

Press release  
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## **Paynova assesses increased cash flow and financial requirements**

**Holders of promissory notes worth approximately SEK 1.5 million, corresponding to just over 242,000 shares, requested conversion before the end of the year. That corresponds to approximately 85 percent of the conversion loan. The subscription options in the TO3 series were not utilised as a result of the recent exchange rate trend. Paynova is therefore now assessing how this, in combination with the predicted future cash flow from major customer agreements and ongoing cost rationalisation, will affect future capital requirements.**

The assessment also covers external capital contributions as well as other financial options. A proposal will be presented during January.

“Before long, major customers with whom we signed agreements during 2004 will begin using our payment services and the effect on profit/loss from this will naturally affect the cash flow and the assessment,” says Peter Enström, chairman of the board of Paynova. “In addition, several large payment-processing companies in Europe have become our partners and they are currently working to link their customers to the Paynova payment solution. We, our partners and our customers realise that the European market window is open and this is a situation that we must ensure we make the most of.”

In a press release of 11-11-2004 regarding Paynova’s latest new share issue, it was reported: “It is considered that this financing, together with such subscriptions of up to 852,000 shares (SEK 8.5 million) that may arise via options (TO3) during December 2004, will be sufficient to cover the company’s capital requirements for the next two or three quarters.” It was also noted, in the company’s January-September 2004 interim report, that: “The previously stated overall target of achieving positive cash flow on a monthly basis during the second quarter of 2005 remains in place, as does the reservation that this may be achieved somewhat later in the year.” The latter is still the case and forms the basis for the assessment.

Promissory notes worth SEK 1,693,440, corresponding to a total of 282,240 shares, could be converted no later than 31-12-2004 at a rate of SEK 6 per share. Holders of promissory notes worth SEK 1,453,440 kronor, corresponding to 242,240 shares, requested conversion to shares.

Following registration of newly-subscribed shares from conversion of promissory notes on 31-12-2004 and newly-subscribed shares from the issue on 10-11-2004, the total number of shares in Paynova amounts to 13,173,210.

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**About Paynova**

Paynova (listed on NGM: PAY) is a Payment Service Provider (PSP) with a complete transaction processor offering several services/forms of access for payments and other transfers via the Internet.

The payment services focusing primarily on the Travel, Media and Retailing sectors include the Paynova Wallet, Large Enterprise Services, Mobile Services, Partner Network Services and Payout Services. Transactions are processed between e-retailers, consumers, banks and other players rapidly, simply, securely and cost-effectively.

Paynova's transaction processor and payment services are linked, together with traditional banks, card companies and other PSPs, to a comprehensive financial infrastructure with both geographical cover and options for minimising transaction costs.

Paynova's Partner Network includes well-established Internet banks, card companies (VISA, MasterCard etc.), PSPs and other similar players (GZS/easycash, Paybox, TripleDeal, WM-DATA etc.). Via VISA and MasterCard, Paynova can connect transactions globally with more than 20,000 banks. Paynova's current market focus is Europe.

Important agreements have recently been signed with, for example, Ryanair, SJ, Swebus Express and CDWOW.