

BITE COMMUNICATIONS LIMITED
(Registered number: 3023521)

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2001



BITE COMMUNICATIONS LIMITED

REPORT OF THE DIRECTORS

FOR THE YEAR ENDED 31 JULY 2001

The directors present their report together with the audited financial statements of Bite Communications Limited ("the Company") for the year ended 31 July 2001.

PRINCIPAL ACTIVITY

The principal activity of the Company during the year was the provision of international public and press relations services, dealing principally with clients in the high-technology sector.

REVIEW OF BUSINESS

The state of the Company's affairs at the balance sheet date was satisfactory. The directors are pleased to report a profit for the year. They are confident that this performance will be maintained and improved upon in future years.

DIVIDENDS

The directors recommend the payment of a final dividend for the year of 60p per share (2000: 8p) and the retained profit of £323,998 (2000: £308,784) has been transferred to reserves.

DIRECTORS AND THEIR INTERESTS

The directors and their interests in the shares of the Company were:

	Date Resigned	Ordinary shares of 5p Each at 31 July 2001	Ordinary shares of 5p Each at 31 July 2000
T W Lewis	-	Nil	Nil
M Ravden	10 May 2001	Nil	Nil
C Armitage	-	Nil	75,000
S Seitz	-	Nil	Nil
H Macphail	-	Nil	Nil
I Kirk	-	Nil	Nil
J Wilks	-	Nil	Nil

As a result of the reorganisation described in Note 9 the shares in the company owned by C Armitage at 31 July 2000 were transferred for Bite Communications Group Limited shares. At 31 July 2001, C Armitage owned 1,500,000 5p ordinary shares in the Company's associated undertaking, Bite Communications Group Limited, being 7.5% of its issued share capital.

At 31 July 2001, C Armitage owned 8,500 (31 July 2000: 1,250) ordinary shares of 5p each in OneMonday Group plc, the ultimate parent undertaking.

At 31 July 2001, I Kirk owned 20,000 (31 July 2000: Nil) ordinary shares of 5p each in OneMonday Group plc, the ultimate parent undertaking. The interests of the other directors in the shares of OneMonday Group plc, the parent undertaking, are disclosed in the directors' report of that company.

BITE COMMUNICATIONS LIMITED

REPORT OF THE DIRECTORS

FOR THE YEAR ENDED 31 JULY 2001 (continued)

DIRECTORS AND THEIR INTERESTS (continued)

At 31 July 2001, the following directors held options to purchase 5p ordinary shares in Bite Communications Group Limited, the Company's associated undertaking :

	Date granted	Number of share options	Exercise price / share	Unexercised share options at 1 August 2000	Unexercised share options at 31 July 2001
C Armitage	30.1.1998	124,000	3.1p	124,000	124,000
C Armitage	5.4.1999	560,000	3.85p	800,000	560,000
C Armitage	4.5.2001	240,000	12.5p	-	240,000
S Seitz	30.1.1998	124,000	3.1p	124,000	124,000
S Seitz	3.4.2000	160,000	7.5p	160,000	160,000
S Seitz	4.5.2001	266,000	12.5p	-	266,000
J Wilks	30.1.1998	124,000	3.1p	124,000	124,000
J Wilks	3.4.2000	40,000	7.5p	40,000	40,000
J Wilks	4.5.2001	386,000	12.5p	-	386,000
H Macphail	4.5.2001	35,000	12.5p	-	35,000

The share options become exercisable on the following dates :

- The first one third of the total number granted on the third anniversary of the date of granting;
- The second one third of the total number granted on the fourth anniversary of the date of granting;
- The final one third of the total number granted on the fifth anniversary of the date of granting.

The share options held by the directors cannot be exercised after the earlier of one of the following events:

- 12 months after the death of the director;
- One month after the date on which a Court sanctions an arrangement under s.425 of the Companies Act 1985;
- The date of cessation of the director's employment by the Group; or
- 10 years after the date on which the share options were granted.

The shares of Bite Communications Group Limited are not openly traded and as such do not have a market price.

