

**MATTEX GLOBAL INVESTMENTS
LIMITED**

Report and Financial Statements

31 December 2001

**Deloitte & Touche
Stonecutter Court
1 Stonecutter Street
London EC4A 4TR**



REPORT AND FINANCIAL STATEMENTS 2001

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REPORT AND FINANCIAL STATEMENTS 2001

OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS

M Tessarollo
M Mottehadden

REGISTERED OFFICE

5 Williams Mews
Knightsbridge
London
SW1 9HF

AUDITORS

Deloitte & Touche
Stonecutter Court
1 Stonecutter Street
London
EC4A 4TR

BANKERS

Credit Suisse First Boston
1 Cabot Square
Canary Wharf
London
E14 4QJ

SOLICITORS

Gouldens
10 Old Bailey
London
EC4M 7NG

DIRECTORS' REPORT

The directors present their annual report and the audited financial statements for the period ended 31 December 2001.

REVIEW OF THE BUSINESS

Mattex Global Investments was incorporated on 20 July 2000. The company was established to provide a UK based business for the discretionary portfolio management and advisory business of the directors and to obtain SFA regulation. The principal activity of the company will be the provision of discretionary portfolio management and advisory services to experienced clients. No change in this activity is presently foreseen. The company acts as an investment adviser to six clients external to the group. The company spent most of the period obtaining SFA registration and only began trading for clients in the final quarter.

The company is regulated by the Financial Services authority as a category C firm. The firm obtained SFA authorisation on 6 August 2001.

RESULTS AND DIVIDEND

The results for the period are shown in the accounts. The directors do not recommend the payment of a dividend.

DIRECTORS AND DIRECTORS' INTERESTS IN SHARES

The directors who held office during the period ended 31 December 2001 were as follows:

Matteo Tessarollo	Appointed 20/07/00
Matt Motehadden	Appointed 09/08/01

AUDITORS

The company has elected to dispense with the obligation to appoint auditors annually. Deloitte & Touche are the appointed auditors.

Approved by the Board of Directors on
and signed on behalf of the Board



M Tessarollo
Director

26 March 2002

STATEMENT OF DIRECTORS' RESPONSIBILITIES

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company as at the end of the financial year and of the profit or loss of the company for that period. In preparing those financial statements, 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;and
- prepare the financial statements 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 to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for the system of internal control and for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF MATTEX GLOBAL INVESTMENTS LIMITED

We have audited the financial statements of Mattex Global Investments Limited for the period from 20 July 2000 to 31 December 2001 which comprise the profit and loss account, the balance sheet and the related notes 1 to 10. These financial statements have been prepared under the accounting policies set out therein.

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 financial statements in accordance with applicable United Kingdom law and accounting standards. Our responsibility is to audit the financial statements in accordance with relevant United Kingdom legal and regulatory requirements and auditing standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report if, in our opinion, the Directors' report is not consistent with the financial statements, 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 directors' report for the above year and consider the implications for our report if we become aware of any apparent misstatements.

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 financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements 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 financial statements 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 financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of the Company's affairs as at 31 December 2001 and of its loss for the period from 20 July 2000, the date of incorporation to 31 December 2001 and have been properly prepared in accordance with the Companies Act 1985.



Chartered Accountants

and Registered Auditors

26 March 2002

PROFIT AND LOSS ACCOUNT

Period from 20 July 2000 to 31 December 2001

	Note	Period ended 31 Dec 2001 £
TURNOVER	1	21,789
Administrative expenses		(124,375)
OPERATING LOSS		(102,586)
Interest receivable		-
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION	3	(102,586)
Tax on Loss on ordinary activities		-
LOSS FOR THE FINANCIAL YEAR	8	(102,586)
PROFIT AND LOSS ACCOUNT BROUGHT FORWARD		-
PROFIT AND LOSS ACCOUNT CARRIED FORWARD		(102,586)

The company was incorporated on 20 July 2000.

All turnover is in respect of continuing operations.

All turnover was derived from within the United Kingdom.

There are no gains or losses in the current period other than those disclosed in the profit and loss account. Accordingly a statement of total recognised gains and losses is not required.

BALANCE SHEET
31 December 2001

	Note	2001 £
TANGIBLE FIXED ASSETS	4	<u>4,283</u>
CURRENT ASSETS		
Debtors	5	20,085
Cash at bank and in hand		<u>59,562</u>
		79,647
CREDITORS – amounts falling due within one year	6	<u>(21,516)</u>
NET CURRENT ASSETS		<u>58,131</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		62,414
NET ASSETS		<u><u>62,414</u></u>
CAPITAL AND RESERVES		
Called up share capital	7,8	165,000
Profit and loss account	8	<u>(102,586)</u>
EQUITY SHAREHOLDERS' FUNDS	8	<u><u>62,414</u></u>

These financial statements were approved by the Board of Directors.

