

# Notes to the financial statements

## for the year ended 31 March 2001

### 1 Segmental reporting

	(Loss) before tax			(Loss) before tax		
	Turnover Year ended 31 March 2001 £'000	Before exceptional items Year ended 31 March 2001 £'000	After exceptional items Year ended 31 March 2001 £'000	Turnover Year ended 31 March 2000 £'000	Before exceptional items Year ended 31 March 2000 £'000	After exceptional items Year ended 31 March 2000 £'000
United Kingdom	6,242	(37,388)	(35,010)	6,892	(31,023)	(66,667)
Europe	8,813	(29,270)	(108,135)	-	-	-
	<b>15,055</b>	<b>(66,658)</b>	<b>(143,145)</b>	6,892	(31,023)	(66,667)

In the period under review materially all turnover and loss by origin and destination was generated from the single activity of providing online auctions. There was no material difference between turnover by origin and turnover by destination.

Net assets	31 March 2001 £'000	31 March 2000 £'000
United Kingdom	14,636	79,605
Europe	29,564	-
	<b>44,200</b>	79,605

For the period ended 31 March 2000 the activities and assets outside the United Kingdom are immaterial for the understanding of the accounts. For the year ended 31 March 2001 turnover, loss and net assets of 'Europe' are substantially those related to acquisitions.

### 2 Cost of sales, gross profit, distribution costs and administrative expenses

	Year ended 31 March 2001 Excluding acquisitions £'000	Year ended 31 March 2001 Acquisitions £'000	Year ended 31 March 2001 Total continuing £'000	Year ended 31 March 2000 Total continuing £'000
Turnover	6,284	8,771	15,055	6,892
Cost of sales	(4,402)	(8,000)	(12,402)	(6,151)
Gross profit	1,882	771	2,653	741
Distribution costs	(23,010)	(20,374)	(43,384)	(21,710)
Exceptional items (note 3)	-	(72,948)	(72,948)	(22,418)
Total distribution costs	(23,010)	(93,322)	(116,332)	(44,128)
Administrative expenses	(16,694)	(8,357)	(25,051)	(11,818)
Exceptional items (note 3)	2,378	(5,917)	(3,539)	(13,226)
Total administrative expenses	(14,316)	(14,274)	(28,590)	(25,044)
Net operating expenses	(37,326)	(107,596)	(144,922)	(69,172)
Operating loss	(35,444)	(106,825)	(142,269)	(68,431)

There were no discontinued operations. Operations acquired in the year to 31 March 2001 included Bidlet AB, ibidlive NV and ricardo.de AG.

### 3 Exceptional items

	Notes	31 March 2001 £'000	31 March restated 2000 £'000
<b>Distribution costs</b>			
Goodwill impairment provision	(i)	<b>72,948</b>	22,418
<b>Administration expenses</b>			
Goodwill impairment provision	(i)	<b>4,993</b>	-
Development of 'World of Antiques'		-	10,794
National Insurance provision	(ii)	<b>(2,378)</b>	2,432
Restructuring costs	(iii)	<b>924</b>	-
		<b>3,539</b>	13,226

#### (i) Goodwill impairment provision

Note 16 details the goodwill that has arisen on the acquisitions of subsidiary undertakings during the year.

UK GAAP prescribes that the carrying value of goodwill should be no more than the higher of the stand alone value of the assets in use and their net realisable value.

Most of the goodwill arising during the year was attributable to the market value of the Company's shares when they were issued as consideration for acquisitions. Subsequent falls in the value of the Company's shares have been considered in assessing net realisable value. Stand alone valuations have been calculated using the present value of discounted projected cash flows.

Having considered these tests, the initial carrying value of goodwill has been impaired primarily due to the decrease in the market valuation of the Company's shares between the date of acquisition and the balance sheet date.

The carrying value of goodwill on the consolidated balance sheet is being amortised over periods up to 39 months from the date of acquisition.

#### (ii) National Insurance provision

The provision for the year ended 31 March 2000 has been restated in accordance with UITF 25 to account for the potential liability arising on the exercise of share options based upon the market value of options at the balance sheet date and spread over the vesting period of the options as opposed to a single charge at the time of grant. For the year ended 31 March 2001 the provision for any potential National Insurance liability has decreased in line with the movement in the Company's share price.

#### (iii) Restructuring costs

During the year ended 31 March 2001, the Company incurred exceptional restructuring costs as a result of its acquisitions of ricardo.de AG and Bidlet AB totalling £924,000. The minority interest associated with these restructuring costs is £370,000.

### 4 Operating loss

	31 March 2001 £'000	31 March 2000 £'000
<b>The operating loss is stated after charging</b>		
Exchange (gain)/loss	<b>(67)</b>	478
Amortisation of intangible fixed assets	<b>16,304</b>	152
Exceptional write off of goodwill	<b>77,941</b>	22,418
Depreciation of tangible fixed assets – owned assets	<b>5,814</b>	1,475
– under finance leases	<b>198</b>	64
Loss on disposals of fixed assets	-	17
Operating lease rentals – land and buildings	<b>384</b>	241
Auditors' remuneration – audit (Company: £60,000)	<b>102</b>	50
Auditors' remuneration – other services*	<b>141</b>	341
Development expenditure (excluding exceptional item in note 3)	<b>1,012</b>	2,840

\*In addition to these amounts, fees of £464,000 were also charged by PricewaterhouseCoopers in connection with the Company's obligations to report in accordance with the Listing Rules in connection with acquisitions during the year. These have been capitalised as costs of acquisition or included in share issue costs as appropriate.

## 5 Directors and employees

	<b>31 March 2001 Number</b>	31 March 2000 Number
<b>The average monthly number of persons (including directors) employed by the Group during the year was</b>		
Sales and marketing	<b>211</b>	59
Technical	<b>87</b>	17
General and administration	<b>85</b>	32
	<b>383</b>	108

	<b>31 March 2001 £'000</b>	31 March restated 2000 £'000
<b>Staff costs for the above persons</b>		
Wages and salaries	<b>9,363</b>	2,647
Charge for share awards	-	175
Social security costs	<b>1,442</b>	273
National Insurance on share options	-	2,432
Pension costs*	<b>243</b>	9
	<b>11,048</b>	5,536

\*The Group contributes to a defined contribution group personal pension scheme for many of its employees.

## 6 Directors' emoluments

Details of directors' emoluments are shown in the Report of the Remuneration Committee on page 28.

## 7 Interest receivable and similar income

All interest receivable and similar income consisted of interest earned on bank and money market deposits.