The directors have no other interests in the shares or debentures of the Company or any other group company such as would be required to be disclosed by the Companies Act 1985.

CHARITABLE DONATIONS

During the year the Company made charitable donations of £460 (2000 : £420) to the Charities Aid Foundation under a Give As You Earn scheme.

BITE COMMUNICATIONS LIMITED

REPORT OF THE DIRECTORS

STATEMENT OF DIRECTORS' RESPONSIBILITIES

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Company as at the end of the financial year and of the profit or loss of the Company for that period. In preparing those financial statements, the directors are required to:

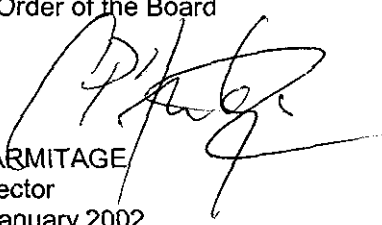
- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

AUDITORS

A resolution at the Annual General Meeting appointed Deloitte & Touche as auditors in accordance with Section 385 (2) of the Companies Act 1985. Deloitte & Touche have expressed their willingness to continue in office and a resolution to reappoint them will be proposed at the forthcoming Annual General Meeting.

By Order of the Board



C ARMITAGE
Director
7 January 2002

AUDITORS' REPORT TO THE MEMBERS OF BITE COMMUNICATIONS LIMITED

We have audited the financial statements of Bite Communications Limited for the year ended 31 July 2001 which comprise the profit and loss account, the balance sheet and the related notes 1 to 19. These financial statements have been prepared under the accounting policies set out therein.

Respective responsibilities of directors and auditors

As described in the statement of directors' responsibilities, the Company's directors are responsible for the preparation of the financial statements in accordance with applicable United Kingdom law and accounting standards. Our responsibility is to audit the financial statements in accordance with relevant United Kingdom legal and regulatory requirements and auditing standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report if, in our opinion, the directors' report is not consistent with the financial statements, if the Company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the Company is not disclosed.

We read the directors' report for the above year and consider the implications for our report if we become aware of any apparent misstatements.

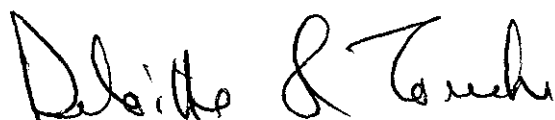
Basis of audit opinion

We conducted our audit in accordance with United Kingdom auditing standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements and of whether the accounting policies are appropriate to the Company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatements, whether caused by fraud or other irregularity or error. In forming our opinion, we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of the Company's affairs as at 31 July 2001 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Deloitte & Touche
Chartered Accountants and Registered Auditors
Hill House
1 Little New Street
London
EC4A 3TR

7 January 2002

BITE COMMUNICATIONS LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 JULY 2001

	Year Ended 31 July 2001 £	Year Ended 31 July 2000 £
TURNOVER (Notes 1 and 2)	5,217,610	3,685,849
Other external charges	<u>(865,962)</u>	<u>(688,442)</u>
TURNOVER LESS OTHER EXTERNAL CHARGES	4,351,648	2,997,407
Wages and salaries	(2,135,329)	(1,426,684)
Social security costs	(209,258)	(143,271)
Other pension contributions	(46,596)	(34,751)
Depreciation	(99,182)	(93,107)
Other operating charges	<u>(487,904)</u>	<u>(632,185)</u>
	<u>(2,978,269)</u>	<u>(2,329,998)</u>
OPERATING PROFIT (Note 3)	1,373,379	667,409
Interest payable and similar charges (Note 5)	<u>(3,842)</u>	<u>(1,879)</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	1,369,537	665,530
Tax on profit on ordinary activities (Note 6)	<u>(352,638)</u>	<u>(226,686)</u>
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION	1,016,899	438,844
Dividends (Note 7)	<u>(692,901)</u>	<u>(130,060)</u>
RETAINED PROFIT FOR THE FINANCIAL YEAR (Note 14)	<u>323,998</u>	<u>308,784</u>

NOTE OF HISTORICAL COST PROFITS AND LOSSES

There are no differences between the profit stated on an historical cost basis and the profit as presented above.

