Annual Report & Accounts 2012

TMT INVESTMENTS PLC

For the year ended
31 December 2012

CONTENTS

THE COMPANY

TMT Investments Plc ("TMT" or the "Company") is a company incorporated under the laws of Jersey in September 2010. The Company has been established for the purpose of making investments in the Technology, Media and Telecommunications ("TMT") sector where the Directors believe there is a potential for growth and the creation of shareholder value.

Investment Strategy
TMT currently focuses on identifying attractive investment opportunities in the following segments of the TMT sector:

- Mobile software applications
- Cloud solutions
- Advertising technologies
- Online social network services and applications
- Data and project management software applications

Among other features, TMT seeks to identify companies that have:

- Competent and motivated management
- High growth potential
- Potential synergies with other portfolio companies
- Viable exit opportunities

Investment Policy
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 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.

THE COMPANY

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.

INVESTMENT PORTFOLIO

(as of 31 December 2012)

Ninua

Ninua is a rapidly growing developer of social internet application software in the field of news, blogs and social media

Incorporation	USA
First invested in	June 2011
Investment value	US$504,544
Type	Convertible note
Web site	www.ninua.com

Depositphotos

A photobank (an online image storage facility) acting as intermediary between picture right owners and buyers

Incorporation	USA
First invested in	July 2011
Investment value	US$5,063,023
Type	Common stock
Web site	www.depositphotos.com

rollApp

Developer of a software-on-demand service designed to instantly deliver existing third-party software applications to any web-browser-equipped device over broadband/3G

Incorporation	USA
First invested in	July 2011
Investment value	US$360,000
Type	Common stock
Web site	www.rollapp.com

Unicell

Mobile application service and content provider in Israel

Incorporation	Israel
First invested in	September 2011
Investment value	US$2,982,471
Type	Common stock
Web site	www.unicell.co.il/about.htm

PeekYou

Online search technology focused on indexing the public web around people

Incorporation	USA
First invested in	November 2011
Investment value	US$122,378
Type	Convertible note
Web site	www.peekyou.com

INVESTMENT PORTFOLIO

Wanelo

Social e-store administered by its community

Incorporation	USA
First invested in	November 2011
Investment value	US$355,000
Type	Preferred stock
Web site	www.wanelo.com

Tracks

Mobile social networking platform that enables users to effortlessly create social photo stories around real-world experiences

Incorporation	USA
First invested in	November 2011
Investment value	US$444,787
Type	Convertible note
Web site	www.tracks.io

Gild

Gild evaluates the work of millions of developers so companies using Gild's talent acquisition tools know who is good and can target the right candidates

Incorporation	USA
First invested in	December 2011
Investment value	US$156,910
Type	Preferred stock
Web site	www.gild.com

Socialize

Provides mobile app developers with drop-in-simple software development kits to drive app engagement and discoverability

Incorporation	USA
First invested in	December 2011
Investment value	US$494,644
Type	Convertible note
Web site	www.getsocialize.com

1-Page

Provides corporate software-as-a service solutions and an internet platform that enables users to systematically create, solicit, distribute, and negotiate one-page job proposals between individuals and companies

Incorporation	USA
First invested in	February 2012
Investment value	US$305,367
Type	Preferred stock
Web site	www.1-page.com

ThusFresh/Undrip

ThusFresh is developing "Undrip", a mobile and web application that filters, organises and sorts the content that users' friends are sharing on Twitter, Facebook and other social networks

Incorporation	USA
First invested in	March 2012
Investment value	US$510,000
Type	Preferred stock
Web site	www.undrip.com

INVESTMENT PORTFOLIO

Todoroo/Astrid

Automated personal assistant that helps people manage their "to-do" lists on the iPhone, Android, and the web by connecting them to people and products to help them get things done

Incorporation	USA
First invested in	April 2012
Investment value	US$400,000
Type	Convertible note
Web site	www.astrid.com

Hotlist

Mobile software application that shows users what their friends have planned, and what is happening at venues throughout the week in over 40,000 cities worldwide

Incorporation	USA
First invested in	April 2012
Investment value	US$393,030
Type	Convertible note
Web site	www.hotlist.com

Wrike

Leading provider of project management software that helps thousands of teams get more things done and done faster

Incorporation	USA
First invested in	June 2012
Investment value	US$1,003,363
Type	Convertible note
Web site	www.wrike.com