## 8 Interest payable and similar charges

	<b>31 March 2001 £'000</b>	31 March 2000 £'000
Finance leases	<b>52</b>	6
Interest and issue costs on 2% convertible bonds	<b>253</b>	-
Bank loans and overdrafts	<b>28</b>	7
	<b>333</b>	13

## 9 Taxation

No taxation charge has arisen for the year. The Group has accumulated estimated tax losses of approximately £100.0 million, (2000: £43.7 million) available to carry forward and offset against future trading profits. This represents an unprovided deferred tax asset of approximately £30 million (2000: £13 million). Included within this balance are accelerated capital allowances of £2 million (2000: £142,000).

## 10 Dividends and appropriations

	<b>31 March 2001 £'000</b>	31 March 2000 £'000
<b>Non-equity dividends were appropriated as follows:</b>		
Series C preference dividend at 8% of subscribed amount	-	319
Series D preference dividend at 8% of subscribed amount	-	510
Appropriation for issue costs	-	1,283
	-	2,112

In accordance with Financial Reporting Standard 4, 'Capital Instruments', cumulative dividends and issue costs relating to preference shares were charged in the profit and loss account for the previous year.

## 11 Loss for the year

As permitted by Section 230(1) of the Companies Act 1985, the Company's profit and loss account has not been included in these financial statements. The Company's loss after taxation for the financial year was £134,103,000 (2000: loss £68,149,000, restated).

## 12 Loss per ordinary share

	<b>31 March 2001 £'000</b>	31 March 2000 £'000
Loss after taxation	<b>(139,040)</b>	(66,667)
Less: appropriations for preference shares	-	(2,112)
Loss attributable to ordinary shareholders	<b>(139,040)</b>	(68,779)
Weighted average number of shares	<b>462,706</b>	288,548
Per share amount (pence)	<b>(30.0)p</b>	(23.8)p

In accordance with UK GAAP the number of shares is based on the weighted average number of shares after taking account of the bonus issue of 6 April 2000.

The Company has share options, warrants and convertible bonds which are potentially ordinary shares. However the impact on the net loss of these potential ordinary shares is anti-dilutive.

### 13 Intangible fixed assets

<b>Group</b>	Goodwill £'000	Other £'000	Total £'000
Cost at 1 April 2000	23,005	–	23,005
Goodwill arising on acquisitions during the year (note 16)	116,295	–	116,295
Additions through acquisitions	839	631	1,470
<b>31 March 2001</b>	<b>140,139</b>	<b>631</b>	<b>140,770</b>
Amortisation at 1 April 2000	22,570	–	22,570
Exceptional impairment provision (note 3)	77,941	–	77,941
Charge for the year	16,164	140	16,304
<b>31 March 2001</b>	<b>116,675</b>	<b>140</b>	<b>116,815</b>
<b>Net book value at 31 March 2001</b>	<b>23,464</b>	<b>491</b>	<b>23,955</b>
Net book value at 31 March 2000	435	–	435

<b>Company</b>	Goodwill and other £'000
Cost at 1 April 2000	3,179
Additions	68
<b>31 March 2001</b>	<b>3,247</b>
Amortisation at 1 April 2000	3,089
Charge for the year	90
<b>31 March 2001</b>	<b>3,179</b>
<b>Net book value at 31 March 2001</b>	<b>68</b>
Net book value at 31 March 2000	90

Other intangible assets include capitalised website development costs.

**14 Tangible fixed assets**

<b>Group</b>	Furniture and office equipment £'000	Computer systems and equipment £'000	Internal computer software capitalised £'000	External computer software capitalised £'000	Total £'000
Cost at 1 April 2000	291	5,492	2,324	676	8,783
Additions through acquisition	352	1,562	207	573	2,694
Additions	32	1,712	558	116	2,417
Disposals	–	(288)	(364)	–	(652)
<b>31 March 2001</b>	<b>676</b>	<b>8,479</b>	<b>2,726</b>	<b>1,364</b>	<b>13,245</b>
Depreciation at 1 April 2000	69	727	652	100	1,548
Charge for the year	216	3,341	2,074	381	6,012
Disposals	–	(288)	(364)	–	(652)
<b>31 March 2001</b>	<b>285</b>	<b>3,780</b>	<b>2,362</b>	<b>481</b>	<b>6,908</b>
<b>Net book value at 31 March 2001</b>	<b>391</b>	<b>4,699</b>	<b>364</b>	<b>883</b>	<b>6,337</b>
Net book value at 31 March 2000	223	4,762	1,672	576	7,233

Included within 'Computer systems and equipment' are assets held under finance leases, with a net book value of £573,000 (2000: £640,000). Depreciation charged during the year to these assets was £198,000 (2000: £63,000).

Disposals relate to fully depreciated assets no longer in use.

<b>Company</b>	Furniture and office equipment £'000	Computer systems and equipment £'000	Internal computer software capitalised £'000	External computer software capitalised £'000	Total £'000
Cost at 1 April 2000	145	5,319	2,283	501	8,248
Additions	3	1,497	548	116	2,164
Disposals	–	(288)	(364)	–	(652)
<b>31 March 2001</b>	<b>148</b>	<b>6,528</b>	<b>2,467</b>	<b>617</b>	<b>9,760</b>
Depreciation at 1 April 2000	34	709	614	100	1,457
Charge for the year	47	2,178	1,898	192	4,315
Disposals	–	(288)	(364)	–	(652)
<b>31 March 2001</b>	<b>81</b>	<b>2,599</b>	<b>2,148</b>	<b>292</b>	<b>5,120</b>
<b>Net book value at 31 March 2001</b>	<b>67</b>	<b>3,929</b>	<b>319</b>	<b>325</b>	<b>4,640</b>
Net book value at 31 March 2000	111	4,610	1,669	401	6,791

Included within 'Computer systems and equipment' are assets held under finance leases, with a net book value of £573,000 (2000: £640,000). Depreciation charged during the year to these assets was £198,000 (2000: £63,000).

Disposals relate to fully depreciated assets no longer in use.

