

Annual Report & Accounts 2010

TMT INVESTMENTS PLC

For the period from incorporation
on 30 September 2010 to
31 December 2010

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THE COMPANY

TMT Investments plc (“TMT Investments” or the “Company”) is a new company incorporated under the laws of Jersey. The Company has been established for the purpose of identifying and acquiring, or making and disposing of investments in the Telecoms, Media and Technology (“TMT”) sector where the Directors believe there is a potential for growth and the creation of shareholder value.

Investment Strategy and Policies

The Company’s objective is to generate an attractive rate of return for shareholders, predominantly through capital appreciation, by taking advantage of opportunities to invest in the TMT sector. The Company aims to provide equity and equity-related investment capital, such as convertible loans, to private companies which are seeking capital for growth and development, consolidation or acquisition, or as a pre-IPO financing. In addition, the Company intends to invest in publicly traded equities which have securities listed on a stock exchange or over-the-counter market. These investments may be in combination with additional debt or equity-related financing, and in appropriate circumstances in collaboration with other value added financial and/or strategic investors. The Company is not geographically restricted in terms of where it will consider making investments. It will consider any geographical area, to the extent that the investment fits within the Company’s investment criteria. The Directors and Consultants have expertise in emerging markets and, in particular, in Russia and the Commonwealth of Independent States. The Company will not be subject to any borrowing or leveraging limits.

Private Companies

The Company will target small and mid-sized companies and will seek to secure at least blocking stakes and board representation, where it considers that the Company and/or an investee company would benefit from such an appointment. The Company will consider making equity investments in lower than blocking stakes only where it sees ways to increase the stakes to blocking or controlling stakes at a later date. Each investment is expected to be at least US\$250,000. The investments targeted by the Company will aim to support rapidly-growing private companies to increase market share and achieve long-term shareholder value. It is envisaged that if the Company invested in a private company prior to that company listing on a stock market, the Company would retain a part of its investment in the listed entity going forward. The Company intends to work closely with the management of each investee company to create value by focusing on driving growth through revenue creation, margin enhancement and extracting cost efficiencies, as well as implementing appropriate capital structures to enhance returns.

Public Companies

When investing in public equities, the Company will seek to select companies with a dominant market share or strong growth potential in their respective segments. No restrictions will be placed on the size of public companies in which the Company may make an investment. The Directors intend to make investments in companies or businesses with attractive valuation, growth potential, with competent and motivated management, which enjoy brand recognition, have scalable business models, have strong relationships with customers and have in place transparent accounting policies.

Realisation of Returns

The Directors will, when appropriate, consider how best to realise value for Shareholders whether through a trade sale, flotation or secondary refinancing of the investee companies. The proposed exit route will form a key consideration of the initial investment analysis. The Company expects to derive returns on investments principally through long-term capital gains and/or the payment of dividends by investees. The primary ways in which the Company expects to realise these returns include: (a) the sale or merger of a company; (b) the sale of securities of a company by means of public or private offerings; and (c) the disposal of public equity investments through the stock exchanges on which they are listed. For private investee companies the Company believes that its typical investment holding period should provide sufficient time for investee companies to adequately benefit from the capital and operational improvements resulting from the Company’s investment. The targeted holding period shall be reviewed on a regular basis by the Company, but it is expected that this will typically be between two to four years. For public equities the Company’s objective is to maximise capital appreciation. Following the acquisition, the Company will continue to conduct extensive research and monitoring of the investment. Importance will be placed on the timing of any disposal which will follow a thorough review of market conditions and those reports and sources that are available to investors. Should the Company consider that the capital appreciation of a particular public equity investment has reached its peak or is likely to or has begun to decline, then the Company will consider the sale of that investment.

