

Press release

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Paynova's cooperation with Beijing Cyber Recreation Development Corporation (CRD) is being marketed on three continents

In October, CRD is launching the international marketing of the company's extensive development project, the virtual world Beijing Cyber Recreation District. Paynova, the chosen supplier for the project's payment services, has together with CRD presented the project, first at the Virtual Worlds Conference & Expo in San Jose and currently at the Virtual Worlds Forum Europe in London. Further marketing efforts in South Korea and China is planned to be initiated shortly.

ONE OF THE WORLD'S GREATEST PROJECTS WITHIN VIRTUAL WORLDS

CRD is commissioned by the Chinese Government to build an extensive virtual world called Beijing Cyber Recreation District. The virtual world aims, among other things, at creating a virtual platform for e-commerce. CRD will be able to connect manufacturers in China with companies and people from the rest of the world. Moreover, the virtual world enables contacts to be established between non-Chinese companies and China's fast-growing middle class. The first stages of the project is planned to go live during the third quarter of 2008.

PAYNOVA CHOSEN SUPPLIER TO CRD

The virtual world in CRD will be based on a technology from MindArk (the company behind the virtual world Entropia Universe, to which Paynova is a supplier) among others, while the payment services are supplied by Paynova. The strategic cooperation agreement between Paynova and CRD was signed in December 2006.

SHARED MARKETING EFFORTS

The cooperation between Paynova and CRD is continuing to develop. As a next step, the implementation of Paynova's solution is being planned, which will enable payments with 800 million Chinese bank cards and 30 million Chinese credit cards, both with payments in local currency.

In parallel, CRD is following its extensive launch plan in which the current international marketing is an important part. When CRD and Paynova in October jointly presented the extensive project at the industry fair Virtual Worlds Conference & Expo in San Jose, the project attracted attention from international media. (See for example <http://www.forbes.com/feeds/ap/2007/10/14/ap4218134.html>). The project has during the latest days been presented at the Virtual Worlds Forum Europe in London. Further marketing efforts in South Korea and China is planned to be initiated in the near future.

FOR MORE INFORMATION, PLEASE CONTACT:

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ABOUT THE CRD PROJECT

CRD is commissioned by the Chinese Government to develop services in among other things online gaming, digital media and e-sport. CRD is a part of a major Chinese initiative within online-entertainment, which already comprises cooperation between 138 companies and investments totaling around a billion Yuan (approx. 920 MSEK). Through its status and the commission from the Chinese Government, CRD is excepted to deliver an efficient financial infrastructure for the whole Chinese market, including both on-line and off-line payments, both which includes new ways of handling the Chinese currency Renminbin. According to CRD, the Chinese market for electronic payments totals some 33 billion SEK in 2006 and is expected to increase to 280 billion SEK in 2010. For additional information on CRD, see <http://www.crd.gov.cn/en/index.asp>.

ABOUT PAYNOVA

Paynova offers an international, account-based complete service for payments via the Internet. With Paynova as the only counterpart, e-retailers can get a payment guarantee for 21 payment options with credit cards, debit cards and Internet banks, in 12 languages with 11 currencies in a security-certified interface (PCI). Consumers can open an account, a Paynova Wallet, for free on the Internet to make purchases simpler and more secure, as well as look after transfers between family members, friends and acquaintances. Paynova has agreements with around 1,600 e-retailers. Most are found in the following prioritised segments: travel, retailing and media/network games. The company has been listed on NGM Equity since February 2004. For more information: www.paynova.com