## 15 Investments

<b>Group</b>	<b>31 March 2001 £'000</b>	31 March 2000 £'000
At 1 April 2000	-	-
Additions through acquisition	<b>1,616</b>	-
Impairment provision	<b>(1,384)</b>	-
<b>At 31 March 2001</b>	<b>232</b>	-

<b>Company</b>	<b>31 March 2001 £'000</b>	31 March 2000 £'000
At 1 April 2000	<b>356</b>	24
Additions in the year	<b>125,283</b>	13,299
Impairment provision	<b>(101,711)</b>	(12,967)
<b>At 31 March 2001</b>	<b>23,928</b>	356

The following subsidiary undertakings have been included in these consolidated financial statements using acquisition accounting:

<b>Name of undertaking</b>	Country of incorporation	Ordinary shares held 31 March 2001	Book value 31 March 2000 £'000	Acquisitions £'000	Capital contribution £'000	Impairment provision £'000	<b>Book value 31 March 2001 £'000</b>
QXL Sarl	France	100%	6	-	-	-	<b>6</b>
QXL GmbH	Germany	73%	18	36,080 <sup>(3)</sup>	-	(28,819)	<b>7,279</b>
QXL Srl	Italy	95% <sup>(1)</sup>	3	-	-	-	<b>3</b>
QXL BV	Netherlands	100%	-	-	-	-	-
QXL SL	Spain	100%	2	-	-	-	<b>2</b>
QXL Finland OY	Finland	100%	5	-	-	-	<b>5</b>
QXL Sweden AB	Sweden	100%	7	-	-	-	<b>7</b>
QXL Marketing e Projectos Lda	Portugal	100%	-	-	-	-	-
Quixell Ltd	UK	100%	-	-	-	-	-
Quixell Ltd	Eire	100%	-	-	-	-	-
QXL Aukasjon Norge AS	Norway	100%	263	-	-	(68)	<b>195</b>
QXL Denmark ApS	Denmark	100%	2	-	400 <sup>(2)</sup>	-	<b>402</b>
QXL Sp zoo	Poland	100%	48	-	-	(10)	<b>38</b>
(Under incorporation)	Greece	-	2	-	-	-	<b>2</b>
Idefi SA	Luxembourg	100%	-	2,525	-	(2,525)	-
ibidlive NV	Netherlands	62%	-	6,780	-	(6,780)	-
Bidlet AB	Sweden	99.6%	-	62,152	8,607	(63,509)	<b>7,250</b>
ricardo.de AG	Germany	66% <sup>(3)</sup>	-	8,739 <sup>(3)</sup>	-	-	<b>8,739</b>
<b>At 31 March 2001</b>			<b>356</b>	<b>116,276</b>	<b>9,007</b>	<b>(101,711)</b>	<b>23,928</b>

<sup>(1)</sup> The other 5% is owned by Quixell Limited (UK).

<sup>(2)</sup> Acquisition of new capital issued during the year.

<sup>(3)</sup> QXL ricardo plc holds 0.56% of ricardo.de AG's share capital directly, the remainder is held by its subsidiary QXL GmbH.

Investments are stated at cost less provisions for impairment. The principal activity of all the trading Group companies is the provision of internet auction related services. QXL Finland OY, QXL Marketing e Projectos Lda, Quixell Limited (UK), QXL Sweden AB and Quixell Limited (Eire) were dormant.

QXL BV, QXL SL, QXL Marketing e Projectos Lda, QXL Aukasjon Norge AS and ibidlive NV have December year ends due to local legal requirements. All other companies have March year ends.

### Acquired subsidiaries

Note 16 discloses how the investments have been treated in the Company's accounts and the goodwill arising on acquisition has been calculated.

## 16 Acquisitions

QXL ricardo plc made a number of acquisitions during the year, some of which were piecemeal. The details of these acquisitions are given below.

### ibidlive NV

On 3 April 2000, QXL ricardo plc acquired 50% of ibidlive NV a company incorporated in the Netherlands for a consideration of £4,800,966 satisfied by the issue of 506,431 new ordinary shares at £9.48 each. The fair value of the share of the net assets acquired was £2,070,495.

During the period in which ibidlive NV was a joint venture the Group's share of net losses was £3.4 million.

On 24 October 2000, QXL ricardo plc increased its stake in ibidlive NV from 50% to 62% for a consideration of £1,676,525 satisfied by the issue of 5,158,539 ordinary shares at £0.325 each.

The fair value of the Group's share of the net liabilities acquired from this secondary transaction after minority interests was £98,744.

If goodwill on the acquisition of ibidlive NV on 24 October 2000 had been calculated in accordance with the basis set out in the Companies Act 1985, £2.5 million of the Group's share of the retained losses of ibidlive NV would have been reclassified as goodwill and the total goodwill would have been £7.3 million.

Applying the true and fair override in accordance with FRS 2 the total goodwill arising on the transaction was £4.8 million, which has been fully amortised during the year subsequent to an impairment review.

ibidlive NV was treated as a joint venture in the Group financial statements up to the date on which it became a subsidiary undertaking after which it has been consolidated using the acquisition method.

### Idefi SA

On 14 April 2000 QXL ricardo plc acquired all the issued share capital of Idefi SA a company incorporated in Luxembourg for a total consideration of £2,524,939 satisfied by the following issues of shares: on 14 April 2000 392,340 ordinary shares at £2.88 each, on 26 July 2000 871,875 ordinary shares at £0.80 each and on 24 January 2001 3,321,429 ordinary shares at £0.21 each.

The fair value of the share of the net assets acquired at 14 April 2000 was £nil.

Total goodwill arising on the transaction amounted to £2.5 million. In recognition of the material change in the Company's share price since acquisition, an exceptional impairment provision has been made against the total value of this goodwill.

Idefi SA has been consolidated using the acquisition method.

### Bidlet AB

On 29 June 2000, QXL ricardo plc acquired 48.4% of the issued share capital of Bidlet AB, a company incorporated in Sweden, for a consideration of £35,280,174 satisfied by the issue of 35,280,174 ordinary shares at £1.00 each. The fair value of the share of the net liabilities acquired at 29 June 2000 was £3,001,062.

On 7 September 2000, QXL ricardo plc acquired a further 50.2% of the issued share capital of Bidlet AB for a further consideration of £22,018,561 satisfied by the issue of 34,137,304 ordinary shares at £0.645 each, bringing its total holding to 98.6%. The fair value of the share of the net liabilities acquired at 7 September 2000 was £4,948,486.

A further 0.98% of the share capital was acquired on 8 November 2000, as a result of an extension of the public tender offer, for a consideration of £190,973 satisfied by the issue of 670,079 ordinary shares at £0.285 each. The fair value of the share of the net liabilities acquired at 8 November 2000 was £107,845.

QXL ricardo plc's current total holding in Bidlet AB is 99.6%.

Total goodwill arising on the transaction so far amounts to £70 million. An exceptional impairment provision of £50 million has been made against this and the balance is being amortised over 39 months from the date of acquisition, being the anticipated useful economic life.

Bidlet AB has been consolidated using the acquisition method.

