100%	Shipping and freight services
Omega Chartering Limited	England	4,375 £1 ordinary shares	87.5%	Shipping and freight services

The capital and reserves and profit or loss for the subsidiary as at its financial year ending with, or last before, the financial year of the holding company were as follows :

	Profit/(loss) for the year	Capital and reserves
	\$	\$
Martrade Shipping + Transport UK Limited	(428,242)	(336,164)
M.L.S. Logistics Limited	(457,550)	(592,637)
Martrade Shipping Services UK Limited	(574,888)	(574,088)
Omega Chartering Limited	904,385	909,385

9 Debtors

	2000 \$
Amounts owed by parent undertaking	92,310
Amounts owed by related undertaking	110,909
Other debtors	23,956
	<u>227,175</u>

10 Creditors: amounts falling due within one year

	2000 \$
Trade creditors	11,347
Amounts owed to subsidiary undertakings	183,484
Other creditors	7,611
Accruals and deferred income	36,471
	<u>238,913</u>

MARTRADE LOGISTICS UK HOLDING LIMITED

NOTES TO THE ACCOUNTS

FOR THE PERIOD ENDED 30TH SEPTEMBER 2000

11	Share capital	2000
		\$
	Authorised	
	Equity shares	
	1,000 Ordinary shares of £1.00 each	<u>1,650</u>
		<u>1,650</u>
	Allotted	
	Equity shares	
	500 Allotted, called up and fully paid ordinary shares of £1.00 each	<u>825</u>
		<u>825</u>

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12	Reconciliation of movement in shareholders' funds	2000
		\$
	Profit for the financial period	12,793
	Issue of share capital	<u>825</u>
	Increase in the shareholders' funds	13,618
	Opening shareholders' funds	<u>-</u>
	Closing shareholders' funds	<u>13,618</u>

13 Transactions with directors

An amount of \$29,221 was owed by CR Consulting & Holding GmbH on trading account. C Rohling is a director and shareholder in that company.

MARTRADE LOGISTICS UK HOLDING LIMITED

NOTES TO THE ACCOUNTS

FOR THE PERIOD ENDED 30TH SEPTEMBER 2000

14 Related parties

The company's immediate parent undertaking is Martrade Shipping + Transport GmbH which is incorporated and resident in Germany.

In the directors' opinion the company's ultimate parent company and controlling party is IQ Martrade Holding und Managementgesellschaft mbH which is incorporated and resident in Germany. Copies of its group accounts, which include the company, are available from Amtsgericht Düsseldorf, Muhlenstrasse 34, 40213 Düsseldorf, Germany and a copy translated into English will be filed at Companies House.

The company invoiced IQ Martrade Holding und Managementgesellschaft mbH \$111,327 for consultancy services and was owed \$106,363 at 30 September 2000. Martrade Shipping + Transport GmbH owed \$67,635 at 30 September 2000. The company charged MLS Logistics Limited \$149,526, Martrade Shipping Services UK Limited \$154,347, Omega Chartering Limited \$11,250 and Martrade Shipping + Transport UK Limited \$40,653 for management services and was owed \$50,474, \$56,812, \$72,000 and \$4,198 respectively at 30 September 2000.

As part of a share re-organisation on 1 October 1999 the company acquired the whole share capital of Martrade Shipping Services UK Limited for £500 from Martrade Shipping + Transport GmbH. The company acquired 80% of the ordinary share capital of MLS Logistics Limited and Martrade Shipping + Transport UK Limited for £400 each respectively and 87.5% of the ordinary share capital of Omega Chartering Limited for £4,375. Martrade Shipping + Transport GmbH previously owned 100% of the share capital of Omega Chartering Limited and 25% of the share capital of MLS Logistics Limited and Martrade Shipping + Transport UK Limited.

15 Gross cash flows	2000
	\$
Returns on investments and servicing of finance	
Interest paid	(49)
	<u>(49)</u>
Capital expenditure and financial investment	
Payments to acquire tangible fixed assets	(975)
Purchase of investments	(9,528)
	<u>(10,503)</u>
Financing	
Issue of shares	1,650
	<u>1,650</u>

MARTRADE LOGISTICS UK HOLDING LIMITED

NOTES TO THE ACCOUNTS

FOR THE PERIOD ENDED 30TH SEPTEMBER 2000

16 Analysis of changes in net cash

	Cash flows		2000
	\$	\$	\$
Cash at bank and in hand	-	15,107	15,107
	-	15,107	15,107