Backblaze

Offers a service that automatically and continuously backs up all data from Mac- or Windows-enabled computers, over the Internet, to Backblaze's data centre

Incorporation	USA
First invested in	July 2012
Investment value	US$2,510,759
Type	Preferred stock
Web site	www.backblaze.com

Pipedrive

Provides a simple-to-use but powerful online sales management tool aimed at businesspeople who want to actively drive their sales process and spend less time on administration

Incorporation	USA
First invested in	July 2012
Investment value	US$328,945
Type	Convertible note
Web site	www.pipedrive.com

Usingmiles

Helps its members keep track of their miles and rewards, alerts them to special promotions available and helps them find efficient ways to spend their rewards through a "one stop" easily accessible service

Incorporation	USA
First invested in	August 2012
Investment value	US$260,000
Type	Preferred stock
Web site	www.usingmiles.com

Virool

Self-service platform that allows video creators to distribute videos to targeted audiences across Virool's network of online publishers, blogs, social games and mobile apps

Incorporation	USA
First invested in	August 2012
Investment value	US$502,275
Type	Equity
Web site	www.virool.com

Gentoo/Contacts+

Universal contacts platform that brings contacts-related services to a single place, creating a place to connect, however you want, with the people you care about

Incorporation	USA
First invested in	September 2012
Investment value	US$260,000
Type	Preferred stock
Web site	www.contactspls.com

Favim

System that allows users to add their own or third-party images from the web to their personal galleries on favim.com in just two easy steps

Incorporation	BVI
First invested in	October 2012
Investment value	US$305,050
Type	Common stock
Web site	www.favim.com

AppsIndep

MMO game developer and publisher

Country	Cyprus
First invested in	November 2012
Investment value	US$1,863,685
Type	Common stock
Web site	www.ggeek.ru

DIRECTORS, CONSULTANTS AND PROFESSIONAL ADVISORS

Directors

Yuri Mostovoy	Chairman of the Board
Alexander Selegenev	Executive Director
Petr Lanin	Independent Non-Executive Director
James Joseph Mullins	Independent Non-Executive Director

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
1 Hobhouse Court, Suffolk Street
London, SW1Y 4HH

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

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 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.

Yuri Mostovoy, Chairman of the Board

Yuri Mostovoy has a broad range of experience in investment banking and commerce. He is currently a director of OJSC Armada, a leading independent software development and IT service provider in Russia. He is the owner of Interval LLC, a company that develops advanced investment portfolio management systems, and Buballo LLC. He is also a Member of the Advisory Board of Global Advertising Strategies, Inc.

In the past, Mr. Mostovoy was a founding shareholder and director of Supercompilers LLC, the company engaged in the development of new technology, which increases the speed of Java-programs. At different points in his career, he was employed as Head of Development in the Fixed Income Quantitative Research Department at Lehman Brothers, Global Head of Quantitative Fixed Income Research at Barclays Capital, and Vice President of Citibank (New York). Mr. Mostovoy was also involved in a number of successful capital raises for companies in Russia. Yuri completed his Ph.D. at the Moscow Aviation Institute in 1972 and has a M.Sc. in Electrical Engineering from that same institution.

Alexander Selegenev, Executive Director

Alexander Selegenev has 15 years of experience in investment banking and venture capital, 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, with specific focus on the AIM market of the London Stock Exchange.

Between 2001 and 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. Alexander has also worked for two leading Japanese Investment banks, Daiwa Securities SMBC Europe Limited and Sumitomo Bank Limited. Throughout his career he worked on a large number of AIM IPOs and private equity and merger and acquisition transactions. 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

James is a founder and director of Ronan Foods Limited and a director and co-founder of Clover Films Limited and Off Your Face Limited. He has over 25 years experience in finance and has been 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. From 2004 to 2007, he was the Finance Director at Rambler Media and was involved in its successful admission on AIM and subsequent sale. He was previously a partner in First Mercantile and FM Asset Management Ltd.

He was previously Deputy Chairman of the Association of European Businesses in Russia, Head of Corporate Restructuring at Coopers & Lybrand, Russia and director and co-founder of Branan Management Consultants. He was recently Chairman of the Scottish Salmon Company, which is listed on the Oslo Bors. 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.

DIRECTORS, CONSULTANTS AND PROFESSIONAL ADVISORS

Petr Lanin, Independent Non-Executive Director
Petr Lanin has broad experience in investment and brokerage on the Russian capital markets. He began his career as an equity analyst at Russian information agency RosBusinessConsulting in 1995.

