

Translation

ANNUAL ACCOUNTS

and

CONSOLIDATED ACCOUNTS

1999-07-01--2000-12-31

of

Prenax Global AB

556419-0782

**The annual accounts and
consolidated accounts include:**

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ANNUAL ACCOUNTS AND CONSOLIDATED ACCOUNTS OF PRENAX GLOBAL AB

The board and managing director of Prenax Global AB hereby submits the annual accounts and consolidated accounts for the financial year 1999-07-01--2000-12-31.

ADMINISTRATION REPORT

Extended financial year

The 1999/2000 financial year covers eighteen months, following a decision at an extraordinary general meeting on June 29, 2000 to extend the financial year to include the period July 1, 1999 to December 31, 2000, going over to the calendar year for subsequent financial years.

Activities in general

Through wholly-owned companies in five countries Prenax sells subscriptions to newspapers and magazines to companies, at the same time simplifying and streamlining for its customers the administration connected with the subscriptions. The benefits to customers include savings in time and costs, together with an improved internal control. Through the administrative systems which have been built up by Prenax and which are constantly developing, Prenax is able to function as an outsourcing partner for its customers. By purchasing from Prenax subscriptions and associated administrative systems, customers can significantly reduce and, in many cases, eliminate completely their own internal administration of subscriptions, allowing them to focus instead on their

Although Prenax has developed highly sophisticated sales-support systems for subscription sales via the internet, all new sales to prospective and existing customers take place through personal sales staff. Prenax thereby utilises the strength and flexibility of its own dedicated sales force, with an advanced and customer-oriented web tool as sales and customer support.

Prenax primarily sells subscriptions to companies which employ predominantly white-collar workers in sectors where newspapers and magazines are used as aids to work. The majority of its customers are thus found today in banking and finance, the media, the IT sector and the pharmaceutical industry. These sectors have a need for many different publications, which generally involves burdensome administration, which Prenax, through its unique method of selling subscriptions and associated administrative systems, tries to minimise.

Prenax currently carries on business in Sweden, France, the UK, Germany and the USA (described in more detail under the heading "International expansion" below).

Board activities

During the extended 1999/2000 financial year the Board (chaired by Björn Nordenvall) consisted of five directors and held ten meetings at which minutes were taken. No directors' fees were paid. In addition to the customary financial reporting and follow-up, the activities of the Board during the financial year focused on strategic matters, a business plan, development and marketing issues, and questions relating to capital procurement by the Prenax Group.

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International expansion

Prenax has completed its international expansion, which was approved in the preceding financial year. The parent company, Prenax Global AB, was formed to direct the expansion process and wholly-owned subsidiaries were established in London, Paris, Düsseldorf and San Francisco. In addition, Prenax AB set up a branch of its Stockholm office in Gothenburg. Certain Group-wide functions have been brought together in the parent company with a view to managing, supporting and developing the activities of the Group.

Winding up of business in subsidiary

The former business of Prepage AB was wound up and certain executive functions in the company were transferred to Prenax Global AB. Prepage AB has changed its name to Prenax AB, at which the Swedish part of the Group's subscription business is conducted.

Customers

At the end of the financial year Prenax had altogether approximately 850 major corporate customers, 750 of them in Sweden. The number of customers is now rising rapidly as the new markets are being worked up. In Sweden the number of customers in recent years has gone up by an average of one-hundred each year. At the end of the first quarter of 2001, Prenax had 919 corporate customers.

Employees

The number of employees in the Group rose during the period from 15 to 92. The average number of employees during the period was 49, including 22 women. Positions in the subsidiaries break down into sales staff, customer service assistants, financial assistants and the management at the various companies and departments. At the parent company there are IT staff and management functions such as President/CEO, Vice President and Controller.

Development of business-support systems

Prenax continues to invest considerable resources in the enhancement of IT systems in support of the business. Here could be mentioned, for example, a global system for handling all subscriptions, an improved internet-based online tool which enables customers to administer their subscriptions themselves, a recently integrated business system and a sales-support system.

Capital procurement etc. during the 1999/2000 financial year

In November 1999, as part of the financing of Prenax's global strategy, capital of approximately SEK 12.5 million was raised for the company. The share issue was directed mainly at two venture-capital companies, namely European Equity Partners Ltd and Emerging Technologies Ltd. The shares of the latter are now owned by Emerging Technologies ET AB.

At the beginning of February 2000 capital was raised which brought the company some SEK 11.5 million. The share issue was directed at the above companies and at the chairman of the Board, members of the company's advisory board etc.

