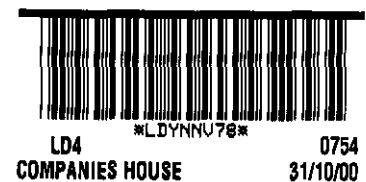


Halyard Offshore Limited

Directors' report and financial statements

Year ended 31 December 1999



Company number: 1246234

Halyard Offshore Limited

Directors' report and financial statements

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Halyard Offshore Limited

Directors and other information

Directors	B.A. Hall M.D.C. Steeves
Registered office	10 Bedford Street London WC2E 9HE United Kingdom
Secretary	M.V. Williams
Auditors	KPMG Chartered Accountants 1 Stokes Place St. Stephen's Green Dublin 2
Bankers	Barclays Bank PLC 50 Pall Mall London SW1A 1QB
Company registration number	1246234

Halyard Offshore Limited

Directors' report

The directors present their annual report and audited financial statements for the year ended 31 December 1999.

Principal activities, business review and future developments

The principal activities of the company are the provision of consultancy, marketing and management services to the oil and marine industries. The company operates under the business name of Amosco Halyard.

The company is a wholly owned subsidiary company of Aminex Oilfield Service & Supply Company Limited ("AMOSSCO"), the ultimate holding company of which is Aminex PLC ("Aminex"). On 24 May 2000, Aminex entered into an agreement with an e-commerce company, CI4net.com Limited ("CI4net"), to develop one or more e-commerce sites within the AMOSSCO group. Under this agreement the shares in AMOSSCO will be transferred to a new wholly owned subsidiary company of Aminex. CI4net will then subscribe for 50% of the share capital in the new holding company, contributing the appropriate software, technology and specialist services.

Results and dividends

The loss for the financial year was Stg£7,267. The directors do not recommend the payment of a dividend.

Directors

In accordance with Articles of Association, the directors are not required to retire by rotation.

Interests of directors and secretary

The directors who held office at 31 December 1999 had no interests in the share capital of the company.

At 31 December 1999, M.D.C. Steeves held 176,246 (1998: 176,246) ordinary shares of IR5p each in the ultimate parent company, Aminex PLC, and also had options over 160,000 (1998:150,000) ordinary shares of IR5p each in Aminex PLC.

The interests of B.A. Hall in the shares of Aminex PLC, the ultimate parent company, are shown in that company's financial statements.

Group membership

The ultimate holding company is Aminex PLC, a company incorporated in the Republic of Ireland.

Halyard Offshore Limited

Directors' report *(continued)*

Health and safety of employees

It is company policy to ensure that a full health and safety programme is in force. The directors have reviewed the application of this policy during the year and are satisfied that it is operating as intended.

Payment of suppliers

The company's policy is to agree payment terms with individual suppliers and to abide by such terms.

Introduction of the euro

The directors do not consider that the introduction of the euro will have a material impact on the business of the company.

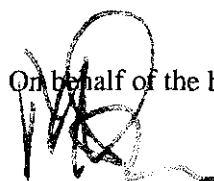
Post balance sheet events

Details of post balance sheet events are set out in note 19 to the financial statements.

Auditors

A resolution proposing the re-appointment of KPMG, Chartered Accountants, will be proposed at the Annual General Meeting.

On behalf of the board



M.D.C. Steeves
Director

27 October 2000

Halyard Offshore Limited

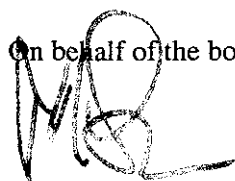
Statement of directors' responsibilities

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 and of the profit or loss 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
- 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 books of account which disclose with reasonable accuracy at any time the financial position of the company and which enable them to ensure that the financial statements comply with the Companies Act 1985. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

On behalf of the board



M.D.C. Steeves
Director



Chartered Accountants

1 Stokes Place
St. Stephen's Green
Dublin 2
Ireland

Auditors' report to the members of Halyard Offshore Limited

We have audited the financial statements on pages 6 to 15.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the directors' report and, as described on page 4, the financial statements in accordance with applicable United Kingdom law and accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and by our profession's ethical guidance.

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. We also report to you 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.

Basis of audit opinion

We conducted our audit in accordance with 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 at 31 December 1999 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

*Chartered Accountants
Registered Auditors*

27 October 2000



Halyard Offshore Limited

Statement of accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

Basis of preparation

The financial statements are prepared in accordance with generally accepted accounting principles under the historical cost convention and comply with financial reporting standards of the Accounting Standards Board, as promulgated by The Institute of Chartered Accountants in England and Wales.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less accumulated depreciation. The charge for depreciation is calculated to write off the original cost of the assets over their expected useful lives on a straight line basis at the following annual rates:

Leasehold improvements	-	2%
Plant and machinery	-	10 - 25%
Office equipment	-	10 - 20%

Foreign currencies

Transactions denominated in foreign currencies are recorded at the rate ruling at the date of the transaction or at the contracted rate. Monetary assets and liabilities denominated in foreign currencies at the year end are reported at the rates of exchange prevailing at that date and the exchange differences are dealt with in the profit and loss account.