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

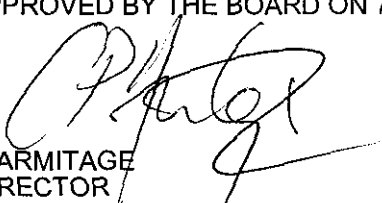
The profit for the financial year includes all recognised gains and losses in the year and relates to the continuing activities of the Company.

The accompanying notes on pages 7 to 14 form an integral part of these financial statements.

BITE COMMUNICATIONS LIMITED**BALANCE SHEET****AS AT 31 JULY 2001**

	<u>2001</u> £	<u>2000</u> £
FIXED ASSETS		
Tangible assets (Note 8)	249,918	221,071
Investments (Note 9)	209,575	51,599
	459,493	272,670
CURRENT ASSETS		
Debtors (Note 10)	1,735,701	1,744,998
Cash at bank and in hand	780,101	-
	2,515,802	1,744,998
CREDITORS – Amounts falling due within one year (Note 11)	(1,766,191)	(1,286,767)
NET CURRENT ASSETS	749,611	458,231
TOTAL ASSETS LESS CURRENT LIABILITIES	1,209,104	730,901
CREDITORS – Amounts falling due after more than one year (Note 12)	(209,575)	(55,370)
NET ASSETS	999,529	675,531
CAPITAL AND RESERVES		
Called up share capital (Note 13)	50,000	50,000
Reserves (Note 14)	949,529	625,531
TOTAL EQUITY SHAREHOLDERS' FUNDS (Note 15)	999,529	675,531

APPROVED BY THE BOARD ON 7 JANUARY 2002


C ARMITAGE
DIRECTOR

The accompanying notes on pages 7 to 14 form an integral part of these financial statements.

BITE COMMUNICATIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS - 31 JULY 2001

1 ACCOUNTING POLICIES

The Company's financial statements are prepared in accordance with applicable accounting standards. The principal accounting policies are as follows:

(1) Basis of accounting

The financial statements are prepared under the historical cost convention. The Company has taken advantage of s.228 of the Companies Act 1985 and has not prepared Group accounts. Consequently these financial statements contain information about the Company only and not its Group.

(2) Turnover

Turnover represents the invoiced value of services supplied including accrued income excluding all sales taxes after adjusting for any change in the level of accrued income during the year.

(3) Accrued income

Accrued income is valued on the basis of the cost of services provided up to the balance sheet date and not yet invoiced. Profit is taken on all work completed by that date. Provision is made for the full amount of foreseeable losses.

(4) Depreciation

Depreciation is provided on all tangible fixed assets, at annual rates calculated to write off the cost, less estimated residual value, of each asset evenly over its expected useful life as follows:

Short leasehold property	Depreciated over minimum length of the lease
Office furniture	20% per annum straight line
Motor vehicles	25% per annum straight line
Office equipment	33% per annum straight line

(5) Foreign currencies

Assets and liabilities denominated in foreign currencies are expressed in sterling at the rate of exchange ruling at the balance sheet date. Foreign currency transactions are expressed in sterling at the rate of exchange ruling at the date of the transaction. Exchange gains and losses and translation differences are taken directly to the profit and loss account.

(6) Deferred taxation

The group has adopted FRS 19 Deferred Tax. Deferred tax is provided in full on timing differences which result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure on taxation computations in periods different from those in which they are included in financial statements. Deferred tax is not provided on timing differences arising from the revaluation of fixed assets where there is no commitment to sell the asset or on unremitted earnings of subsidiaries where there is no commitment to remit these earnings. Deferred tax assets are recognised to the extent that it is recognised as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

(7) Pension costs

Pension costs, which relate to payments to employees' own defined contribution pension plans, are charged to the profit and loss account as incurred.

BITE COMMUNICATIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS - 31 JULY 2001

1 ACCOUNTING POLICIES (continued)

(8) Hire purchase and leasing transactions

Assets financed by hire purchase agreements are included in the balance sheet at cost, less accumulated depreciation. The interest element on these obligations is charged to the profit and loss account using the sum of the digits method so as to achieve a constant interest rate over the life of each agreement. Operating lease rentals are charged to the profit and loss account as incurred.