At the beginning of September 2000 the company's principal shareholders, Pre Ventures AB (wholly owned by its CEO, Rutger Vannerus) and Jerker Vannerus, exercised 500,000 subscription options held by them in the company, subscribing for the same number of shares in the parent company. In November 2000 it was decided at an extraordinary general meeting that the parent company should take out a convertible loan of up to SEK 29,250,000. The loan was fully subscribed, bringing the company a total of SEK 29,250,000. It matures on June 30, 2002, the conversion rate being SEK 195.

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The company's strategy has been to procure capital through existing shareholders and through the business contacts of the management and its advisers. This has made it possible for all capital procurement to take place with very limited issue costs, as a result of which the payments made for issues have gone to the company more or less intact.

Incentive scheme

In the rapid developments currently taking place in the area in which the Prenax Group operates, the Board has been able to see the importance of retaining employees and, not least, of recruiting new employees of the company and its subsidiaries. Given the competition which exists for skilled personnel, the ability to compete with something more than salaries and stimulating and exciting duties is important.

One means of doing this which, in the view of the Board, brings greater loyalty to the company and greater involvement in the economic development of the company's business is enabling the employees of the company to become shareholders of the company, thereby creating a direct incentive linked to the increasing value of the company.

In the light of the above, the decision was taken at an extraordinary general meeting in February 2000 to issue 100,000 options entitling the holder to subscribe for new shares in Prenax Global AB at a price of SEK 200 per share. The options can be used to subscribe for shares up to December 31, 2002 and have been allocated to existing and new employees according to an incentive scheme drawn up by the Board.

Important events after the end of the financial year

In view of the company's projected capital requirements in 2001, work began at the end of the 1999/2000 financial year on major capital procurement which, together with some external borrowing, is intended to satisfy the capital requirements of the Group until its cash flow becomes positive.

In March 2001 an investment agreement was made with Livförsäkringsaktiebolaget Skandia (publ), which in the 2001 financial year will bring Prenax Global AB just over SEK 50 m in equity capital. The Board takes a very favourable view of the agreement that has been reached with Skandia, which further emphasises Prenax's position as a rapidly growing global player in subscription sales.

Outlook

Prenax judges that the hitherto substantial increase in sales shown by the company will continue for the foreseeable future. The number of customers is continuing to grow all the time and Prenax now has a presence in more and larger markets. At the same time experience shows that the existing customers are continually increasing their subscriptions. The budget for 2001 is based on a threefold increase in sales compared with sales in the 2000 calendar year.

The planned future expansion in the recently established subsidiaries and the further development of the joint IT systems will mean that Prenax will also generate a substantial deficit in its operations in the 2001 financial year.

It is planned to increase the number of employees in 2001 to about 150.

Proposed treatment of loss

The Board of Directors and the CEO of Prenax Global AB recommend that the accumulated loss of SEK 30,783,316 be carried forward. The accumulated loss in the Group amounts to SEK 51,831,379. No allocation to restricted equity is proposed.

With regard to the results and financial position in general of the parent company and the Group, reference should be made to the following income statements and balance sheets, together with supplementary information. Unless otherwise stated, all amounts are expressed in Swedish kronor.

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THE GROUP INCOME STATEMENT

	Note	1999-07-01 2000-12-31	1998-07-01 1999-06-30
Operating income, etc.			
Net sales	1, 2	114 805 378	42 664 362
Other operating income		462 695	344 187
		115 268 073	43 008 549
Operating expenses			
Goods for resale		-98 449 972	-32 789 231
Other external costs	3, 4	-33 927 318	-2 364 565
Personnel costs	5	-34 050 273	-5 924 642
Depreciation and write-downs of tangible and intangible assets	10, 11	-1 377 294	-269 217
Items affecting comparability	6	-69 592	0
Other operating expenses		0	-288 383
Operating profit/ loss		-52 606 376	1 372 511
Result from financial investments			
Other interest income and similar profit/loss items	8	1 198 523	15 120
Interest expense and similar profit/loss items		-545 492	-102 892
Profit/ loss after financial items		-51 953 345	1 284 739
Appropriations	9	0	1 999 800
Tax on profit for the year		0	-325 282
Minority interest		0	-18 348
NET PROFIT/ LOSS FOR THE YEAR		-51 953 345	2 940 909