DIRECTORS, CONSULTANTS AND PROFESSIONAL ADVISORS

Directors

Alexander Selegenev	Executive Director
Petr Vladimirovich Lanin	Non-Executive Director
James Joseph Mullins	Non-Executive Director

Consultants

German Kaplun
Alexander Morgulchik

Secretary

Computershare Company Secretarial Services (Jersey) Limited
Queensway House, Hilgrove Street
St Helier, Jersey, JE1 1ES

Registered office

Queensway House, Hilgrove Street
St Helier, Jersey, JE1 1ES

Company registration number

106628 (Jersey)

Nominated adviser and broker

ZAI Corporate Finance Ltd
177 Regent's Street
London, W1B 4JN

Auditors

UHY Hacker Young LLP
Quadrant House
4 Thomas More Square
London, E1W 1YW

Registrar

Computershare Investor Services (Jersey) Limited
Queensway House, Hilgrove Street
St Helier, Jersey, JE1 1ES

Solicitors

Adams & Remers LLP
Dukes Court, 32 Duke Street, St James's
London, SW1Y 6DF

Company website

www.tmtinvestments.com

DIRECTORS, CONSULTANTS AND PROFESSIONAL ADVISORS

The Board of Directors

The Company is managed by the Board which exercises all the powers of the Company whether relating to the management of the business or not. The Board is responsible for the leadership, strategic direction, prudential control and long-term performance of the Company. There is an agreed principle that Directors may take independent professional advice if necessary at the Company's expense, on the basis that the expense is reasonable.

To enable the Board to function effectively and Directors to discharge their responsibilities, full and timely access is given to all relevant information. In the case of Board meetings, this consists of a comprehensive set of papers, including regular business progress reports and discussion documents regarding specific matters.

Biographies of the Directors are set out below. These demonstrate the very broad range of business experience that the Board members possess and which are essential to manage a business of this size and complexity.

Alexander Selegenev, Executive Director, aged 37

Alexander Selegenev has over 10 years experience in investment banking, with specific expertise in international corporate finance, equity capital markets and mergers and acquisitions. Between 2004 and 2008 Alexander was Head of the London Corporate Finance Department at Metropol (UK) Limited, the London affiliate of Russia's investment and financial company IFC Metropol.

Between 2001-2004, he served as a Senior Manager in the International Corporate Finance Department with Teather & Greenwood Limited, a London-based AIM nominated adviser and broker. During his time at Metropol and Teather & Greenwood he worked on over 10 AIM IPOs and over 20 private equity and merger and acquisition transactions including some in the TMT sector. Alexander has also worked for two leading Japanese Investment banks, Daiwa Securities SMBC Europe Limited and Sumitomo Bank Limited. He has an MSc (Hons) and a BSc (Hons) in Business from the Peoples' Friendship University of Russia in Moscow and a Bachelor of Business Studies (Major in Management) from Monash International University in Australia.

James Joseph Mullins, Independent Non-Executive Director, aged 49

James Mullins has over 25 year experience in finance and was a director of numerous funds and companies including the Russian Federation First Mercantile Fund. This Fund (Class A shares) is listed on the Bermuda Stock Exchange. His experience in the UK includes working for Deloitte & Touche and British Coal. In Russia he was head of the Corporate Restructuring Department at Coopers & Lybrand and later co-founded Branan Management Consultants.

From 2004 to 2007, he was the Finance Director at Rambler Media and was involved in its successful admission on AIM. He has been a partner in First Mercantile since 2001. He was previously Deputy Chairman of the Association of European Businesses in Russia. He was recently Chairman of the Scottish Salmon Company, which is listed on the Oslo Bors. He is a director at Clover Films and was part of the team that received a duPont Award from Comumbia Journalism School in January 2011. He is a Fellow of the Association of Chartered Certified Accountants and he holds a Bachelor of Science degree and a Master of Arts degree from Trinity College, Dublin.

Petr Lanin, Non-Executive Director, aged 38

Petr Lanin has broad experience in investment and brokerage on the Russian capital markets. He began his career as an equity analyst in the Russian information agency "RosBusinessConsulting" ("RBC") in 1995.