(9) Investments

Fixed asset investments and investments in group undertakings are stated at cost less provisions for impairment in value.

2 TURNOVER

All of the Company's turnover arises from the provision of public relations consultancy services within Europe.

3 OPERATING PROFIT

	Year Ended 31 July 2001	Year Ended 31 July 2000
Operating profit is stated after charging :-	£	£
Auditors' remuneration:		
Audit services	8,000	9,000
Tax services	1,000	1,000
Depreciation of tangible fixed assets :		
Owned	99,182	93,107
Profit on disposal of tangible fixed assets	(249,352)	(12,794)
Operating lease rentals :		
Land and buildings	107,286	120,590
Operating lease income	(32,190)	(22,833)
Foreign exchange (gains)	(8,448)	(13,296)

4 STAFF COSTS

	Year Ended 31 July 2001	Year Ended 31 July 2000
The average number of employees during the year was as follows	No.	No.
Directors	7	4
Direct PR	46	37
Administration	9	7
	62	48

BITE COMMUNICATIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS - 31 JULY 2001 (continued)

4 STAFF COSTS (continued)

Directors' emoluments

	Year Ended 31 July 2001 £	Year Ended 31 July 2000 £
Emoluments of highest paid director:		
Aggregate emoluments excluding pension contributions	160,000	163,252
Company contributions to defined contribution scheme	3,000	3,000
	<u>163,000</u>	<u>166,252</u>
Total emoluments of all Directors:		
Aggregate emoluments excluding pension contributions	316,460	221,227
Company contributions to defined contributions schemes	22,800	3,000
	<u>339,260</u>	<u>224,227</u>
The number of directors to whom retirement benefits are accruing is:	Year Ended 31 July 2001 No	Year Ended 31 July 2000 No
Defined contribution schemes	4	1

Tom Lewis is also a director of the ultimate parent company, OneMonday Group plc ("Group" – note 19), and is also a director of a number of other Group companies. Tom Lewis received total emoluments of £114,452 (2000: £109,000) from the Group during the year, but it is not practicable to allocate this between his services as a director of the Group and as a director of Group companies. Included within this amount is the amount accruing under individual pension schemes for his services to the Group.

No amount is included in the accounts for directors' emoluments paid to Matthew Ravden as these are wholly payable by Text 100 PTY Ltd (2000: £Nil). The proportion of the director's time devoted to the Company is not material and consequently no proportion of his emoluments has been allocated to the Company.

5 INTEREST PAYABLE AND SIMILAR CHARGES

	Year Ended 31 July 2001 £	Year Ended 31 July 2000 £
Bank charges	3,782	1,332
Other interest payable	60	547
	<u>3,842</u>	<u>1,879</u>

BITE COMMUNICATIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS - 31 JULY 2001 (continued)

6 TAX ON PROFIT ON ORDINARY ACTIVITIES

	Year Ended 31 July 2001 £	Year Ended 31 July 2000 £
UK Corporation tax at 30% (2000: 30%)	-	221,609
Group relief payable	345,159	-
Current year tax charge	345,159	221,609
Prior year under / (over) provision	(140,921)	5,077
Prior year under provision for group relief payable as a result of a change in group accounting policy	137,210	-
Deferred taxation	11,190	-
	<u>352,638</u>	<u>226,686</u>
Reconciliation of current year tax charge	<u>£</u>	<u>£</u>
Tax on profit on ordinary activities at the standard rate	410,861	199,659
Factors affecting charge:		
Disallowed expenses	600	7,829
Depreciation in excess of capital allowances	9,526	5,269
Profit on disposal of Bite Corporation as part of the reorganisation	(74,806)	-
Other	(1,022)	8,852
	<u>345,159</u>	<u>221,609</u>