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THE GROUP BALANCE SHEET

	Note	2000-12-31	1999-06-30
ASSETS			
Fixed assets			
Intangible assets			
Goodwill	10	0	104 389
		0	104 389
Tangible assets			
Equipment, tools, fixtures and fittings	11	3 044 049	664 876
		3 044 049	664 876
Financial assets			
Other long-term receivables		1 176 818	6 400
		1 176 818	6 400
Total fixed assets		4 220 867	775 665
Current assets			
Current receivables			
Accounts receivable-trade		23 159 973	2 638 723
Receivables from shareholder		0	1 999 800
Income taxes recoverable		75 472	0
Other receivables		1 372 596	129 947
Prepaid expenses and accrued income	13	10 423 765	366 095
		35 031 806	5 134 565
Cash and bank balances		7 734 428	664 541
Total current assets		42 766 234	5 799 106
TOTAL ASSETS		46 987 101	6 574 771

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THE GROUP BALANCE SHEET

	Note	2000-12-31	1999-06-30
EQUITY AND LIABILITIES			
Equity	14		
Restricted equity			
Share capital		222 489	100 000
Restricted reserves		53 160 195	20 000
		53 382 684	120 000
Non-restricted equity			
Non-restricted reserves		121 966	3 826
Profit/ loss for the year		-51 953 345	2 940 909
		-51 831 379	2 944 735
Total equity		1 551 305	3 064 735
Minority share of equity		0	37 141
Long-term liabilities			
Convertible loans	15	14 040 200	0
Liabilities to shareholder		0	18 000
Bank overdraft facility	16	0	89 225
		14 040 200	107 225
Current liabilities			
Accounts payable - trade		21 264 344	1 489 307
Income tax liability		129 135	296 602
Other liabilities		2 206 804	322 731
Accrued expenses and deferred income	17	7 795 313	1 257 030
		31 395 596	3 365 670
TOTAL EQUITY AND LIABILITIES		46 987 101	6 574 771
MEMORANDUM ITEMS			
Pledged assets	18	6 000 000	3 300 000
Contingent liabilities		None	None

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PARENT COMPANY INCOME STATEMENT

	Note	1999-07-01 2000-12-31	1998-07-01 1999-06-30
Operating income, etc.			
Net sales	1, 2	45 568 050	40 911 453
Other operating income		<u>188 373</u>	<u>344 187</u>
		45 756 423	41 255 640
Operating expenses			
Goods for resale		-35 394 478	-32 460 176
Other external costs	3, 4	-25 381 691	-2 744 643
Personnel costs	5	-12 472 120	-3 755 604
Depreciation and write-downs of tangible and intangible assets	11	-537 225	-162 556
Other operating expenses		<u>0</u>	<u>-288 383</u>
Operating profit/ loss		-28 029 091	1 844 278
Result from financial investments			
Result from participations in group companies	7	-4 400 000	0
Other interest income and similar profit/loss items	8	1 077 701	25 115
Interest expense and similar profit/loss items		<u>-260 741</u>	<u>-88 801</u>
Profit/ loss after financial items		-31 612 131	1 780 592
Appropriations	9	0	1 318 800
Tax on profit for the year		0	-309 201
NET PROFIT/ LOSS FOR THE YEAR		-31 612 131	2 790 191

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PARENT COMPANY BALANCE SHEET

	Note	2000-12-31	1999-06-30
ASSETS			
Fixed assets			
Tangible assets			
Equipment, tools, fixtures and fittings	11	288 393	428 118
		288 393	428 118
Financial assets			
Participations in group companies	12	964 885	364 000
Receivables from group companies		0	182 000
Other long-term receivables		175 000	6 400
		1 139 885	552 400
Total fixed assets		1 428 278	980 518
Current assets			
Current receivables			
Accounts receivable-trade		0	2 544 922
Receivables from group companies		33 078 153	131 756
Receivables from shareholder		0	1 999 800
Income taxes recoverable		62 007	0
Other receivables		59 809	129 946
Prepaid expenses and accrued income	13	266 383	304 479
		33 466 352	5 110 903
Cash and bank balances		5 508 678	664 540
Total current assets		38 975 030	5 775 443
TOTAL ASSETS		40 403 308	6 755 961

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PARENT COMPANY BALANCE SHEET