Between 1996 and 2000 he served as chief of the share department in Makprombank. Between 2000 and 2006 he held the position of general director of the investment company "Maxwell Capital". Following his appointment as general director of "Maxwell Asset Management" in 2003, Mr. Lanin was a key person in the establishment and management of many investment funds. He was also one of the managing directors of the venture capital fund "Maxwell Biotech" which is a closed mutual fund set up and operated by Maxwell Asset Management. In 2008, Maxwell Asset Management established a UK FSA registered subsidiary in which Petr Lanin held a controlled function.

At present, Petr is a chief of the Purchases and Supply Department in Federal State Organization "Clinical hospital #1". Petr holds an MBA degree in finance and credit from the Plekhanov Russian Academy of Economics.

DIRECTORS, CONSULTANTS AND PROFESSIONAL ADVISORS

Consultants

The Company entered into consulting service agreements on 6 December 2010 with German Kaplun and Alexander Morgulchik (together the “Consultants”) pursuant to which the Consultants have agreed to provide investment consultancy services to the Company

These services include advisory, consulting and other services in relation to the operations of the Company, strategic planning, domestic marketing and financial oversight, advising on the structuring and implementation of equity participation plans, employee benefit plans and other incentive arrangements for certain key executives of the Company, and searching for investment targets according to the investment strategy of the Company.

German Kaplun, Consultant

Mr. Kaplun began his career in software consulting and has previously held the position of Director of Banking Technology at a Moscow-based software development company. In 1993 he and Alexander Morgulchik co-founded RBC, a leading Russian media and internet company, which conducted Russia’s first successful IPO on Russian MICEX and RTS stock exchanges in April 2002. Mr. Kaplun has broad experience in media, banking, software, consulting and real estate. He is currently Chief Executive Officer of RBC.

Mr. Kaplun holds a Master of Science degree from the Moscow State Institute of Radio Engineering, Electronics and Automation. Mr. Kaplun was awarded a Ph.D. in Economics from the Russian Economic Academy.

Alexander Morgulchik, Consultant

Mr. Morgulchik has an extensive background in accounting and banking, and has participated in a number of commercial ventures. These include a small bank, a computer hardware/software business and a real estate company. In 1993 he and German Kaplun co-founded RBC. Before concentrating solely on RBC in 1998, Mr. Morgulchik was a Director and Partner at Orgtechnica, a Moscow-based independent hardware and software distributor.

Mr. Morgulchik holds a Master’s degree and a Ph.D. in Economics from the Russian Economic Academy.

The Consultants are independent contractors and will not receive any remuneration or fees for the services provided under the agreements.

EXECUTIVE DIRECTOR'S STATEMENT

TMT Investments has been established for the purpose of identifying and acquiring, or making and disposing of investments in the Telecoms, Media and Technology ("TMT") sector. The Company raised US\$20 million of equity capital (before expenses) in conjunction with its admission to AIM in December 2010.

Since our successful admission on AIM, TMT has executed its strategy of identifying promising investment opportunities in the TMT sector. The Company's investment team, comprising myself, Alexander Morgulchik and German Kaplun, have reviewed a significant number of investment opportunities, particularly focusing on the "digital media" segment of our target market. Given the inherent international nature of businesses operating in this segment, the geography of our potential investment opportunities is very diverse and includes such countries as Israel, the UK, Russia, China, and the USA.

We have a number of projects under evaluation, and intend to complete investments with our most promising prospects in the near future. The Directors maintain their stated intention of making at least three investments within 18 months of the Company's admission to AIM.

The Company has also worked on strengthening its team. We have held discussions with a number of candidates to assist TMT on the investment search and structuring front. Once these discussions have been finalised, the Company will make appropriate announcements in due course.

We look forward to updating our shareholders on the Company's progress in the nearest future.

Alexander Selegenev
Executive Director

18 April 2011

Shareholder communication

The Company places great importance on communication with shareholders. The full Annual Report and Accounts and future Half Year Accounts will be available on the website www.tmtinvestments.com and will be mailed to the Company's shareholders and, on request, to other parties who have an interest in the Company's performance. The Company responds to individual letters from shareholders and maintains a separate investor relations centre within the Company's website as a repository for all investor relations matters.