From the date of acquisition to 31 March 2001 Bidlet AB contributed £7.2 million to Group turnover, £5.8 million to Group loss before interest and £5.8 million to Group loss after interest. Bidlet AB contributed £5.2 million to the Group's net operating cash outflows, received £43,000 in respect of interest and utilised £125,000 for capital expenditure. No taxation was paid.

In its last financial year to 31 December 1999 Bidlet AB made a loss after tax and minority interests of £3.4 million. From the period since that date to the date of acquisition, Bidlet AB unaudited management accounts show:

	£'000
Turnover	7,113
Operating loss	(12,108)
(Loss) before taxation	(12,487)
Taxation and minority interests	-
(Loss) attributable to shareholders	(12,487)
Total recognised losses for the period	(12,487)

## 16 Acquisitions (continued)

### ricardo.de AG

On 24 November 2000, QXL ricardo plc issued 126,280,216 ordinary shares at £0.25 each in exchange for an effective holding of 44.8% of ricardo.de AG. The preliminary fair value of the Group's share of the net assets acquired in total after minority interests was £3.9 million.

On 4 January 2001 a further 34,143,374 shares were issued under certain exchange rights granted at the time of the acquisition, increasing the Group interest in ricardo.de AG to 56.8%.

On 30 March 2001 a further 26,613,017 shares were issued under the exchange rights bringing the total Group interest in ricardo.de AG to 66.2%.

Total goodwill arising on the transaction so far amounts to £38.7 million. An exceptional impairment provision of £21.4 million was made against the value of this goodwill, the balance of which is being amortised over 34 months from the date of acquisition, being the anticipated useful economic life.

ricardo.de AG has been consolidated using the acquisition method.

From the date of acquisition to 31 March 2001 ricardo.de AG contributed £1.4 million to Group turnover, £4.9 million to Group loss before interest and £4.7 million to Group loss after interest. ricardo.de AG contributed £3.3 million to the Group's net operating cash outflows, paid £5,000 in respect of interest and utilised £300,000 for capital expenditure. No taxation was paid.

In its last financial year to 30 June 2000 ricardo.de AG made a loss after tax and minority interests of £20.7 million. From the period since that date to the date of acquisition, ricardo.de AG unaudited management accounts show:

	£'000
Turnover	4,856
Operating loss	(13,266)
(Loss) before taxation	(13,220)
Taxation and minority interests	–
(Loss) attributable to shareholders	(13,220)
Total recognised losses for the period	(13,220)

<b>Fair value table and calculation of goodwill</b>	Book value £'000	Revaluation £'000	Fair value £'000	Consideration £'000	Goodwill £'000
<b>ibidlive NV</b>					
Tangible fixed assets	933	–	933		
Intangible assets	850	–	850		
Investments	307	–	307		
Debtors	165	–	165		
Cash at bank	542	–	542		
Creditors: amounts falling due within one year	(3,620)	–	(3,620)		
<b>Net assets/(liabilities) at 30 October 2000</b>	<b>(823)</b>	<b>–</b>	<b>(823)</b>		
<b>Consideration satisfied by:</b>					
Cash (all acquisition costs)				302	
Shares issued (506,431 at 948p) on 3 April 2000				4,801	
Shares issued (5,158,539 at 32.5p) on 24 October 2000				1,677	
<b>Total consideration</b>				<b>6,780</b>	
<b>Total goodwill arising on acquisition</b>					<b>4,808</b>

The provisional fair value of net assets at 3 April 2000 was £4,140,990.

<b>Fair value table and calculation of goodwill</b>	Book value £'000	Revaluation £'000	Fair value £'000	Consideration £'000	Goodwill £'000
<b>Idefi SA</b>					
Intangible assets	284	(284)	–		
<b>Net assets acquired:</b>	<b>284</b>	<b>(284)</b>	<b>–</b>		
<b>Consideration satisfied by:</b>					
Shares issued (392,340 at 288p) on 14 April 2000				1,130	
Shares issued (871,875 at 80p) on 24 July 2000				698	
Shares issued (3,321,429 at 21p) on 24 January 2001				697	
<b>Total consideration</b>				<b>2,525</b>	
<b>Total goodwill arising on acquisition</b>					<b>2,525</b>

A revaluation was made to reflect the considered carrying value of Idefi SAs intangible assets.

**16 Acquisitions (continued)**

<b>Fair value table and calculation of goodwill</b>	Book value £'000	Revaluation £'000	Fair value £'000	Consideration £'000	Goodwill £'000
<b>Bidlet AB</b>					
<b>Net assets:</b>					
Tangible fixed assets	449	458	907		
Intangible assets	166	101	267		
Debtors	743	1,433	2,176		
Stock	2,548	(436)	2,112		
Cash at bank	1,857	-	1,857		
Creditors: amounts falling due within one year	(4,900)	-	(4,900)		
Creditors: amounts falling due in more than one year	(8,620)	-	(8,620)		
<b>Net liabilities at 30 June 2000</b>	<b>(7,757)</b>	<b>1,556</b>	<b>(6,201)</b>		
<b>Consideration satisfied by:</b>					
Cash (all acquisition costs)				3,742	
Shares issued (35,280,174 at 100p) on 29 June 2000				35,280	
Shares issued (34,137,305 at 64.5p) on 7 September 2000				22,019	
Shares issued (670,080 at 28.5p) on 8 November 2000				190	
Cost of exercising warrants				921	
<b>Total consideration</b>				<b>62,152</b>	
<b>Total goodwill arising on acquisition</b>					<b>70,220</b>

Revaluations of Bidlet AB's balance sheet were made in order to align its accounting policies with those of the Group and revaluation adjustments were made in respect of advertising prepayments.

The provisional fair value of net liabilities at 7 September 2000 was £9,858,000 and the provisional fair value of net liabilities at 8 November 2000 was £11,005,000.

<b>Fair value table and calculation of goodwill</b>	Book value £'000	Revaluation £'000	Fair value £'000	Consideration £'000	Goodwill £'000
<b>ricardo.de AG</b>					
<b>Net assets:</b>					
Tangible fixed assets	854	-	854		
Intangible assets	353	-	353		
Investments	1,309	-	1,309		
Debtors	1,279	-	1,279		
Stock	147	-	147		
Cash at bank	8,815	-	8,815		
Creditors: amounts falling due within one year	(4,026)	-	(4,026)		
Creditors: amounts falling due in more than one year	(87)	-	(87)		
<b>Net assets at 24 November 2000</b>	<b>8,644</b>	<b>-</b>	<b>8,644</b>		
<b>Consideration satisfied by:</b>					
Cash (all acquisition costs)				8,617	
Shares issued (126,280,216 at 25p) on 24 November 2000				31,570	
Shares issued (34,143,374 at 8.5p) on 3 January 2001				2,902	
Shares issued (26,613,017 at 6.5p) on 30 March 2001				1,730	
<b>Total consideration</b>				<b>44,819</b>	
<b>Total goodwill arising on acquisition</b>					<b>38,742</b>

The provisional fair value of net assets at 3 January 2000 was £5,764,000. The provisional fair value of net assets at 30 March 2001 was £6,290,000.