7 DIVIDENDS

	Year Ended 31 July 2001 £	Year Ended 31 July 2000 £
Interim dividend of 10p per 5p ordinary share (2000: 6p per 5p ordinary share)	92,900	55,740
Final dividend of 60p per 5p ordinary share (2000: 8p per 5p ordinary share)	600,001	74,320
	<u>692,901</u>	<u>130,060</u>

BITE COMMUNICATIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS - 31 JULY 2001 (continued)

8 TANGIBLE FIXED ASSETS

	Short Leasehold Premises £	Office Equipment £	Office Furniture £	Motor Vehicles £	Total £
COST					
At 1 August 2000	46,127	252,375	114,900	14,681	428,083
Additions	50,919	69,247	8,936	5,500	134,602
Disposals	-	(12,870)	(497)	-	(13,367)
At 31 July 2001	97,046	308,752	123,339	20,181	549,318
DEPRECIATION					
At 1 August 2000	10,763	150,117	42,200	3,932	207,012
Charge for the year	4,613	67,117	22,521	4,931	99,182
Disposals	-	(6,793)	-	-	(6,793)
At 31 July 2001	15,376	210,441	64,721	8,863	299,401
NET BOOK AMOUNT					
As at 31 July 2001	81,670	98,311	58,619	11,318	249,918
As at 31 July 2000	35,364	102,258	72,700	10,749	221,071

The net book amount of tangible fixed assets includes £Nil (2000: £3,700) in respect of assets held under hire purchase contracts.

9 INVESTMENTS

	Year Ended 31 July 2001 £
INVESTMENTS IN OWN SHARES	
Cost at 1 August 2000	50,950
Disposals	(50,950)
Cost at 31 July 2001	-
SHARES IN GROUP UNDERTAKINGS	
Cost at 1 August 2000	649
Additions	209,575
Disposals	(649)
Cost at 31 July 2001	209,575

BITE COMMUNICATIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS - 31 JULY 2001 (continued)

9 INVESTMENTS (continued)

During the year a new company, Bite Communications Group Limited, was incorporated in Great Britain. A subsequent reorganisation took place whereby Bite Communications Limited was sold to Bite Communications Group Limited. The investment in own shares held by Bite Communications Limited was transferred for shares in the Group undertaking Bite Communications Group Limited. Subsequent to this a further 1,269,000 shares in Bite Communications Group Limited were purchased for £158,625 (see note 18).

Bite Communications Corporation and Bullet Online Limited were sold to Bite Communications Group Limited.

10 DEBTORS

	<u>2001</u> £	<u>2000</u> £
Trade debtors	841,776	935,860
Other debtors	7,622	18,950
Prepayments and accrued income	418,531	226,640
Amounts owed by fellow subsidiary	467,772	563,548
	<u>1,735,701</u>	<u>1,744,998</u>

11 CREDITORS: Amounts falling due within one year

	<u>2001</u> £	<u>2000</u> £
Bank overdraft	-	10,580
Obligations under hire purchase contracts	-	3,640
Trade creditors	252,221	106,040
Amounts due to parent undertaking	105,721	224,218
Amounts due to fellow subsidiary	20,966	146,824
Other creditors including tax and social security	203,456	146,145
Corporation tax	-	131,609
Payment for group relief owed to OneMonday Group	450,904	-
Deferred tax liability	11,190	-
Accruals and deferred income	286,333	198,411
Dividends	435,400	319,300
	<u>1,766,191</u>	<u>1,286,767</u>
	£	£

Analysis of deferred tax balances

Accelerated capital allowances	11,190	-
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Analysis of movement in provisions

	<u>2000</u> £	<u>Movement in</u> <u>profit and loss</u> £	<u>2001</u> £
Deferred tax liability	-	11,190	11,190

The bank overdraft is secured by a fixed and floating charge over the Company's assets.