The Directors will review the Company's Investment Strategy on an annual basis. Any material change to the Investment Strategy will be subject to the prior consent of the Shareholders in a general meeting.

Audit and internal control

The Directors are responsible for the Company's internal control framework and for reviewing its effectiveness. Each year the Board reviews all controls, including financial, operational and compliance controls and risk management procedures. The Directors are responsible for ensuring that the Company maintains a system of internal control to provide them with reasonable assurance regarding the reliability of financial information used within the business and for publication and that assets are safeguarded. There are inherent limitations in any system of internal financial control. On the basis that such a system can only provide reasonable but not absolute assurance against material misstatement or loss and that it relates only to the needs of the business at the time, the system as a whole was found by the Directors at the time of approving the accounts to be appropriate to the size of the business.

Corporate Governance Code

The Company is not required to comply with the provisions of UK Corporate Governance Code or any Jersey corporate governance regime. However, the Directors recognise the importance of sound corporate governance and will take appropriate measures to ensure that the Company complies with the main provisions of the UK Corporate Governance Code, as far as practicable and to the extent appropriate given the Company's size, assets, liabilities and other relevant information.

Remuneration Committee

The Company has established a remuneration committee, which currently comprises James Mullins and Petr Lanin, being non-executive members of the Board, with James Mullins appointed as chairman.

Audit Committee

The Company has established an audit committee, which currently comprises James Mullins and Petr Lanin, being non-executive members of the Board, with James Mullins appointed as chairman. The audit committee's main functions include, amongst other things, reviewing and monitoring internal financial control systems and risk management systems on which the Company is reliant, considering annual and half year accounts and audit reports, making recommendations to the Board in relation to the appointment and remuneration of the Company's auditors and monitoring and reviewing annually their independence, objectivity, effectiveness and qualifications.

Share dealings

The Company has adopted a model code for share dealings in Ordinary Shares which is appropriate for an AIM company, including compliance with Rule 21 of the AIM Rules for Companies relating to Directors' and employees' dealings in Ordinary Shares.

Jersey law contains no statutory pre-emption rights on the allotment and issue by the Company of equity securities (being shares in the Company, or rights to subscribe for, or to convert securities into, such shares). However, the Company's Articles contain certain provisions as to Directors' authority to issue equity securities and pre-emption rights on issues of equity securities by the Company, further details of which are set out in paragraphs 8 and 9 of Part 3 of the AIM Admission Document which can be found on the Company's website.

DIRECTORS' REPORT FOR THE PERIOD ENDED 31 DECEMBER 2010

The Directors present their report and audited financial statements of the Company for the period from incorporation on 30 September 2010 to 31 December 2010.

Principal activity and review of the business

TMT Investments plc ("TMT Investments" or the "Company") is a new company incorporated under the laws of Jersey. The Company has been established for the purpose of identifying and acquiring, or making and disposing of investments in the TMT sector where the Directors believe there is a potential for growth and the creation of shareholder value. The Company will primarily target companies operating in markets that the Directors believe have strong growth potential and having the potential to become multinational businesses. The Company can invest in any region of the world.

Results and dividends

The loss for the period amounted to US\$26,879. The Directors do not recommend the payment of a dividend. Further information on the Company's results and financial position is included in the financial statements.

Company listing

TMT Investments is traded on the AIM Market ("AIM") of the London Stock Exchange. The market code for the company is TMT. Information required by AIM Rule 26 is available in the investor relations section of the website at www.tmtinvestments.com.

Changes in share capital

On incorporation and on the admission to AIM the Company issued 20,000,002 ordinary shares. The Company has one class of ordinary share that carries no right to fixed income, and each share carries the right to one vote at general meetings of the Company. At 31 December 2010 and at the date of this report the number of the Company's issued ordinary shares is 20,000,002. Further details are set out in note 8.