	Note	2000-12-31	1999-06-30
EQUITY AND LIABILITIES			
Equity	14		
Restricted equity			
Share capital		222 489	100 000
Share premium reserve		53 097 091	0
Statutory reserve		20 000	20 000
		53 339 580	120 000
Non-restricted equity			
Profit or loss brought forward		828 815	38 624
Profit/loss for the year		-31 612 131	2 790 191
		-30 783 316	2 828 815
Total equity		22 556 264	2 948 815
Long-term liabilities			
Convertible loans	15	14 040 200	0
		14 040 200	0
Current liabilities			
Accounts payable - trade		1 170 444	1 447 801
Liabilities to group companies		0	846 755
Income tax liability		0	280 521
Other liabilities		445 314	175 526
Accrued expenses and deferred income	17	2 191 086	1 056 543
		3 806 844	3 807 146
TOTAL EQUITY AND LIABILITIES		40 403 308	6 755 961
MEMORANDUM ITEMS			
Pledged assets	18	3 000 000	3 000 000
Contingent liabilities		None	None

ADDITIONAL INFORMATION

Accounting principles

The accounting principles applied are in accordance with the Annual Accounts Act, as well as the recommendations and statements from the Swedish Accounting Standards Board, the Swedish Financial Accounting Standards Council and the Swedish Institute of Authorized Public Accountants (FAR).

The following valuation and recalculation principles are applied to the annual accounts:

Consolidated accounts

The income statements and balance sheets of the group include all of the companies which the parent company owns more than half of the voting shares either directly or indirectly, as well as companies in which the group influences the decision making in other manners and is entitled to a more significant portion of the earnings.

The consolidated accounts are prepared in accordance with the Swedish Financial Accounting Standards Council's recommendations concerning consolidated accounting. All corporate acquisitions are accounted for using the acquisition method.

Translation of foreign subsidiaries' income statements and balance sheets

The current method is utilized to translate foreign subsidiaries' income statements and balance sheets to Swedish kronor. All assets and liabilities in the subsidiaries' balance sheets are thereby calculated using the closing day rate, and all items on the income statement at the average annual exchange rate. All translation differences are booked directly to equity. Exchange differences from loans in foreign currencies in the parent company referring to acquisitions of shares in subsidiaries are settled on the group level against the subsidiary's equity and booked as translation differences.

Fixed assets

Fixed assets are accounted for at acquisition cost less depreciation according to plan based upon an assessment of the asset's expected economic lifetime.

Depreciation according to plan is computed as follows:

Goodwill	20 %
Equipment, tools, fixtures and fittings	20 %
Computers	33 %

Receivables

Receivables are accounted for at the amount expected to be received.

Receivables and liabilities in foreign currency

Receivables and liabilities in foreign currencies are translated to Swedish kronor at the closing day rate. The difference between acquisition value and the closing day value is booked to the income statement.

Note 1 Net sales per line of business and geographical market

Net sales per geographical market are allocated as follows:	The group		Parent company	
	1999/2000	1998/1999	1999/2000	1998/1999
Europe	109 188 206	42 664 362	45 568 050	40 911 453
North America	5 617 172	0	0	0
Total	114 805 378	42 664 362	45 568 050	40 911 453

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Note 2 Information regarding intercompany purchases and sales

Purchases and sales between group companies	The group		Parent company	
	1999/2000	1998/1999	1999/2000	1998/1999
Purchases	0	0	0	605 000
Sales	0	0	0	735 180

Note 3 Disclosure of audit fee and cost reimbursements

Remuneration	The group	Parent company
Deloitte & Touche		
audit assignment	693 543	143 471
non-audit assignments	17 000	17 000
Total	710 543	160 471

An audit assignment includes the audit of the annual accounts, the accounting records and the administration of the board of directors and the managing director. The audit assignment includes additional work given by the company to the auditors and consultations or other assistance resulting from observations made during the audit or completion of such additional work. Everything else is considered as non-audit assignments.

Note 4 Leasing
Parent company

	Cost of the year	2 001	2002-2005	2006 and later
Contracted rental charges	771 595	788 400	1 576 800	0
Other leasing charges	240 452	1 002 484	1 723 685	0
	1 012 047	1 790 884	3 300 485	0

The group

	Cost of the year	2 001	2002-2005	2006 and later
Contracted rental charges	3 444 442	4 277 593	14 271 383	6 782 599
Other leasing charges	240 452	1 002 484	1 723 685	0
	3 684 894	5 280 077	15 995 068	6 782 599

Note 5 Average number of employees, salaries, other remunerations and social security charges