	Goodwill £'000
<b>Total goodwill additions for the year (note 13)</b>	<b>116,295</b>

## 17 Stock

	<b>Group</b> <b>31 March</b> <b>2001</b> <b>£'000</b>	Group 31 March 2000 £'000	<b>Company</b> <b>31 March</b> <b>2001</b> <b>£'000</b>	Company 31 March 2000 £'000
Goods for resale	<b>295</b>	401	<b>6</b>	401

The directors do not consider that the replacement cost of stock differs substantially from the historical cost.

## 18 Debtors

	<b>Group</b> <b>31 March</b> <b>2001</b> <b>£'000</b>	Group 31 March 2000 £'000	<b>Company</b> <b>31 March</b> <b>2001</b> <b>£'000</b>	Company 31 March 2000 £'000
<b>Amounts due within one year</b>				
Trade debtors	<b>1,189</b>	549	<b>850</b>	549
Other debtors	<b>5,817</b>	4,301	<b>3,276</b>	3,301
Prepayments and accrued income	<b>574</b>	1,524	<b>464</b>	1,299
Amounts due from subsidiary undertakings	<b>-</b>	-	<b>8,464</b>	1,171
	<b>7,580</b>	6,374	<b>13,054</b>	6,320
<b>Amounts due after more than one year</b>				
Prepayments	<b>321</b>	-	<b>321</b>	-
	<b>321</b>	-	<b>321</b>	-

## 19 Cash at bank and in hand

	<b>Group</b> <b>31 March</b> <b>2001</b> <b>£'000</b>	Group 31 March 2000 £'000	<b>Company</b> <b>31 March</b> <b>2001</b> <b>£'000</b>	Company 31 March 2000 £'000
Cash at bank and in hand	<b>11,243</b>	8,495	<b>3,382</b>	7,273
Short-term deposits	<b>13,042</b>	69,167	<b>13,042</b>	69,167
	<b>24,285</b>	77,662	<b>16,424</b>	76,440

## 20 Creditors: amounts due within one year

	<b>Group</b> <b>31 March</b> <b>2001</b> <b>£'000</b>	Group 31 March 2000 £'000	<b>Company</b> <b>31 March</b> <b>2001</b> <b>£'000</b>	Company 31 March 2000 £'000
Trade creditors	<b>5,137</b>	4,004	<b>3,672</b>	4,004
Other taxation and social security	<b>1,018</b>	126	<b>1,018</b>	126
Other creditors	<b>3,152</b>	3,399	<b>663</b>	1,104
Accruals	<b>3,836</b>	1,935	<b>715</b>	1,838
Finance lease obligations	<b>238</b>	267	<b>238</b>	267
	<b>13,381</b>	9,731	<b>6,306</b>	7,339

## 21 Creditors: amounts due after one year

	Group 31 March 2001 £'000	Group 31 March 2000 £'000	Company 31 March 2001 £'000	Company 31 March 2000 £'000
Finance lease obligations	97	237	97	237
Other creditors	316	100	-	100
	<b>413</b>	<b>337</b>	<b>97</b>	<b>337</b>

### Maturity of financial liabilities

	Group 31 March 2001 £'000	Group 31 March 2000 £'000	Company 31 March 2001 £'000	Company 31 March 2000 £'000
<b>Future minimum payments under finance leases are as follows:</b>				
Due within one year	238	267	238	267
Due in more than one year but not more than two years	97	237	97	237
	<b>335</b>	<b>504</b>	<b>335</b>	<b>504</b>

The weighted average fixed interest rate implicit on the finance leases is 11.35%.

## 22 2% Convertible Bonds and associated warrants

### Convertible Bonds

On 13 February 2001 the Company issued £5 million of 2% Convertible Series A Bonds ('A Bonds'). These can be converted by the holder into ordinary shares at any time until 13 February 2004. The A Bonds will convert automatically on this date if not converted or redeemed beforehand.

The conversion price for the A Bonds as of 31 March 2001 was 17.6669p. On 13 May 2001, the price was reset to 6.4581p. With effect from 13 August 2001, the A Bonds will remain convertible at this price or, if lower, at a price that is the average of the three highest of the five lowest Volume Weighted Average Prices ('VWAPs') during the 15 trading days prior to the date of delivery of a conversion notice.

The maximum number of new ordinary shares that may be issued pursuant to the conversion of the A Bonds is 116,133,228 shares.

The ordinary shares into which the Convertible Bonds convert will rank pari passu with all the other ordinary shares of the Company and as such will rank equally for any dividends.

None of the bonds were converted before year end.

### Warrants

On 13 February 2001, pursuant to the agreement to issue Convertible Bonds, the Company issued 19,811,081 warrants over the same number of the Company's ordinary shares with an exercise price of 15.774p (the 'A Warrants') to the bondholders. No value was assigned to the A Warrants because the exercise price was higher than the market value of the Company's ordinary shares at the time of issue.

## 23 Provisions for liabilities and charges

	Group and Company 31 March 2001 £'000	Group and Company 31 March restated 2000 £'000
<b>National Insurance on share options</b>		
At 1 April 2000 (restated following prior year adjustment of £9,125,000)	2,432	-
(Released)/charged during the year	(2,378)	2,432
Utilised on exercise of options	(54)	-
<b>At 31 March 2001</b>	<b>-</b>	<b>2,432</b>

	Group and Company 31 March 2001 £'000	Group and Company 31 March restated 2000 £'000
<b>The maturity profile of this financial liability, assuming that all outstanding share options are exercised at the earliest opportunity, is as follows</b>		
Falling due within one year	-	2,432

## 24 Share capital

	Group and Company 31 March 2001	Group and Company 31 March 2000
<b>Authorised</b>		
1,700,000,000 (2000: 200,000,000) ordinary shares of £0.001 each	<b>1,700,000</b>	200,000
Six special shares of £1 each	<b>6</b>	–
	<b>1,700,006</b>	200,000
<b>Allotted, called up and fully paid</b>		
635,227,217 (2000: 118,804,474) ordinary shares of £0.001 each	<b>635,221</b>	118,804
Six special shares of £1 each	<b>6</b>	–

On 6 April 2000 the Company reorganised its share capital. A bonus issue of two shares for each share held was made. In this note, numbers for the year ended 31 March 2000 are shown before the effect of the 2 for 1 bonus issue.