Directors

During the financial year the following Directors held office:

Alexander Selegenev	Executive Director
Petr Vladimirovich Lanin	Non-Executive Director
James Joseph Mullins	Non-Executive Director

On 6 December 2010, Alexander Selegenev, James Mullins, and Petr Lanin entered into letters of appointment with the Company. According to the letters of appointment they agreed to act for fixed fees, as follows:

<i>Director</i>	<i>Directors' fees, GBP</i> <i>Fee per year, per letters of appointment</i>
Alexander Selegenev	40,000
James Mullins	20,000
Petr Lanin	16,800
Total	76,800

Share options

No share options were granted to the Directors or any other parties up to 31 December 2010 and to the date of approval of this report.

DIRECTORS' REPORT FOR THE PERIOD ENDED 31 DECEMBER 2010

Substantial shareholdings

The Directors are aware of the following shareholdings of 3% or more of the issued share capital of the Company at 5 April 2011.

Shareholder	Ordinary shares of US\$1 each	% of issued ordinary share capital
Hanover Nominees Limited	5,000,000	25,00
Wissey Trade & Invest Limited	5,000,000	25,00
Vidacos Nominees Limited	4,000,000	20,00
Menostar Holdings Limited	3,100,000	15,50
Ubenord Investments Limited	1,900,000	9,50
OJSC Gipropros	600,000	3,00

Subsequent events

There are no significant subsequent events from the period end to the date of this report.

Statement of Directors' responsibilities in respect of the annual report and the financial statements

The Directors are responsible for preparing the Annual Report and Accounts in accordance with applicable law and International Financial Reporting Standards ("IFRSs") as adopted by the European Union.

Company Law requires the Directors to prepare financial statements for each financial year. The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that its financial statements comply with the Companies (Jersey) Law 1991. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

The Directors are responsible for the preparation of the Directors' report and corporate governance statement. The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the Jersey governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable IFRSs as adopted by the European Union ("EU") 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.

Directors' responsibility statement

Each of the Directors, whose names are listed one page 3 confirm that, to the best of each person's knowledge and belief:

- the financial statements, prepared in accordance with IFRSs as adopted by the EU, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company; and
- the Directors' report contained in the annual report includes a true and fair review of the development and performance of the business and the position of the Company, together with a description of the principal risks and uncertainties that they face.

DIRECTORS' REPORT FOR THE PERIOD ENDED 31 DECEMBER 2010

Going concern

The Company's business activities together with the factors which may impact its activities are described on page 2. The financial position of the Company is described in the financial statements and notes to the financial statements.

TMT Investments is a new company that was admitted to AIM of the London Stock Exchange and raised US\$20 million (before expenses). The Directors have a reasonable expectation that the Company will have adequate cash resources to continue in operational existence for the foreseeable future, and for at least one year from the date of approval of these financial statements and they have therefore adopted the going concern basis in preparing the financial statements.

Auditors

Each of the persons who is a Director at the date of approval of this annual report confirms that:

- so far as the Directors are aware, there is no relevant audit information of which the Company's auditors are unaware; and
- the Directors have taken steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

On behalf of the Board of Directors

Alexander Selegenev
Executive Director

18 April 2011

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF TMT INVESTMENTS PLC

We have audited the financial statements of TMT Investments plc for the period ended 31 December 2010 which comprises the Statement of Financial Position, the Statement of Comprehensive Income, the Statement of Cash Flows, the Statement of Changes in Equity and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

This report is made solely to the company's members, as a body, in accordance with Article 113A of the Companies (Jersey) Law 1991. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement set out on page 9, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the APB's website at www.frc.org.uk/apb/scope/private.cfm.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2010 and of its loss for the period then ended;
- have been properly prepared in accordance with IFRSs as adopted by the European Union; and
- have been properly prepared in accordance with the requirements of the Companies (Jersey) Law 1991.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies (Jersey) Law 1991 requires us to report to you if, in our opinion:

- proper accounting records have not been kept, or proper returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received any information or explanation that was necessary for our audit.