Between 1996 and 2000, he served as chief of the equities trading department at Makprombank. Between 2000 and 2006, he was general director of 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 Maxwell Biotech venture capital 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 head of the Purchases and Supply Department at Federal State Organisation "Clinical hospital #1". Petr holds an MBA degree in finance and credit from the Plekhanov Russian Academy of Economics.

EXECUTIVE DIRECTOR'S STATEMENT

During 2012, the Company has been extremely active in the fast-growing internet sector, specifically focusing on segments such as mobile applications, personal and business productivity, cloud, and mobile advertising services. In 2012, the Company invested US$8.5 million in 12 new companies, as well as US$2.2 million in 2 existing portfolio companies.

Portfolio Performance

We were delighted to announce our first cash exit in December 2012, when we completed the disposal of our entire equity stake in Berryman Capital Group Ltd ("Berryman") for a total cash consideration of US$1.2 million. TMT originally acquired 20% of Berryman's equity capital for an aggregate consideration of US$1 million on 30 August 2011.

One of the biggest "reporting challenges" faced by the Company to date is due to the fact that the majority of our investments have been made in privately held companies, which do not have a sufficiently long history of earnings. This means that, regardless of how impressively some of our portfolio companies may have grown in terms of operating statistics (downloads, audience rankings, visitors, etc.), changes in fair value of our earlier-stage portfolio companies cannot be justified under the IFRS rules unless there has been an independent equity financing round or other measurable reliable evidence to support a changed valuation.

However, with the growing number of companies in our portfolio, we have started to see more revaluation events across our portfolio. As of the end of 2012, Depositphotos became the first of our portfolio companies suitable for the IFRS-acceptable revaluation, which resulted in a significant (68%) uplift in the fair value of our equity stake in Depositphotos (from US$3 million as of 30 June 2012 to US$5.06 million as of 31 December 2012).

In 2012, three additional revaluations took place in the TMT portfolio:

- The One Page Company Inc. ("One-Page") raised new equity capital, which triggered the conversion of TMT's convertible note into One-Page's equity, resulting in a 20% increase in the fair value of TMT's original investment in One-Page (from US$255,000 to US$305,000 as of 31 December 2012).
- Gild, Inc. also raised additional equity capital, although at a discount to the equity valuation at which TMT originally invested in December 2011. This resulted in a notable (approx. 53%) reduction in the fair value of TMT's investment in Gild (from US$335,000 as of 31 December 2011 to US$156,910 as of 31 December 2012).
- The outstanding principal and unpaid accrued interest of the Company's convertible promissory note in Virool, Inc. was converted into Virool's preferred shares thereby increasing the fair value of our original investment in Virool by 24% in just under 4 months (from US$405,000 to US$502,275 as of 31 December 2012).

The Company's net asset value per share as of 31 December 2012 was US$1.09.

Key Portfolio Company Developments in 2012 (according to TMT's portfolio companies)

Depositphotos:

- Annual revenues up 248%
- Annual EBITDA up 216%
- Number of monthly visits (Dec 2012 vs. Dec 2011) up 109%
- Total number of authors up 86%
- Total number of photos in the photobank up 123%

Backblaze:

- Annual revenues up 58%
- Total number of licensed computers up 59%
- Ended the year with 47 petabytes of data stored by customers, up from 24 petabytes at the end of 2011
- Restored nearly 2.5 billion files for customers
- Celebrated 5 years in business and won "Best Backup Service 2012" from OnlineBackupReviews

Tracks:

- Total number of app downloads up 297%
- Number of monthly active users (Dec 2012 vs. Dec 2011) up 373%

Astrid/Todoroo:

- Total number of registrations up 815%
- Number of monthly active users (Dec 2012 vs. Dec 2011) up 49%
- Total number of app downloads up 72%
- Named "most popular To-do manager" by Lifehacker readers

Wrike:

- Annual revenues up 140%
- Number of monthly active users (Dec 2012 vs. Dec 2011) up 104%
- Total number of paid accounts up 91%

Pipedrive:

- Annual revenues up 1,301%
- Total Paying Customers up 344%

Wanelo, Virool, Favim, Gild, Contacts+(Gentoo):

- Very impressive growth in the number of users, customers and/or revenues, but too early for comparable statistics