Leased assets

Tangible fixed assets acquired under finance leases are included in the balance sheet at their equivalent capital value and are depreciated over the shorter of the lease term and their useful lives. The corresponding liabilities are recorded as a creditor and the interest element of the finance lease rentals is charged to the profit and loss account on an annuity basis. Operating lease rentals are charged to the profit and loss account as incurred.

Taxation

The charge for taxation is based on the result for the year. Deferred taxation is accounted for in respect of timing differences between profit as computed for taxation purposes and profit as stated in the financial statements to the extent that such differences are expected to reverse in the foreseeable future.

Halyard Offshore Limited

Statement of accounting policies (*continued*)

Pension costs

The company contributes to the cost of certain individual employee pension plans. Annual contributions are based upon a percentage of gross annual salary. Pension contributions are charged to the profit and loss account as incurred.

Turnover

Turnover represents net sales to customers and excludes value added tax.

Halyard Offshore Limited

Profit and loss account

for the year ended 31 December 1999

	<i>Note</i>	1999 Stg£	1998 Stg£
Turnover - continuing operations	<i>1</i>	237,443	125,087
Cost of sales		(118,423)	(8,696)
		<hr/>	<hr/>
Gross profit		119,020	116,391
Administrative expenses		(129,599)	(143,562)
		<hr/>	<hr/>
Operating loss - continuing operations		(10,579)	(27,171)
Interest receivable and other income	<i>4</i>	3,336	11,535
Interest payable and similar charges	<i>5</i>	(24)	-
		<hr/>	<hr/>
Loss on ordinary activities before taxation	<i>6</i>	(7,267)	(15,636)
Tax on loss on ordinary activities	<i>7</i>	-	1,379
		<hr/>	<hr/>
Loss for the financial year		(7,267)	(14,257)
Profit and loss account at beginning of year		71,814	86,071
		<hr/>	<hr/>
Profit and loss account at end of year		64,547	71,814
		<hr/>	<hr/>

Statement of total recognised gains and losses

for the year ended 31 December 1999

The company had no recognised gains or losses in the financial year or the previous financial year other than those dealt with in the profit and loss account.

Halyard Offshore Limited

Balance sheet at 31 December 1999

	Note	1999 Stg£	1998 Stg£
Fixed assets			
Tangible fixed assets	8	3,051	4,510
Current assets			
Debtors	9	235,112	203,022
Cash at bank and in hand		59,159	266,931
		<u>294,271</u>	<u>469,953</u>
Creditors: amounts falling due within one year	10	<u>(100,202)</u>	<u>(270,076)</u>
Net current assets		<u>194,069</u>	<u>199,877</u>
Net assets		<u><u>197,120</u></u>	<u><u>204,387</u></u>
Capital and reserves			
Called up share capital	11	29,818	29,818
Share premium account	12	102,755	102,755
Profit and loss account		64,547	71,814
Shareholders' funds - equity	13	<u><u>197,120</u></u>	<u><u>204,387</u></u>

On behalf of the board



M.D.C. Steeves
Director

Halyard Offshore Limited

Notes

forming part of the financial statements

1 Turnover

	1999 Stg£	1998 Stg£
<i>By geographical area</i>		
United Kingdom	4,000	18,225
Rest of Europe	134,607	96,050
Africa	-	10,812
Central America	98,836	-
	<hr/>	<hr/>
	237,443	125,087
	<hr/>	<hr/>

Turnover represents the amounts invoiced to customers for services provided, excluding value added tax.

2 Staff numbers and costs

	1999 Stg£	1998 Stg£
Wages and salaries	45,000	45,000
Social security costs	4,846	4,751
Pension costs	3,600	3,600
	<hr/>	<hr/>
	53,446	53,351
	<hr/>	<hr/>

The average number of employees during the year, including the directors, was 3 (1998:4).

3 Directors' remuneration

No directors were remunerated by the company, nor were pension contributions paid on behalf of any director for either year.