Colin Wright
for and on behalf of UHY Hacker Young
Chartered Accountants

Quadrant House
4 Thomas More Square
London E1W 1YW

18 April 2011

FINANCIAL STATEMENTS

Statement of Comprehensive Income

For the period from 30 September 2010
to 31 December 2010, USD

	Notes	
Revenue		-
Expenses		
Administrative expenses	3	(27,479)
Operating loss		(27,479)
Finance income		600
Loss before taxation		(26,879)
Taxation	4	-
Loss attributable to equity shareholders		(26,879)
Other comprehensive income		-
Total comprehensive loss for period		(26,879)
Loss per share (cents per share) – basic and diluted	5	(0.57c)

Statement of Financial Position

At 31 December 2010, USD

	Notes	
Current Assets		
Cash & cash equivalents	6	19,648,821
Total assets		19,648,821
Current Liabilities		
Trade and other payables	7	39,453
Total liabilities		39,453
Net assets		19,609,368
Equity		
Share capital	8	19,636,247
Retained losses		(26,879)
Total equity		19,609,368

The financial statements were approved by the Board of Directors on 18 April 2011 and were signed on its behalf by:

Alexander Selegenev
Executive Director

FINANCIAL STATEMENTS

Statement of Cash Flows

For the period from 30 September 2010
to 31 December 2010, USD

Operating activities	
Operating loss	(27,479)
Adjustments for:	
Increase in accrued operating expenses	22,639
Net cash used by operating activities	(4,840)
Investing activities	
Finance income	600
Net cash from investing activities	600
Financing activities	
Proceeds from issue of shares (net of costs, adjusted for accrued IPO costs of £16,814)	19,653,061
Net cash from financing activities	19,653,061
Increase in cash and cash equivalents	19,648,821
Cash and cash equivalents on incorporation	-
Cash and cash equivalents at end of period	19,648,821

Statement of Changes in Equity

For the period from 30 September 2010
to 31 December 2010, USD

	Share capital	Retained losses	Total equity
Balance on incorporation at 30 September 2010	-	-	-
Total comprehensive loss for period		(26,879)	(26,879)
Transactions with owners:			
Issue of shares	20,000,000	-	20,000,000
Share issue costs	(363,753)	-	(363,753)
	19,636,247	-	19,636,247
Balance at 31 December 2010	19,636,247	(26,879)	19,609,368

1. Company information

TMT Investments plc (“TMT Investments” or the “Company”) is a company incorporated in Jersey with its registered office at Queensway House, Hilgrove Street, St Helier, JE1 1ES, Channel Islands.

The Company was incorporated and registered on 30 September 2010 in Jersey under the Companies (Jersey) Law 1991 with registration number 106628 under the name TMT Investments Limited. The Company obtained consent from the Jersey Financial Services Commission pursuant to the Control of Borrowing (Jersey) Order 1985 on 30 September 2010. On 1 December 2010 the Company re-registered as a public company and changed its name to TMT Investments plc.

The memorandum and articles of association of the Company does not restrict its activities and therefore it has unlimited legal capacity. As the Company was recently formed, it has not yet made any investments so the Directors cannot evaluate its likely performance. The Company’s ability to implement its Investment Strategy and achieve its desired returns will be limited by its ability to identify and acquire suitable investments. Suitable investment opportunities may not always be readily available.

The Company will seek to make investments in any region of the world. However the expertise of the Directors and the Consultants is predominantly in emerging markets, and in particular Russia and the Commonwealth of Independent States.

Financial statements of TMT Investments are prepared by and approved by the Directors in accordance with IFRSs as adopted by the EU (“IFRSs”). The Company’s accounting reference date is 31 December. The first accounting period ended on 31 December 2010. The principal accounting policies applied in the preparation of these financial statements are set out below.

2. Summary of significant accounting policies

2.1 Basis of presentation

TMT Investments has prepared its financial statements for the period from incorporation on 30 September 2010 to 31 December 2010 in compliance with IFRSs. The financial statements are prepared using the historical cost convention. As the Company was incorporated during the period under review, no prior period comparative figures are presented in these financial statements.