PeekYou, Ninua, Hotlist, Undrip (ThusFresh), One-Page, UsingMiles, AppsIndep, rollApp:

- No significant developments, or product is at a very early stage

Unicell:

- 2012 revenues and profitability down significantly due to recent regulatory changes in the industry

Operating Expenses

In 2012, the Company made significant efforts to strengthen its team and streamline its internal processes. In particular, in June 2012 the Company restructured its management team by appointing German Kaplun and Alexander Morgulchik, who had previously been acting as consultants to the Company, as Head of Strategy and Head of Business Development respectively. In addition, Artyom Inyutin was appointed as Head of Investments. Since his appointment, Mr. Inyutin has acquired shares in the Company, at the time representing 5.28% of the Company's issued equity capital. The Company has also started to rent an office in Moscow (Russia) since October 2012. Although these efforts have led to a notable increase in our Administrative Expenses, we believe the Company has now reached an optimal size, and we do not expect our 2013 Operating Expenses to increase significantly from November-December 2012 levels. Importantly, in December 2012, TMT's three senior managers agreed to receive all of their 2013 salaries in TMT shares on 31 December 2013 rather than monthly in cash. The number of shares receivable in each case is fixed at a price of US$1.60 per share.

EXECUTIVE DIRECTOR'S STATEMENT

Financial position

In February 2012, the Company raised US$6.5 million at US$1.40 per share from two of the Company's existing shareholders. That was an important vote of confidence in our current portfolio and investment strategy. Subsequent to the year end, in March 2013 the Company raised an additional US$1.12 million at US$1.50 per share from a number of new investors. With no outstanding debt and with approximately US$7 million in cash reserves, the Company continues to be well placed to capitalise on the investment opportunities available in the software applications, digital media and internet sectors.

Outlook

Since 31 December 2012, the Company has invested US$1.9 million in three new companies (Adinch, Inc., ShareThis Inc., and Graphicly Inc.), as well as US$100,000 in existing portfolio company Tracks Media.

In March 2013, we also had our second exit, when our portfolio company Socialize was acquired by ShareThis Inc., generating an XIRR return of up to 28% for TMT.

We continue to have a strong pipeline of new investment opportunities, and intend to complete a number of new and follow-on investments in 2013. With a number of our portfolio companies experiencing rapid growth, we also expect to announce a number of notable developments with our investee companies.

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

Alexander Selegenev
Executive Director

29 April 2013

CORPORATE GOVERNANCE

Shareholder communication

The Company places great importance on communication with shareholders. Annual Reports and Accounts, Half Year Accounts and other information is available on the website www.tmtinvestments.com and on request can be mailed to the Company's shareholders and other parties who have an interest in the Company's performance.

The Directors will review the Company's Investment Policy on an annual basis. Any material change to the Investment Policy 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 the 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.

The Board's responsibilities and processes

The Board is responsible to shareholders for the overall management of the Company and may exercise all the powers of the Company subject to the provisions of relevant statutes and any directions given by special resolution of the shareholders.

The Board's committees

The Board is assisted by various standing committees of the Board which report regularly to the Board. The membership of these committees is regularly reviewed by the Board. When considering committee membership and chairmanship, the Board aims to ensure that undue reliance is not placed on particular Directors. The terms of reference of the Audit Committee, Remuneration Committee and Nomination Committee provide that no one other than the particular committee chairman and members may attend a meeting unless invited to attend by the relevant committee.

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.

CORPORATE GOVERNANCE

Nomination Committee
The Company has established a Nomination Committee, which considers the appointment of directors to the Company's board and makes recommendations in this respect. The Nomination Committee currently comprises James Mullins and Alexander Selegenev with James Mullins appointed as Chairman.

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 YEAR ENDED 31 DECEMBER 2012

The Directors present their report and audited financial statements of the Company for the year ended 31 December 2012.

Principal activity and review of the business

TMT Investments plc ("TMT Investments" or the "Company") was incorporated under the laws of Jersey. The Company has been established for the purpose of making investments in the TMT sector where the Directors believe there is a potential for growth and the creation of shareholder value. The Company primarily targets 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 year amounted to US$875,151, which includes a profit on disposal of equity investments of US$200,000. The total comprehensive income for the year amounted to US$1,130,077, including unrealised gains of US$2,005,228 on the revaluation of investments. 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 Company's website at www.tmtinvestments.com.