### Share issues

The following shares were issued during the year:	Group and Company			Reason for issue
	Number of shares	Share capital £	Share premium £'000	
April 2000	506,431	506	4,800,460	Shares issued as part payment for the acquisition of ibidlive NV
April 2000	238,621,810	238,622	(238,622)	2 for 1 bonus issue of shares
April 2000	392,340	392	–	Shares issued as part payment for the acquisition of I-Deal SAS and Idefi SA
May 2000	2,307,693	2,308	9,291,282	Shares issued as part payment for the acquisition of World of Antiques
June 2000	2,632,458	2,633	120,978	Exercise of options
June 2000	35,280,174	35,280	35,244,894	Shares issued as part payment for the acquisition of Bidlet AB
July 2000	871,875	872	–	Shares issued as part payment for the acquisition of I-Deal SAS and Idefi SA
August 2000	100,000	100	53,165	Exercise of options
September 2000	34,137,305	34,137	21,984,424	Shares issued as part payment for the acquisition of Bidlet AB
September 2000	4,786,560	4,787	232,733	Exercise of options
October 2000	5,158,539	5,159	1,671,367	Shares issued as part payment for the acquisition of ibidlive NV
November 2000	670,080	670	190,303	Shares issued as part payment for the acquisition of Bidlet AB
November 2000	126,280,216	126,280	31,443,774	Shares issued as part payment for the acquisition of ricardo.de AG
December 2000	354,517	355	18,280	Exercise of options
January 2001	34,143,374	34,143	2,868,044	Shares issued as part payment for the acquisition of ricardo.de AG
January 2001	244,925	245	7,358	Exercise of options
January 2001	3,321,429	3,321	–	Shares issued as part payment for the acquisition of I-Deal SAS and Idefi SA
March 2001	26,613,017	26,613	1,703,233	Shares issued as part payment for the acquisition of ricardo.de AG
	<b>516,422,743</b>	<b>516,423</b>		<b>Movement for the year</b>
	118,804,474	118,804		Shares outstanding at 1 April 2000
	<b>635,227,217</b>	<b>635,227</b>		<b>Shares outstanding at 31 March 2001</b>

On 6 April 2000 the Company approved a bonus issue of two ordinary shares, nominal value £0.001 each, in QXL ricardo plc for every ordinary share held. This resulted in an increase in the issued share capital to 357,932,715 ordinary shares, nominal value £0.001, as at 6 April 2000.

### Ordinary shares

Ordinary shares are equal in value and have an equitable interest in the Company. The holders of ordinary shares are entitled to any dividends declared in relation thereto by the directors. Each holder of an ordinary share is entitled to one vote at general meetings of the Company. The holders of ordinary shares, upon the liquidation of the Company, are entitled to share in the surplus assets of the Company.

### Special shares

Pending full exercise of their exchange rights granted at the time of the acquisition of ricardo.de AG, the former majority shareholders of ricardo.de AG were issued in total six special shares in QXL ricardo plc. These special shares give the holders substantially the same rights they would have had if they had fully exercised their exchange rights over ordinary shares in QXL ricardo plc.

The special shares also bestow on the former majority shareholders of ricardo.de AG the right to nominate jointly two directors of QXL ricardo plc whilst their aggregate voting rights in the company equal or exceed 12% of the issued share capital. No director has been appointed pursuant to these rights.

## 25 Options and warrants in shares

Option holder	At 31 March 2000	Granted during year	Number exercised during year	Lapsed during year	Surrendered during year	At 31 March 2001	Exercise price	Exercise period
Directors in total	25,779,630	19,299,560	2,500,000	-	10,707,770	<b>31,871,420</b>	<b>£0.01 – £0.12</b>	2000 to 2011
Staff in total	25,840,143	41,309,490	5,618,460	11,987,423	17,835,420	<b>31,708,330</b>	<b>£0.01 – £4.13</b>	2000 to 2011
Warrants								
A Warrants	-	19,811,081	-	-	-	<b>19,811,081</b>	<b>£0.1577</b>	2001 – 2004
Advisers								
Ordinary shares	130,200	-	-	-	-	<b>130,200</b>	<b>£3.50</b>	1999 – 2002
Mr Hugh Scully								
Ordinary shares	2,307,693	-	2,307,693	-	-	<b>-</b>	<b>£1.95</b>	1999 – 2000

Options issued to directors and staff are in respect of ordinary shares. Employee options vest over a four year period based on the date the option is granted.

All share numbers have been quoted post the two for one bonus issue on 6 April 2000.

## 26 Share premium and reserves

Group and Company	Group			Company		
	Share premium account £'000	Merger reserve £'000	Profit and loss account restated £'000	Share premium account £'000	Merger reserve £'000	Profit and loss account restated £'000
Balance at 1 April 2000 as previously stated	111,919	6,617	(57,469)	111,919	-	(50,167)
Prior period adjustment – National Insurance on options	-	-	9,125	-	-	9,125
Balance at 1 April 2000 as restated	111,919	6,617	(48,344)	111,919	-	(41,042)
Retained loss for the financial year	-	-	(139,040)	-	-	(134,103)
Costs of issuing Convertible Bonds	(241)	-	241	(241)	-	241
Premium on shares issued to former owners of Idefi SA and IDeal SAS	-	2,520	-	-	2,520	-
Premium on shares issued to former owners of ibidlive NV	6,482	-	-	6,482	-	-
Premium on shares issued to former owners of Bidlet AB	57,420	-	-	57,420	-	-
Premium on shares issued to former owners of ricardo.de AG	36,015	-	-	36,015	-	-
Premium arising on acquisition of World of Antiques	9,291	-	-	9,291	-	-
Costs of issue of shares	(2,231)	-	-	(2,231)	-	-
Bonus issue	(239)	-	-	(239)	-	-
Premium on options exercised	440	-	-	440	-	-
Accrued compensation expense	-	-	(80)	-	-	(80)
Exchange adjustment	-	-	170	-	-	-
<b>Balance at 31 March 2001</b>	<b>218,856</b>	<b>9,137</b>	<b>(187,053)</b>	<b>218,856</b>	<b>2,520</b>	<b>(174,984)</b>