Halyard Offshore Limited

Notes (continued)

4 Interest receivable and other income

	1999 Stg£	1998 Stg£
Deposit interest	3,336	4,486
Profit on sale of fixed asset	-	7,049
	<u>3,336</u>	<u>11,535</u>

5 Interest payable and similar charges

	1999 Stg£	1998 Stg£
Interest payable on bank overdraft and other loans wholly repayable within five years	24	-
	<u>24</u>	<u>-</u>

6 Statutory and other information

	1999 Stg£	1998 Stg£
Depreciation	1,459	2,932
Auditors' remuneration	1,800	1,500
	<u>1,459</u>	<u>2,932</u>

7 Tax on loss on ordinary activities

	1999 Stg£	1998 Stg£
Corporation tax refund from previous period	-	(1,379)
	<u>-</u>	<u>(1,379)</u>

No charge to corporation tax arises due to the availability of losses forward.

Halyard Offshore Limited

Notes (*continued*)

8 Tangible fixed assets

	Office equipment Stg£
<i>Cost</i>	
At beginning and end of year	12,942
	<hr/>
<i>Depreciation</i>	
At beginning of year	8,432
Charge for year	1,459
	<hr/>
At end of year	9,891
	<hr/>
<i>Net book value</i>	
At 31 December 1999	3,051
	<hr/>
At 31 December 1998	4,510
	<hr/>

Halyard Offshore Limited

Notes (continued)

9 Debtors

	1999 Stg£	1998 Stg£
Trade debtors	66,869	32,024
Amounts owed by parent undertaking	417	417
Amounts owed by fellow subsidiary undertakings	166,012	119,514
Other debtors	972	819
Prepayments and accrued income	842	50,248
	<hr/>	<hr/>
	235,112	203,022
	<hr/>	<hr/>

10 Creditors: amounts falling due within one year

	1999 Stg£	1998 Stg£
Amounts owed to fellow subsidiary undertaking	1,723	1,201
Amounts owed to parent undertaking	1,430	13,019
Tax and social security	427	197
Other creditors	68,947	174,563
Accruals and deferred income	27,675	81,096
	<hr/>	<hr/>
	100,202	270,076
	<hr/>	<hr/>

11 Called up share capital

	1999 Stg£	1998 Stg£
<i>Authorised</i>		
50,000 ordinary shares of Stg£1 each	50,000	50,000
	<hr/>	<hr/>
<i>Allotted, called up and fully paid</i>		
29,818 ordinary shares of Stg£1 each	29,818	29,818
	<hr/>	<hr/>

Halyard Offshore Limited

Notes (continued)

12 Share premium account	1999	1998
	Stg£	Stg£
Balance at beginning and end of year	102,755	102,755
	<u><u> </u></u>	<u><u> </u></u>
13 Reconciliation of shareholders' funds -equity	1999	1998
	Stg£	Stg£
Shareholders' funds at beginning of year - equity	204,387	218,644
Loss for the financial year	(7,267)	(14,257)
	<u> </u>	<u> </u>
Shareholders' funds at end of year - equity	197,120	204,387
	<u><u> </u></u>	<u><u> </u></u>

14 Cash flow statement

A cash flow statement has not been prepared under Financial Reporting Standard No. 1 as the company is a wholly owned subsidiary of Aminex PLC which is itself registered within the European Union and has prepared a consolidated cash flow statement.

15 Pensions

The company contributes to the cost of certain individual employee pension plans. Annual contributions are based on a percentage of gross annual salary. The pension charge for the year to 31 December 1999 was Stg£3,600 (1998: Stg£3,600). There are no pension accruals or prepayments included in the financial statements at year end in respect of pension payments.

16 Ultimate parent undertaking

The company is a wholly owned subsidiary of Aminex PLC, a company incorporated in the Republic of Ireland. The smallest and largest group in which the results of Halyard Offshore Limited are consolidated is Aminex PLC. These financial statements are filed in Companies Office, Parnell House, 14 Parnell Square, Dublin 1.

Halyard Offshore Limited

Notes (*continued*)

17 Related party transactions

The company has availed of the exemption under Financial Reporting Standard No. 8 - Related Party Disclosures not to give details of related party transactions with group companies as it is a wholly owned subsidiary of Aminex PLC which is preparing consolidated financial statements which include this company, and such financial statements are publicly available.

18 Introduction to the euro

The directors do not consider that the introduction of the euro will have a material impact on the business of the company.

19 Post balance sheet events

On 24 May 2000, the company's ultimate holding company, Aminex PLC, entered into an agreement with an e-commerce company, CI4net.com Limited ("CI4net"), to develop one or more e-commerce sites within the AMOSSCO group. Under this agreement, the shares in AMOSSCO will be transferred to a new wholly owned subsidiary company of Aminex. CI4net will then subscribe for 50% of the share capital in the new holding company, contributing the appropriate software, technology and specialist services.

20 Approval of the financial statements

These financial statements were approved by the board on 27 October 2000.