2.2 Going concern

The Directors confirm that, after giving due consideration to the financial position and expected cash flows of the Company; they have a reasonable expectation that the Company will have adequate cash resources to continue in operational existence for the foreseeable future, and for at least one year from the date of approval of these financial statements and they have therefore adopted the going concern basis in preparing the financial statements.

2.3 Segmental reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker who is responsible for allocating resources and assessing performance of the operating segments and which has been identified as the Board of Directors that make strategic decisions. For the purposes of IFRS 8 ‘Operating Segments’ the Company currently has one segment, being ‘Investing in the TMT sector’. No further operating segment financial information is therefore disclosed.

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2010

2.4 Foreign currency translation

(a) Functional and presentational currency

Items included in the financial statements of the Company are measured in United States Dollars ('US dollars', 'USD' or 'US\$'), which is the Company's functional and presentation currency.

(b) Transactions and balances

Foreign currency transactions are translated into US\$ using the exchange rates prevailing at the dates of the transactions. Exchange differences arising from the translation at the year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the consolidated statement of comprehensive income.

Currency	Conversation rates, USD	
	At 31.12.2010	Average rate
British pounds, £	1.54	1.59

2.5 Employees and payroll

The Company has no employees.

2.6 Cash and cash equivalents

Cash and cash equivalents consist of cash at bank and in hand, deposits held at call with banks, bank overdrafts and other short-term highly liquid investments with maturities of three months or less from the date of acquisition.

2.7 Taxation

Deferred tax is provided in full using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that, at the time of the transaction, affects neither accounting nor taxable profit or loss. Deferred tax is determined using tax rates that are expected to apply when the related deferred tax asset is realised or when the deferred tax liability is settled. Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised.

2.8 Equity instruments

Ordinary shares are classified as equity. Costs directly attributable to the issue of new shares are shown in equity as a deduction from the proceeds.

2.9 New IFRSs and interpretations not applied

At the date of authorisation of these financial statements, the following standards and interpretations have not been applied in these financial statements were in issue but not yet effective:

IFRS 9	Financial Instruments: Classification & Measurement	1 January 2013
IAS 24	Related Party Disclosures (revised)	1 January 2011
IFRIC 14	Amendment: Prepayments of a Minimum Funding Requirement	1 January 2011

The Company has not early adopted these amended IFRSs and interpretations. The Directors do not anticipate that the adoption of these IFRSs and interpretations will have a material impact on the Company's financial statements in the periods of initial application.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2010**

2.10 Accounting estimates and judgements

Estimates and judgements will need to be regularly evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. TMT Investments will need to make estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, rarely equal the related actual results. Due to the early stage of the Company's activities there are currently no estimates and assumptions that have a significant risk of causing a material adjustment to carrying amounts of assets and liabilities at 31 December 2010 within the next financial year.

3 Administrative expenses

	<i>Administrative expenses, USD</i>
Accounting fees	2,000
Audit fees	11,000
Directors' fees (note 9)	8,304
Professional fees	6,175
Total	27,479

4 Taxation

	<i>Taxation, USD</i>
Jersey corporation tax	-
Overseas tax	-
Deferred tax	-
Total	-

No tax reconciliation note has been presented as the income tax rate for Jersey companies is 0%.

5 Loss per share

Basic loss per share is calculated by dividing the losses attributable to the Company's shareholders by the weighted average number of ordinary shares in issue during the period from incorporation to 31 December 2010:

	<i>Loss per share</i>
Loss for the period, US\$	(26,879)
Weighted average number of shares	4,731,183
Loss per share (US\$ cents per share)	(0.57c)

The Company has not granted any share options during the period so no diluted loss per share has been presented.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2010**

6 Cash & cash equivalents

Cash & cash equivalents, USD

	<i>At 31.12.2010</i>
Cash at bank and in hand	19,648,821

Cash and cash equivalents consist of cash at bank held in US dollars. The effective interest rate at 31 December 2010 was 0.05%. Short-term financial assets are only shown as cash and cash equivalents if they are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. In March 2011 the Directors approved depositing US\$10 million with Investec Bank Plc in London on a 32-day notice deposit with interest of 1.45% per year.