## 27 Reconciliation of movement in equity shareholders' funds

	Group 31 March 2001 £'000	Group 31 March restated 2000 £'000	Company 31 March 2001 £'000	Company 31 March restated 2000 £'000
Loss for the year	(139,040)	(66,667)	(134,103)	(59,024)
Dividends and appropriations	-	(2,112)	-	(2,112)
	<b>(139,040)</b>	<b>(68,779)</b>	<b>(134,103)</b>	<b>(61,136)</b>
Issue of capital to former owners of QXL Denmark ApS	-	6,617	-	-
Issue of capital to former owners of Idefi SAS and I-Deal SA	2,525	-	2,525	-
Issue of capital to former owners of Bidlet AB	57,490	-	57,490	-
Issue of capital to former owners of ibidlive NV	6,489	-	6,489	-
Issue of capital to former owners of ricardo.de AG	36,202	-	36,202	-
Issue of capital in respect of development of World of Antiques	9,293	-	9,293	-
Issue of capital including share premium	(9,294)	124,529	(9,294)	124,529
Capital to be issued	-	9,294	-	9,294
Accrued compensation expense	(80)	175	(80)	175
Options exercised	446	-	446	-
Costs of issue of shares	(2,231)	-	(2,231)	-
Exchange adjustment	170	341	-	-
Reversal of non-equity dividends	-	829	-	829
Net (decrease)/increase in shareholders' funds	<b>(38,030)</b>	73,006	<b>(33,263)</b>	73,691
Opening shareholders' funds as restated*	<b>79,605</b>	6,599	<b>80,290</b>	6,599
<b>Closing shareholders' funds</b>	<b>41,575</b>	79,605	<b>47,027</b>	80,290

\*Restated for a prior year adjustment, following the introduction of UITF 25, of £9,125,000.

## 28 Financial commitments

	31 March 2001 £'000	31 March 2000 £'000
<b>Annual commitments under non-cancellable operating leases expiring</b>		
Within one year	<b>367</b>	-
Within two to five years	<b>256</b>	321
After five years	-	-
	<b>623</b>	321

## 29 Financial instruments

### Financial instruments and risk management

The Group invests surplus funds in triple A rated money market deposits. Throughout the period under review it has been the Group's policy that no trading in financial instruments shall be undertaken. Similarly the Group did not undertake any financial hedging arrangements during this period. The year end position reflects these policies and there have been no changes in policies or risks since year end.

The main risks arising from the Group's financial instruments are interest risk and foreign currency risk. Interest rates are monitored to ensure best available returns are achieved. The Group's principal exposure to exchange rate fluctuations arises on the translation of overseas net assets and losses into sterling for reporting purposes and on the translation of inter company balances which fund overseas subsidiaries. On an operating basis funds are exchanged monthly into Euros or other European currencies at spot rates to meet the cash needs of the non-UK subsidiaries.

### Short-term debtors and creditors

Short-term debtors and creditors have been excluded from all the following disclosures, other than the currency risk disclosures.

### Interest rate profile of financial assets

The interest rate profile of the Group's financial assets at 31 March 2001 was:

	Cash at bank and in hand 31 March 2001 £'000	Short-term deposits 31 March 2001 £'000	Total 31 March 2001 £'000	Cash at bank and in hand 31 March 2000 £'000	Short-term deposits 31 March 2000 £'000	Total 31 March 2000 £'000
<b>Currency</b>						
Euro/Euro denominated	7,161	-	7,161	1,061	-	1,061
Sterling	3,238	13,042	16,280	7,231	69,167	76,398
Swedish Krona	306	-	306	7	-	7
US Dollar	226	-	226	(4)	-	(4)
Other	312	-	312	200	-	200
<b>Total</b>	<b>11,243</b>	<b>13,042</b>	<b>24,285</b>	<b>8,495</b>	<b>69,167</b>	<b>77,662</b>
Floating rate	11,243	-	11,243	8,495	-	8,495
Fixed rate	-	13,042	13,042	-	69,167	69,167
	<b>11,243</b>	<b>13,042</b>	<b>24,285</b>	<b>8,495</b>	<b>69,167</b>	<b>77,662</b>

Interest rates on floating rate financial assets are linked to base rates. Fixed rate investments have a weighted average interest rate of 5.1%, fixed for the duration of the deposits.

Funds are held in Euros and other foreign currency accounts to enable the Group to trade and settle its debts in the local currency in which they occur in order to mitigate the Group's exposure to foreign exchange fluctuations.

### Interest rate profile and maturity of financial liabilities

At the year end, the Group's financial liabilities other than short-term payables comprised a finance lease creditor (note 21), 2% Convertible Bonds (note 22), and other loans attracting interest at 4%. The prior period included a provision for National Insurance on share options which did not bear any interest.

### Borrowing facilities

The Group does not have any borrowing facilities.

### Currency exposures

At the year end, the Group's currency exposures relate to cash and cash equivalents and payables translated at the rate of exchange at that date analysed as follows:

	Swedish Krona £'000	US Dollar £'000	Euro £'000	Other £'000	Total £'000
<b>Net foreign currency monetary assets/(liabilities)</b>					
Functional currency of operation	-	-	-	-	-
Euro/Euro denominated	-	-	-	384	384
Sterling	2,323	217	4,072	2,030	8,642
Swedish Krona	-	-	-	6,672	6,672
Other	-	-	-	(36)	(36)
<b>Total</b>	<b>2,323</b>	<b>217</b>	<b>4,072</b>	<b>9,050</b>	<b>15,662</b>

There is no material difference between the fair value of the Group's financial instruments and their carrying value. In the prior period the net foreign currency monetary assets and liabilities were not material other than foreign cash balances held by the UK detailed above.

### 30 Notes to the cash flow statement

	<b>31 March 2001 £'000</b>	31 March 2000 £'000
<b>Reconciliation of operating profit to net cash outflow from operating activities</b>		
Continuing operating activities		
Operating loss	<b>(142,269)</b>	(68,431)
Depreciation of fixed assets	<b>6,012</b>	1,539
Loss on disposal of fixed assets	<b>-</b>	17
Goodwill impairment provision	<b>77,941</b>	22,418
Amortisation of intangible fixed assets	<b>16,304</b>	152
Non cash development costs	<b>-</b>	9,794
Non cash marketing costs	<b>967</b>	-
Share based compensation	<b>(23)</b>	175
Decrease/(Increase) in stocks	<b>2,365</b>	(44)
Decrease/(Increase) in debtors	<b>3,183</b>	(6,109)
(Decrease) in creditors	<b>(18,052)</b>	(22)
(Decrease)/Increase in provisions	<b>(2,432)</b>	11,557
<b>Net cash outflow from operating activities</b>	<b>(56,004)</b>	(28,954)

The cash flow impact of exceptional items in the profit and loss account was £924,000.

