



FRANGO

Press Release, November 8, 2001

Frango AB gives notice of an extraordinary general meeting to decide on a proposal to issue subordinated loans with detachable warrants

The board of Frango AB ("Frango") has today decided to give notice of an extraordinary general meeting to be held on Thursday, November 29, 2001, at 2 p.m. at Göta Ark, Medborgarplatsen 25, Stockholm, Sweden. The purpose of the meeting is to consider the board's proposal to issue two promissory notes, to which a total of 286,000 warrants will be attached, entitling holders to subscribe for new class B shares in Frango. The right to subscribe for these promissory notes shall, with deviation from the shareholders' preferential rights, be exercisable by the Dutch company Mida Systems BV and Frango's subsidiary company, Frango International AB, so that they can fulfil certain tasks pertaining to an employee stock option program.

Conditional upon the general meeting deciding in accordance with the board's proposal, the board intends to implement a new Group-wide employee stock option program for the employees of the Frango Group, based on the warrants issued by the general meeting. The program will comprise a total of 252,000 warrants divided into a special part comprising 160,000 warrants for prominent officers and a general part comprising 92,000 warrants for other employees. The employee stock options will entitle holders to acquire class B shares in Frango. The terms of the options, which may be exercised after an initial lock-in period, require in principle that the holder is still employed at the time of exercising the option. An additional condition for exercise of the full number of options distributed in accordance with the special part of the stock option scheme for prominent officers is that the Frango Group no later than 2005 achieves an annual turnover of at least SEK 1,000 million (about USD 100 million at present) and a profit of at least SEK 100 million.

"The stock option program will enable us to create commitment for our goal and vision to make Frango a profitable company with revenues in the range of USD 100 million," says Magnus Larsson, Frango's Managing Director and CEO.

The subscription for shares based on the warrants can take place during the period commencing on October 7, 2002 up to and including August 31, 2006 at a rate that corresponds to the share price for Frango's class B shares during a given period in connection to the Annual General Meeting of shareholders. 0

Frango in brief

Frango is a leading company that specializes in the field of strategic financial control for complex organizations and groups. The company develops and supplies systems solutions and services through its international network of subsidiary companies and distributors. Frango, which is headquartered in Stockholm, has operations in 15 countries. In Sweden, Frango's customer base includes some 80 listed companies. The Frango share is quoted on the 'O' list of the Stockholm Stock Exchange (Stockholmsbörsen).

For more information, visit Frango's web site at <http://www.frango.com>

For further information, please contact:

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