BITE COMMUNICATIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS - 31 JULY 2001 (continued)

12 CREDITORS: Amounts falling due after more than one year

	<u>2001</u> £	<u>2000</u> £
Accruals and deferred income	-	4,420
Amounts owed to fellow subsidiary	209,575	50,950
	<u>209,575</u>	<u>55,370</u>

13 CALLED UP SHARE CAPITAL

At 1 August 2000 and at 31 July 2001 :

Authorised

	<u>2001</u> £	<u>2000</u> £
1,000,000 ordinary shares of 5p each (2000: 1,000,000 ordinary shares of 5p each)	50,000	50,000

Allotted, called up and fully paid

	<u>£</u>	<u>£</u>
1,000,000 ordinary shares of 5p each (2000: 1,000,000 ordinary shares of 5p each)	50,000	50,000

14 RESERVES

	<u>2001</u> Profit & loss Account £	<u>2000</u> Profit & loss Account £
Opening balance	625,531	316,747
Retained profit for the year	<u>323,998</u>	<u>308,784</u>
Closing balance	<u>949,529</u>	<u>625,531</u>

15 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	<u>2001</u> £	<u>2000</u> £
Profit after taxation for the year	1,016,899	438,844
Dividends	<u>(692,901)</u>	<u>(130,060)</u>
Net addition to shareholders' funds	323,998	308,784
Opening shareholders' funds	675,531	366,747
Closing shareholders' funds	<u>999,529</u>	<u>675,531</u>

BITE COMMUNICATIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS - 31 JULY 2001 (continued)

16 RELATED PARTIES

The Company has taken advantage of paragraph 3 of Financial Reporting Standard 8 - Related Party Disclosures, in not disclosing transactions with Group undertakings as more than 90 percent of its shares are controlled within the Group which is headed by OneMonday Group plc as described in note 19 below.

17 OPERATING LEASE COMMITMENTS

The Company has entered into operating leases and has annual commitments under these expiring as follows:

	2001 Land and Buildings £	2000 Land and Buildings £
Within one year	-	-
Between one and five years	103,600	103,600

18 EMPLOYEE SHARE OWNERSHIP PLAN TRUST (ESOP)

The Company formed an Employee Share Ownership Plan Trust (ESOP) during the year ended 31 July 1998.

The purpose of the ESOP is to enable the Company to offer participation in the ownership of its shares to its employees principally as a reward and incentive scheme. As a result of the reorganisation described in Note 9, the shares the ESOP now offers ownership in are Bite Communications Group Limited shares.

Arrangements for the distribution of benefits to employees which may be the ownership of shares in Bite Communications Group Limited or the granting of options over shares in Bite Communications Group Limited held by the ESOP are made at the ESOP's discretion in such manner as the ESOP considers appropriate.

Administration costs of the ESOP are accounted for in the profit and loss account of the Company as they are incurred.

At 31 July 2000 the ESOP held 71,000 Ordinary shares of 5p each in the Company. 24,800 of these shares were purchased by the ESOP on 30 January 1998 from Bite Staff Incentives Limited, a fellow subsidiary, at a cost of 62p per share being a total of £15,376. A further 46,200 shares were purchased by the ESOP on 5 April 1999 from Bite Staff Incentives Limited at a cost of 77p per share being a total of £35,574. Both purchases were financed by way of a long term loan from Bite Staff Incentives Limited for £50,950. As a result of the reorganisation described in Note 9 these shares which the ESOP held were transferred for 1,420,000 Ordinary shares of 5p each in Bite Communications Group Limited during the financial year.

At 31 July 2001 the ESOP held 2,689,000 Ordinary shares of 5p each in Bite Communications Group Limited. 1,420,000 of these shares are as detailed above. A further 1,269,000 shares were purchased by the ESOP on 21 May 2001 from Bite Staff Incentives Limited at a cost of 12.5p per share being a total of £158,625. This purchase was also financed by way of a long term loan from Bite Staff Incentives Limited for £158,625. The right to receive dividends on all shares held was not waived by the ESOP.

At 31 July 2001 options over 2,687,000 shares had been granted to employees of the Company by the ESOP.

19 IMMEDIATE AND ULTIMATE PARENT COMPANY

The immediate and ultimate parent undertakings are Bite Communications Group Limited and OneMonday Group plc respectively. OneMonday Group plc is incorporated in Great Britain and registered in England and Wales. The consolidated financial statements of OneMonday Group plc are available to the public and can be obtained from Network House, Wood Lane, London, W12 7SL.