	<b>31 March 2001 £'000</b>	31 March 2000 £'000
<b>Reconciliation of net cash flow to movement in net funds</b>		
Increase in net cash	<b>2,748</b>	1,938
Movement in deposits	<b>(56,125)</b>	69,167
Movement in finance leases	<b>169</b>	(504)
Movement in funds for the year	<b>(53,208)</b>	70,601
Funds at 1 April 2000	<b>77,158</b>	6,557
<b>Funds at 31 March 2001</b>	<b>23,950</b>	77,158

	1 April 2000 £'000	Cash flows £'000	Non cash changes £'000	<b>31 March 2001 £'000</b>
<b>Reconciliation of movement in net funds</b>				
Cash in bank and in hand	8,495	2,748	-	<b>11,243</b>
Short-term deposits	69,167	(56,125)	-	<b>13,042</b>
	77,662	(53,377)	-	<b>24,285</b>
Finance leases due after one year	(267)	267	(97)	<b>(97)</b>
Finance leases due within one year	(237)	63	(64)	<b>(238)</b>
<b>Total</b>	<b>77,158</b>	<b>(53,047)</b>	<b>(161)</b>	<b>23,950</b>

## 31 Post balance sheet events

### Convertible Bond

On 31 May 2001 the Company issued £5 million of 2% Convertible Series B Bonds ('B Bonds'). These can be converted by the holder into ordinary shares at any time until 31 May 2004. The B Bonds will convert automatically on this date if not converted or redeemed beforehand.

The initial market price for the B Bonds is 6.9846p, resulting in a conversion price for the three months to 31 August 2001 of 9.7784p. The conversion price of the B Bonds will reset on 31 August 2001 to 125% of the daily VWAPs of the Company's ordinary shares for the 10 trading days prior to 31 August. This new conversion price can not be more than 9.7784p nor less than 6.9846p. On 30 November, the conversion price of the B Bonds will also reset under the same conditions as the A Bonds.

### Warrants

On 31 May 2001, pursuant to the agreement to issue convertible bonds, the Company issued 35,793,030 warrants over the Company's ordinary shares with an exercise price of 8.7308p (the 'B Warrants') to the bondholders.

### Equity commitment

On 25 June 2001, the Company received notice from the subscribers to the Equity Commitment that they would subscribe to 33.8 million shares at a price of 7.3966p, thereby raising £2.5 million for the Company. These shares were issued to the subscribers on 29 June 2001.

### Shares to be issued pursuant to the business combination with ricardo.de AG.

A further 11.1 million shares were issued under conversion rights on 29 June 2001.

## 32 Related party transactions

### Transactions with ibidlive NV

The Company carried out the following transactions prior to acquisition as part of its normal course of business and on an arms length basis.

<b>The details of the transaction and its total value is shown</b>	<b>31 March 2001 £'000</b>
QXL ricardo plc charged ibidlive NV, which later became a subsidiary of QXL ricardo plc, for advertising services, which comprised the provision of a button on QXL ricardo plc's home page	<b>317</b>

At the date of acquisition ibidlive NV owed QXL ricardo plc £317,000, the balance owing at the year end was £365,000 in respect of these transactions.

### Transactions with directors

During the year directors have purchased products from the site but these are immaterial to them.

### Loan to Bidlet AB

On 17 April 2000 QXL ricardo plc entered into a loan facility agreement with Bidlet AB for the purpose of providing working capital. The loan was advanced as follows: £3 million on 17 April 2000, £1 million on 15 May 2000, £2 million on 30 May 2000 and £2 million on 20 June 2000.

# Directors and Company information

## Directors

Mr J B Bulkeley (Chairman, non-executive director)  
 Mr J M Rose (Chief Executive Officer)  
 Mr R S Dighero (Chief Financial Officer)  
 Dr P D Englander (Non-executive director)  
 Mr S M A Laurent (President, Strategic Development)  
 Mr P U Sederowsky (Non-executive director)  
 Mr A N Singer (Non-executive director)

## Company secretary

Mrs G Brown

## Company registration number

3430894

## Registered office

Landmark House  
 Hammersmith Bridge Road  
 London W6 9EJ

## Trading address

Landmark House  
 Hammersmith Bridge Road  
 London W6 9EJ

## Auditors

PricewaterhouseCoopers  
 No. 1 London Bridge  
 London SE1 9QL

## Solicitors

Brobeck Hale and Dorr  
 Alder Castle  
 10 Noble Street  
 London EC2V 7QJ

## Bankers

National Westminster Bank plc  
 PO Box 12258  
 1 Princes Street  
 London EC2R 8PB

## Financial adviser

Credit Suisse First Boston  
 1 Cabot Square  
 London E14 4QJ

## Broker

Credit Suisse First Boston de Zoete & Bevan Limited  
 1 Cabot Square  
 London E14 4QJ

## Registrars

Lloyds TSB Registrars  
 The Causeway  
 Worthing  
 West Sussex BN99 6DA

## Depositary

The Bank of New York  
 101 Barclay Street  
 New York NY 10286

## Listings

The ordinary shares of QXL ricardo plc are listed on the London Stock Exchange under the symbol "QXL.L". American Depository Shares (each representing 25 ordinary shares), as evidenced by an American depository receipt ("ADR") are quoted on the Nasdaq National Market under the symbol "QXLC". The Company's ordinary shares are also listed on the Frankfurt Stock Exchange in the form of co-ownership shares in a global bearer certificate ("GBC") under the symbol "QXL.F".

QXL ricardo plc will file its Annual Report on Form 20-F with the US Securities and Exchange Commission in due course. Holders of ADRs may request a copy of the Company's Annual Report on Form 20-F by writing to:

Investor Relations Department  
 QXL ricardo plc  
 Landmark House  
 Hammersmith Bridge Road  
 London W6 9EJ  
 E-mail: InvestorNews@qxl.com

For holders of the co-ownership shares in the GBC, the Annual Report will be available at Credit Suisse First Boston AG, Messe Turm, 60308 Frankfurt, Germany.

## Investor relations

Alison Cabot (Vice President, Communications)  
 QXL ricardo plc  
 Landmark House  
 Hammersmith Bridge Road  
 London W6 9EJ  
 Telephone: +44 20 8962 7100  
 Fax: +44 20 8962 7335  
 E-mail: alison.cabot@qxl.com

## Annual general meeting

The annual general meeting of the Company will be held on 6 September 2001 at 3.00 pm at the offices of:

Financial Dynamics  
 Holborn Gate  
 26 Southampton Buildings  
 London WC2A 1PB

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