Average no. of employees	1999/2000		1998/1999	
	No. of employees	Men	No. of employees	Men
Parent company				
Sweden	12	60%	10	20%
Total in parent company	12	60%	10	20%
Subsidiary				
Sweden	9	40%	5	100%
USA	12	56%	0	0%
France	7	58%	0	0%
Great Britain	5	64%	0	0%
Germany	4	55%	0	0%
Total in subsidiary	37	53%	5	100%
Group total	49	55%	15	47%

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Salaries, remunerations, etc.	1999/2000		1998/1999	
	Salaries and other remun.	Soc.costs (of which pen. costs)	Salaries and other remun.	Soc.costs (of which pen. costs)
Parent company	8 801 286	2 704 142 (221 144)	2 512 640	940 626 (74 447)
Subsidiary	16 532 834	3 786 522 (779 317)	1 561 648	596 058 (53 070)
Group total	25 334 120	6 490 664 (1 000 461)	4 074 288	1 536 684 (127 517)

Salaries and other remunerations allocated by country and between board members, others and employees

	1999/2000		1998/1999	
	The board	Other employees	The board	Other employees
Parent company				
Sweden	1 991 230	6 810 056	743 051	1 870 346
Total in parent company	1 991 230	6 810 056	743 051	1 870 346
Subsidiary in Sweden	0	5 133 256	923 341	680 751
Foreign subsidiaries				
USA	0	6 885 855	0	0
Great Britain	0	2 105 257	0	0
France	0	1 582 250	0	0
Germany	0	826 216	0	0
Total in subsidiaries	0	16 532 834	923 341	680 751
Group total	1 991 230	23 342 890	1 666 392	2 551 097

114 200 SEK of the parent company's pensions costs (61 644 SEK last year) refers to the board and managing director.
130 222 SEK of the group's pension costs (114 714 SEK last year) refers to the board and managing director.

Note 6 Items affecting comparability

	The group		Parent company	
	1999/2000	1998/1999	1999/2000	1998/1999
Write-down of goodwill	-69 592	0	0	0
Total	-69 592	0	0	0

Note 7 Result from participations in group companies

	Parent company	
	1999/2000	1998/1999
Depreciation of stock units in subsidiary company	-4 400 000	0
Total	-4 400 000	0

Note 8 Other interest income and similar items

	The group		Parent company	
	1999/2000	1998/1999	1999/2000	1998/1999
Interest income	290 185	15 120	174 734	25 115
Exchange rate differences	908 338	0	902 967	0
Total	1 198 523	15 120	1 077 701	25 115

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Note 9 Appropriations

	The group		Parent company	
	1999/2000	1998/1999	1999/2000	1998/1999
Group contributions	0	0	0	-681 000
Shareholders' contribution	0	1 999 800	0	1 999 800
Total	0	1 999 800	0	1 318 800

Note 10 Goodwill

	The group	
	1999/2000	1998/1999
Acquisition value brought forward	173 983	173 983
Accumulated acquisition values carried forward	173 983	173 983
Depreciation brought forward	-69 594	-34 797
Depreciation for the year	-34 797	-34 797
Accumulated depreciation according to plan	-104 391	-69 594
Write-down	-69 592	0
Residual value according to plan	0	104 389

Note 11 Equipment, tools, fixtures and fittings

	The group		Parent company	
	2000-12-31	1999-06-30	2000-12-31	1999-06-30
Acquisition value brought forward	1 248 732	967 788	888 767	689 829
Purchases	4 309 253	309 729	1 241 361	205 532
Sales/disposals	-1 036 754	-28 785	-1 588 217	-6 594
Accumulated acquisition values carried forward	4 521 231	1 248 732	541 911	888 767
Depreciation brought forward	-583 856	-361 301	-460 649	-304 410
Sales/disposals	462 238	11 865	744 356	6 317
Foreign currency translation	-14 017	0	0	0
Depreciation for the year	-1 341 547	-234 420	-537 225	-162 556
Accumulated depreciation carried forward	-1 477 182	-583 856	-253 518	-460 649
Residual value according to plan carried forward	3 044 049	664 876	288 393	428 118

Note 12 Participations in subsidiaries

The company's name	Corp. ID	Domicile	Equity	Profits
	No.			
Prenax AB	556540-7474	Bromma	402 103	-4 410 569
Prenax Inc		San Fransisco	-11 406 778	-10 990 749
Prenax Ltd		London	-3 546 963	-3 469 921
Prenax SA		Paris	-3 461 485	-3 623 894
Prenax GmbH		Düsseldorf	-2 026 851	-2 141 692