7 Trade and other payables

Trade and other payables, USD

Accrued expenses	39,453
Total	39,453

8 Share capital

The Company has an authorised share capital of unlimited shares of no par value and has a current issued share capital of 20,000,002 Ordinary Shares, including 20,000,000 placing shares issued at a placing price of US\$1.

Share capital, USD

<i>Shareholder</i>	<i>As at incorporation</i>		<i>Following Admission to AIM</i>	
	<i>Number of Ordinary Shares</i>	<i>Percentage of Subscriber capital</i>	<i>Number of Ordinary Shares</i>	<i>Percentage of Enlarged Ordinary Share capital</i>
Hanover Nominees Limited	-	-	5,000,000	25.00
Wissey Trade & Invest Limited	-	-	5,000,000	25.00
Vidacos Nominees Limited	-	-	4,000,000	20.00
Menostar Holdings Limited	-	-	3,100,000	15.50
Ubenord Investments Limited	-	-	1,900,000	9.50
OJSC Gipropros	-	-	600,000	3.00
Petr Vladimirovich Lanin	2	100	10,002	0.05
Other	-	-	390,000	1.95
Total	2	100	20,000,002	100.00

The net proceeds of the share placing of 20,000,000 ordinary shares on admission to AIM in December 2010 were US\$19,636,247, after IPO expenses. The total amount of the IPO expenses for the Share Placing and Admission to AIM was US\$363,753.

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2010

9 Directors' fees

On 6 December 2010, Alexander Selegenev, James Mullins, and Petr Lanin entered into letters of appointment with the Company whereby they agreed to provide services to the Company in return for fixed fees. The Directors' fees for the period were as follows:

	<i>Directors' fees, USD</i>
<i>Director</i>	<i>Period ended 31.12.10</i>
Alexander Selegenev	4,406
James Mullins	2,118
Petr Lanin	1,780
Total	8,304

Compensation of key management personnel

The Directors' fees shown above are all classified as 'short term employment benefits' under International Accounting Standard 24. The Directors do not receive any pension contributions or other benefits and have not been granted any share options or warrants.

Key management personnel of the Company are defined as those persons having authority and responsibility for the planning, directing and controlling the activities of the Company, directly or indirectly. Key management of the Company are therefore considered to be the Directors of the Company. There were no transactions with the key management, other than their Directors fees, which are set out above.

10 Financial risk management and financial instruments

At the period end, the Company's financial instruments comprise cash and cash equivalents and trade and other payables.

The Company has identified the following risks arising from its activities and has established policies and procedures to manage these risks in accordance with its risk strategy.

Interest rate risk

At 31 December 2010 the Company had US dollar cash deposits of US\$19,648,821, earning a variable rate of interest. These cash deposits were established from the issue of shares. The Directors monitor the interest rates available in the market to ensure that returns are maximized.

Credit risk

The Company's principal financial asset is the cash and cash equivalent balance. The credit risk on liquid funds is reduced because the counterparties are banks with high credit ratings assigned by international credit rating agencies. As set out in note 6, the Directors intend to continue to spread the risk by depositing the cash in more than one financial institution.

Liquidity risk

The Company is not currently exposed to liquidity risk. The liquid funds are regularly monitored using cash flow forecasting to ensure that surplus funds are invested to achieve a higher rate of return.

11 Capital management

The capital structure of the Company is presented in the balance sheet and at the reporting date consists of equity share capital.

The Board's policy is to maintain a strong capital base so as to maintain investor and market confidence and to enable the successful future development of the business. The Company is not subject to externally imposed capital requirements.

12 Subsequent events

There are no significant subsequent events from the period end to the date of this report.

13 Control

The Company is not controlled by any one party. Details of significant shareholders are shown in the Directors' Report.