Signed on behalf of the Board of Directors



M Tessarollo
Director

26 March 2002

NOTES TO THE FINANCIAL STATEMENTS**Period from 20 July 2000 to 31 December 2001****1. ACCOUNTING POLICIES**

The financial statements are prepared in accordance with applicable accounting standards. The particular policies adopted are described below.

Accounting convention

The financial statements are prepared under the historical cost convention using the following principal accounting policies.

Turnover

Turnover represents fees billed net of value added tax. All turnover is accounted for on an accruals basis.

Tangible fixed assets

Tangible fixed assets are shown at original historical cost. Depreciation is provided on cost in equal annual instalments over the estimated economic lives of the assets as follows:

Fixtures, fittings and equipment	-	25% per year
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Foreign exchange

Transactions denominated in foreign currencies are translated into sterling at the rates ruling at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated at the rates ruling at that date. These translation differences are dealt with in the profit and loss account.

2. INFORMATION REGARDING DIRECTORS AND EMPLOYEES**Directors' remuneration**

**Period
ended 31
December
2001
£**

Emoluments payable	<u>31,410</u>
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Employee cost during the year

**2001
£**

Wages and salaries	45,009
Social security costs	<u>2,781</u>
	<u>47,790</u>

Average number of persons employed in all departments

**No.
3**

NOTES TO THE FINANCIAL STATEMENTS

Period from 20 July 2000 to 31 December 2001

3. LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION

	Period ended 31 December 2001 £
Loss on ordinary activities before taxation is after charging:	
Depreciation	1,428
Auditors' remuneration - audit	3,000
- other services	7,000
	<u>7,000</u>

4. TANGIBLE FIXED ASSETS

	Fixtures, fittings and equipment £
COST	
At Incorporation	-
Additions	5,711
At 31 December 2001	<u>5,711</u>
ACCUMULATED DEPRECIATION	
At Incorporation	-
Charge for the period	1,428
At 31 December 2001	<u>1,428</u>
NET BOOK VALUE	
At 31 December 2001	<u>4,283</u>
At Incorporation	<u>-</u>

5. DEBTORS – amounts falling due within one year

	2001 £
Trade debtors	18,793
Other debtors	1,292
	<u>20,085</u>

NOTES TO THE FINANCIAL STATEMENTS

Period from 20 July 2000 to 31 December 2001

6. CREDITORS - amounts falling due within one year

	2001 £
Directors' current account	2,666
Amounts owed to parent company	13,475
Accruals	5,375
	<u>21,516</u>

7. CALLED UP SHARE CAPITAL

	2001 £
Authorised:	
200,000 ordinary shares of £1 each	200,000
	<u> </u>
Allotted, called up and fully paid:	
165,000 ordinary shares of £1 each	165,000
	<u> </u>

In addition to the two shares issued on the formation of the company, during the period a further 164,998 shares were issued for consideration of £164,998 in order for the company to commence trading.

8. STATEMENT OF MOVEMENTS ON RESERVES AND IN SHAREHOLDERS' FUNDS

	Issued share capital £	Profit and loss account £	Total £
Shares issued on formation	2	-	2
Further shares issued on 27 July 2001	124,998	-	124,998
Further shares issued on 16 November 2001	40,000		40,000
Loss retained for the year	-	(102,586)	(102,586)
	<u>165,000</u>	<u>(102,586)</u>	<u>62,414</u>
At 31 December 2001			

9. RELATED PARTY TRANSACTIONS

During the year rent of £29,700 was paid to M One Ltd, a company with the same ultimate controlling party as Mattex Global Investments Limited.

NOTES TO THE FINANCIAL STATEMENTS

Period from 20 July 2000 to 31 December 2001

10. ULTIMATE PARENT COMPANY AND CONTROLLING PARTY

The Company is a wholly owned subsidiary of Mattex Holdings Limited, a company incorporated in the British Virgin Islands. The ultimate controlling party of Mattex Global Investments Limited is Matteo Tessarollo, a director of this company.

In respect of intra group transactions, the company has taken advantage of the rules of FRS 8 not to disclose transactions with other parties 90% of whose voting rights are controlled within the group.

The consolidated financial statements of Mattex Holdings Ltd will be made available to the public and may be obtained from:

Mattex Holdings Ltd
C/O KPMG Private
Muhleemattsrasse 56
5001 Aarau
Switzerland