Changes in share capital

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 2012 the number of the Company's issued ordinary shares was 24,642,860. On 7 March 2013 TMT Investments allotted 750,398 new ordinary shares of no par value each in the Company to new investors at a price of US$1.5 per share, being a discount of 12% over the closing price of TMT's ordinary shares on 6 March 2013 and raising US$1,125,000. The Company now has a total of 25,393,258 ordinary shares in issue.

Substantial shareholdings

The Directors are aware of the following shareholdings of 3% or more of the issued share capital of the Company as of 18 April 2013.

Shareholders	Number of ordinary shares	% of issued ordinary share capital
Wissey Trade & Invest Ltd	8,571,429	33.75%
Menostar Holdings Limited	4,210,369	16.58%
German Kaplun and Alexander Morgulchik *	3,999,000	15.75%
Hanover Nominees Limited <RESC7>	3,608,061	14.21%
Spotlight Global	1,966,666	7.74%
Advance Consulting Services (Artyom Inyutin)	1,300,000	5.12%
Other	1,737,733	6.85%
Total	**25,393,258**	**100.00%**

* via Vidacos Nominees Limited <CLRLUX2>

Directors

During the financial year the following Directors held office:

Yuri Mostovoy	Chairman of the Board
Alexander Selegenev	Executive Director
James Joseph Mullins	Independent Non-Executive Director
Petr Lanin	Independent Non-Executive Director

The Directors' fees are as follows:

Director	*Annual fee, per letters of appointment*
Yuri Mostovoy	US$100,000
Alexander Selegenev	£71,000
James Mullins	£20,000
Petr Lanin	£16,800

Share options
In addition to the shares granted to Alexander Selegenev in 2011, on 27 August 2012 the Board of Directors approved a share option plan (the "Plan") for directors, officers, employees of or consultants to the Company and/or any company directly or indirectly controlled by the Company.

Under the Plan, options over a total of 7,500,000 ordinary shares in the Company, representing approximately 30% of the current issued share capital (or 23% of the enlarged share capital assuming full exercise of the options), can be made available at an exercise price determined by the Board or its remuneration committee, which will not be less than the closing middle market price for the Company's share on AIM on the date of grant as published by or on behalf of the London Stock Exchange plc. Options will vest on a daily basis over a period of 3 years whilst the option holder remains eligible, and vested options can be exercised on each anniversary of the grant, but if not exercised within 1 year from the allowable date of exercise, will lapse.

Full details of the share option plans are set out in note 15.

There were no exercised options during the year ended 31 December 2012.

Subsequent events
On 8 February 2013, portfolio company Gild, Inc. ("Gild") completed the initial closing of an equity financing round. After the new equity financing is completed, TMT will hold approximately 1.23% of Gild's fully-diluted equity capital.

On 20 February 2013, TMT Investments completed an investment in Adinch, Inc. ("Adinch"). TMT has acquired 1,000,000 preferred shares representing 20.0% of Adinch's fully diluted equity capital, for an aggregate consideration of US$1,000,000.

On 4 March 2013, TMT Investments was informed by Menostar Holdings Limited that it had sold 1,300,000 shares, representing approximately 5.28% in the Company, to Spotlight Global Corp.

On 7 March 2013, TMT Investments allotted 750,398 new ordinary shares of no par value each in the Company to new investors at a price of US$1.5 per share, being a discount of 12% over the closing price of TMT's ordinary shares on 6 March 2013 and raising US$1,125,000. The Company now has a total of 25,393,258 ordinary shares in issue.

On 8 March 2013, TMT Investments completed an additional investment in Tracks Media, Inc. ("Tracks"). TMT's new investment consists of a US$100,000 unsecured convertible promissory note in Tracks.

On 26 March 2013, the Company's portfolio company Socialize, Inc. was acquired by ShareThis, Inc. ("ShareThis"). TMT's total maximum consideration for the transaction is US$713,991, consisting of US$40,319 payable to TMT in cash at closing, up to additional US$103,642 in cash payable to TMT after the expiration of an eighteen months' holdback period, and US$570,030 in the form of an unsecured convertible promissory note in ShareThis.

On 3 April 2013, TMT completed an investment in Graphicly, Inc. TMT's investment consists of a US$350,000 subordinated secured convertible promissory note in Graphicly.

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2012

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 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 on page 9 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.

