

UC Capital.Com Limited

FINANCIAL STATEMENTS

for the year ended

31 December 2002



Company number 3769924

UC Capital.Com Limited

DIRECTORS AND OFFICERS

DIRECTORS

JA Paulsen
R Robinson
P Meyer

SECRETARY

R Robinson

COMPANY NUMBER

3769924 (England and Wales)

REGISTERED OFFICE

The Mansion House
Plaistow Lane
Bromley
Kent BR1 3TP

AUDITORS

The Gallagher Partnership LLP
PO Box 698
2nd Floor
Titchfield House
69-85 Tabernacle Street
London EC2A 4RR

UC Capital.Com Limited

DIRECTORS' REPORT

The directors submit their report and the financial statements of UC Capital.Com Limited for the year ended 31 December 2002.

PRINCIPAL ACTIVITY

The company did not trade during the year and there are no plans to re-activate it.

DIRECTORS

The following directors have held office since 1 January 2002:

JA Paulsen
R Robinson
P Meyer

DIRECTORS' INTERESTS IN SHARES AND DEBENTURES

No director had an interest in the share capital of the company at the year end.

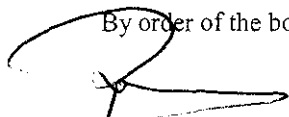
The interests of JA Paulsen in the issued share capital of UC Group Limited, the company's ultimate parent company, are disclosed in that company's financial statements.

AUDITORS

A resolution to reappoint The Gallagher Partnership LLP, Chartered Accountants, as auditors will be put to the members at the annual general meeting.

These accounts are prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

By order of the board



Secretary

UC Capital.Com Limited

DIRECTORS' RESPONSIBILITIES IN THE PREPARATION OF FINANCIAL STATEMENTS

Company law requires 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 of the company for that period. In preparing those financial statements, directors are required to:

- a. select suitable accounting policies and then apply them consistently;
- b. make judgements and estimates that are reasonable and prudent;
- c. prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business;
- d. state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.

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 requirements of the Companies Act 1985. They are also responsible for the system of internal control and 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 SHAREHOLDERS OF UC CAPITAL.COM LIMITED**

We have audited the financial statements of UC Capital.Com Limited for the year ended 31 December 2002 which comprise the balance sheet and related notes as set out on pages 5 to 9. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the directors and auditors

As described in the statement of directors' responsibilities on page 3 the company's directors are responsible for the preparation of financial statements in accordance with applicable law and United Kingdom 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 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.

We read the directors' report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

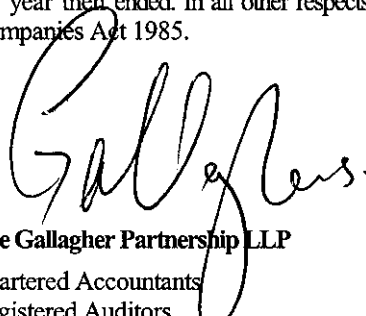
We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board, except that the scope of our work was limited as explained below. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments 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 have been unable to obtain any information on direct and indirect investments in subsidiaries and related party transactions.

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

Because of the possible effect of the limitation in evidence available to us we are unable to form an opinion as to whether the financial statements give a true and fair view of the state of the company's affairs as at 31 December 2002 and of its result for the year then ended. In all other respects, in our opinion the financial statements have been properly prepared in accordance with the Companies Act 1985.


The Gallagher Partnership LLP
Chartered Accountants
Registered Auditors

26 January 2004
69/85 Tabernacle Street
London EC2A 4RR

UC Capital.Com Limited

BALANCE SHEET

31 December 2002

	Notes	2002 £	2001 £
FIXED ASSETS			
Investments	1	378,375	378,375
CURRENT ASSETS			
Amounts owed by parent undertaking	2	7,600	7,600
CREDITORS: Amounts falling due within one year			
Amounts owed to group companies		(378,375)	(378,375)
NET CURRENT LIABILITIES		(370,775)	(370,775)
		£7,600	£7,600
CAPITAL AND RESERVES			
Called up share capital	3	£7,600	£7,600

These accounts are prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

Approved by the board on

Director

23 January 2004

UC Capital.Com Limited

ACCOUNTING POLICIES

BASIS OF ACCOUNTING

The financial statements have been prepared under the historical cost convention.