Company's name	Size of holding	Value of holding
	Share of equity %	Book value
Prenax AB	100,0%	400 000
Prenax Inc	100,0%	40 725
Prenax Ltd	100,0%	0
Prenax SA	100,0%	316 675
Prenax GmbH	100,0%	207 485
		964 885

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Note 13 Prepaid expenses and accrued income

	The group		Parent company	
	2000-12-31	1999-06-30	2000-12-31	1999-06-30
Prepaid rent	734 102	147 193	37 500	147 193
Accrued income	8 712 469	0	0	0
Other items	977 194	218 902	228 883	157 286
Total	10 423 765	366 095	266 383	304 479

Note 14 Change in equity

The group	Share capital	Restricted reserves	Non-restricted reserves	Net profit/ loss for the year
Amount brought forward	100 000	20 000	3 826	2 940 909
New share issue	41 667	12 458 333		
New share issue	9 444	4 990 422		
New share issue	6 500	4 493 500		
New share issue	10 000	20 490 000		
Utilization of options	50 000			
New share issue	4 878	10 604 336		
Optionspremiums		60 500		
Appropriation of profits as resolved by the annual general meeting			2 940 909	-2 940 909
Dividends			-2 000 000	
Exchange rate difference		43 104	-822 769	
Net profit/ loss for the year				-51 953 345
Amount carried forward	222 489	53 160 195	121 966	-51 953 345

Parent company	Share capital	Share premium reserve	Statutory reserve	Profit brought forward	Net profit/ loss for the year
Amount brought forward	100 000	0	20 000	38 624	2 790 191
New share issue	41 667	12 458 333			
New share issue	9 444	4 990 422			
New share issue	6 500	4 493 500			
New share issue	10 000	20 490 000			
Utilization of options	50 000				
New share issue	4 878	10 604 336			
Optionspremiums		60 500			
Appropriation of profits as resolved by the annual general meeting		0		2 790 191	-2 790 191
Dividends		0		-2 000 000	
Net profit/ loss for the year					-31 612 131
Amount carried forward	222 489	53 097 091	20 000	828 815	-31 612 131

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Note 15 Convertible loans

An extraordinary general meeting on November 20, 2000 approved the issue of a convertible promissory note of nominally SEK 29,250,000, with preferential rights for existing shareholders. The note runs from January 6, 2001 to July 6, 2002, with an annual fixed interest rate of eight per cent payable six-monthly in arrears, starting on July 6, 2001. It entitles the holder in the period January 6, 2001 to July 6, 2002 to convert the loan to ordinary shares of series "A" in Prenax Global AB at a price of SEK 195 per share. At year end shares worth SEK 14,040,200 had been subscribed for.

Note 16 Bank overdraft facilities

	The group		Parent company	
	2000-12-31	1999-06-30	2000-12-31	1999-06-30
Bank overdraft facility granted	1 500 000	3 300 000	1 500 000	3 000 000
Total	1 500 000	3 300 000	1 500 000	3 000 000

Note 17 Accrued expenses and deferred income

	The group		Parent company	
	2000-12-31	1999-06-30	2000-12-31	1999-06-30
Accrued vacation pay	1 323 818	266 796	593 985	217 279
Accrued social security charges	400 659	218 085	165 917	108 686
Other items	6 070 836	772 149	1 431 184	730 578
Total	7 795 313	1 257 030	2 191 086	1 056 543

Note 18 Pledged assets

	The group		Parent company	
	2000-12-31	1999-06-30	2000-12-31	1999-06-30
Bank overdraft facilities				
Chattel mortgages	6 000 000	3 300 000	3 000 000	3 000 000
Total	6 000 000	3 300 000	3 000 000	3 000 000

Note 19 Tax

Loss carry forward

Parent company	31 513 030
The group	36 419 320

Note 20 Options

An extraordinary general meeting on February 7, 2000 approved the issue of a subordinated loan of nominally SEK 10,000, accompanied by 100,000 immediately detachable warrants, each entitling the holder in the period January 1 to December 30, 2002 to subscribe for ordinary shares of series "A" in Prenax Global AB at an issue price of SEK 200 per share. At the close of the accounts, 60,500 warrants were held by the employees of the company.

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Stockholm, June 8, 2001

Rutger Vannerus
Managing director

Björn Nordenvall
Chairman

Hans Blomberg

Jerker Vannerus

Alf Blomqvist

Our auditors' report is submitted on June 21, 2001

Deloitte & Touche AB

Lars Jonsson
Authorized Public Accountant