Going concern
The Company's business activities together with the factors which may impact its activities are described on page 3. The financial position of the Company is described in the financial statements and notes to the financial statements.

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
29 April 2013

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF TMT INVESTMENTS PLC

We have audited the financial statements of TMT Investments plc for the year ended 31 December 2012 which comprise 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 19, 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 2012 and of its loss for the year 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
Date: 29 April 2013

Statement of Comprehensive Income

	Notes	For the year ended 31/12/2012 USD	For the year ended 31/12/2011 USD
Revenue	3	**315,049**	**8,199**
		315,049	**8,199**
Expenses			
Administrative expenses	5	(1,317,451)	(569,180)
Operating loss		**(1,002,402)**	**(560,981)**
Finance income	7	127,251	118,390
Loss before taxation		**(875,151)**	**(442,591)**
Taxation	8	-	-
Loss attributable to equity shareholders		**(875,151)**	**(442,591)**
Other comprehensive income for the year:			
Change in fair value of available-for-sale financial assets (net)	16	2,005,228	-
Total comprehensive income/(loss) for the year		**1,130,077**	**(442,591)**
Loss per share			
Basic loss per share (cents per share)	9	**(3.62)**	**(2.21)**
Diluted loss per share (cents per share)	9	**(3.62)**	**(2.21)**

Statement of Financial Position

	Notes	At 31 December 2012,USD	At 31 December 2011,USD
Non-current assets			
Investments in equity shares	10	15,434,540	5,944,459
Convertible notes receivable	10	3,691,691	1,392,252
Total non-current assets		**19,126,231**	**7,336,711**
Current assets			
Trade and other receivables	11	203,988	49,510
Cash and cash equivalents	12	7,717,554	11,861,305
Total current assets		**7,921,542**	**11,910,815**
Total assets		**27,047,773**	**19,247,526**
Current liabilities			
Trade and other payables	13	114,315	72,329
Total liabilities		**114,315**	**72,329**
Net assets		**26,933,458**	**19,175,197**
Equity			
Share capital	14	26,136,248	19,636,247
Share-based payment reserve	15	128,183	8,420
Investment fair value reserve	16	2,005,228	-
Retained losses	16	(1,336,201)	(469,470)
Total equity		**26,933,458**	**19,175,197**

The financial statements were approved by the Board of Directors on 29 April 2013 and were signed on its behalf by:

Alexander Selegenev
Executive Director

Statement of Cash Flows

	Notes	For the year ended 31/12/2012, USD	For the year ended 31/12/2011, USD
Cash used by operating activities			
Operating loss		(1,002,402)	(560,981)
Adjustments for:			
Profit on disposal of equity investment	3	(200,000)	-
Share-based payment charge	15	128,183	8,420
Amortized costs of convertible notes receivable	3	48,853	4,419
		(1,025,366)	**(548,142)**
Changes in working capital:			
Increase in trade and other receivables	11	(154,478)	(37,024)
Increase in trade and other payables	13	41,986	32,876
Net cash used by operating activities		**(1,137,858)**	**(552,290)**
Investing activities			
Bank interest received	7	127,251	105,904
Purchase of available-for-sale assets	10	(10,833,145)	(7,341,130)
Proceeds from sale of investments	10	1,200,000	-
Net cash used by investing activities		**(9,505,894)**	**(7,235,226)**
Financing activities			
Proceeds from issue of shares	14	6,500,001	**-**
Net cash from financing activities		**6,500,001**	**-**
Net decrease in cash and cash equivalents		**(4,143,751)**	**(7,787,516)**
Cash and cash equivalents at the beginning of the year		**11,861,305**	**19,648,821**
Cash and cash equivalents at the end of the year	12	**7,717,554**	**11,861,305**

Statement of Changes in Equity

For the year ended 31 December 2012 and for year ended 31 December 2011, USD

	Notes	Share capital	Share-based payment reserve	Fair value reserve	Retained losses	Total
		USD	USD	USD	USD	USD
Balance at 31 December 2010		**19,636,247**	**-**	**-**	**(26,879)**	**19,609,368**
Total comprehensive loss for the year		-	-	-	(442,591)	(442,591)
Transactions with owners:						
Share based payment charge	15	-	8,420	-	-	8,420
Balance at 31 December 2011		**19,636,247**	**8,420**	**-**	**(469,470)**	**19,175,197**
Total comprehensive income/(loss) for the year		-	-	2,005,228	(875,151)	1,130,077
Transactions with owners:						
Issue of shares		6,500,001	-	-	-	6,500,001
Share-based payment charge	15	-	128,183	-	-	128,183
Transfer to retained losses on lapse of share options		-	(8,420)	-	8,420	-
Balance at 31 December 2012		**26,136,248**	**128,183**	**2,005,228**	**(1,336,201)**	**26,933,458**

1. Company information

TMT Investments Plc ("TMT" 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 do not restrict its activities and therefore it has unlimited legal capacity. The Company's ability to implement its Investment Policy 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.