STATUS

The company has not traded during the year , and did not incur any liabilities, and hence made neither a profit or a loss. Accordingly, no profit and loss or cashflow statement have been presented.

COMPLIANCE WITH ACCOUNTING STANDARDS

The financial statements are prepared in accordance with applicable accounting standards.

CASH FLOW STATEMENT

The company has taken advantage of the exemption in Financial Reporting Standard No. 1 from the requirement to produce a cashflow statement on the grounds that it is a small company.

INVESTMENTS

Fixed asset investments are stated at cost less provision for diminution in value.

UC Capital.Com Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2002

1 FIXED ASSETS INVESTMENTS

DIRECT INTERESTS

UC Capital.Com Limited holds the following investments:

Company Name	Cost of investment	% interest	Country of incorporation	Net assets/ (liabilities) at year end	Profit/ (loss) for year	Principal activity
UC Capital Holdings Ltd	£7,600	100%	England	£7,600	Not trading	Investment holding
GEMS Development Organisation Ltd	£151,775	25%	England	*	*	Provision of managed software services

UC Capital.Com Limited also holds 18% of the issued share capital of Lipton Consulting Limited and Globalis Ltd.

INDIRECT INTERESTS

UC Capital Holdings Limited holds the following investments:

Company Name	Cost of investment	% interest	Country of incorporation	Net assets/ (liabilities) at year end	Profit/ (loss) for year	Principal activity
UC Capital Holdings BV	£11,616	100%	Holland	£11,616	Not trading	Investment holding

UC Capital Holdings BV holds the following investments:

Company Name	Cost of investment	% interest	Country of incorporation	Net assets/ (liabilities) at year end	Profit/ (loss) for year	Principal activity
UC.Com Asia Limited	*	50%	Hong Kong	*	*	Investment holding

The items marked with an * are excluded because the directors feel their inclusion adds no real value to the shareholders in terms of time and money.

UC Capital.Com Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2002

1 FIXED ASSETS INVESTMENTS (continued)

UC.Com Asia Limited holds the following investments:

Company Name	Cost of investment	% interest	Net assets/ Country of incorporation	(liabilities) at year end	Profit/ (loss) for year	Principal activity
Trademarklogo. Com Ltd	*	100%	Hong Kong	*	*	Provision of investment content and application services
OwnAD.Com Ltd	*	100%	Hong Kong	*	*	Dormant
DictionaryHK.Com Ltd	*	100%	Hong Kong	*	*	Provision of investment content and application services
Cybershopworld.Com Limited	*	100%	Hong Kong	*	*	Dormant

The items marked with an * are excluded because the directors feel their inclusion adds no real value to the shareholders in terms of time and money.

2 DEBTORS

The amount due by the company's parent undertaking, UC Group Limited, incorporated in England, is shown as a debtor.

3 SHARE CAPITAL

	2002 £	2001 £
Authorised:		
100,000,000 ordinary shares of £0.0001 each	£10,000	£10,000
Allotted, issued and unpaid:		
76,000,000 ordinary shares of £0.0001 each	£7,600	£7,600

4 EXEMPTION FROM PREPARING GROUP ACCOUNTS

These accounts present information about UC Capital.Com Limited as an individual company, and not as a group. UC Capital.Com Limited is exempt from preparing group accounts due to it being part of a medium sized group exempt under Section 248 of the Companies Act 1985.

UC Capital.Com Limited

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2002

5 ULTIMATE PARENT COMPANY

The immediate and ultimate parent company is UC Group Limited, a company incorporated in England and Wales.

6 ULTIMATE CONTROLLING PARTY

The ultimate controlling party is JA Paulsen, who holds the majority of the voting rights in UC Group Limited.