Financial statements of the Company are prepared by and approved by the Directors in accordance with International Financial Reporting Standards, International Accounting Standards and their interpretations issued or adopted by the International Accounting Standards Board as adopted by the European Union ("IFRSs"). The Company's accounting reference date is 31 December.

2. Summary of significant accounting policies

2.1 Basis of presentation

The principal accounting policies applied by the Company in the preparation of these financial statements are set out below and have been applied consistently.

The financial statements have been prepared on a going concern basis, under the historical cost basis as modified by the fair value of available-for-sale financial assets, as explained in the accounting policies below, and in accordance with IFRS. Historical cost is generally based on the fair value of the consideration given in exchange for assets.

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'.

Even though the Company only has one segment, there are still geographical disclosures that need to be made to comply with IFRS 8 'Operating Segments'.

The Company analyses revenue and non-current financial assets according to the geographical location of the investment (see note 4).

2.4 Foreign currency translation

(a) Functional and presentation 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 statement of comprehensive income.

	Conversation rates, USD	
Currency	*At 31.12.2012*	*Average rate, 2012*
British pounds, £	1.6163	1.5850

2.5 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.

2.6 Financial assets

Recognition and measurement
Investments are recognized and de-recognized on a date where the purchase or sale of an investment is under a contract whose terms require the delivery or settlement of the investment. The Company manages its investments with a view to profiting from the receipt of dividends and changes in fair value of equity investments.

"Available-for-sale" financial instruments include unlisted equity investments and convertible promissory notes. Equity instruments classified as available-for-sale are those which are neither classified as held-for-trading nor designated as fair value through profit or loss. Convertible promissory notes are treated as similar in nature to the unlisted equity investments and designated as available-for-sale.

Available-for-sale investments are carried at fair values except for financial assets that do not have a quoted market price in an active market and whose fair value cannot be reliably measured which are measured at cost less any identified impairment losses at the end of the period in accordance with the IAS 39 para 46 (c) exemptions. Fair value information has therefore not been disclosed for those investments.

Where there has been a relevant transaction during the year that gives an indication of the fair value of the available-for-sale unlisted shares, the shares are included at that fair value and the increase or decrease in fair value is recognised in the investment fair value reserve. The "price of recent investment" methodology is used mainly for investments in venture capital companies and includes cost of investment or valuation by reference to a subsequent financing round. Valuation increases above cost are only recognised if that round involved a new external investor and the company is meeting milestones set by investors.

Investments are classified on recognition as "fair value through profit and loss" when their fair values can be estimated reliably on a regular basis and when they are managed on a fair value basis. Fair value changes of investments at fair value through profit and loss are included within profit/loss in the income statement. At 31 December 2012 all investments are classified as "available-for-sale and none are classified as "fair value through profit and loss".

Financial assets that qualify as an associate as 20% or more of the voting rights are held by the company, are exempt from IAS 28 'Investments in Associates', as TMT Investments plc is a venture capital organisation. Such investments are therefore treated as available-for-sale financial assets.

Income

Interest income from convertible notes receivable is recognized as it accrues by reference to the principal outstanding and the effective interest rate applicable, which is the rate that exactly discounts the estimated future cash flows through the expected life of the financial asset to the asset's carrying value.

Impairment of available-for-sale financial assets

A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset. In case of available for sale assets, a significant or prolonged decline in the fair value of the financial asset below its cost is considered an indicator that the financial assets are impaired.

If objective evidence indicates that financial assets that are carried at cost need to be tested for impairment, calculations are based on information derived from business plans and other information available for estimating their fair value. Any impairment loss is included in profit/loss for the year in the Statement of Comprehensive Income.

2.7 Net finance income

Net finance income comprises interest income on deposits. Interest income is recognized as it accrues in the statement of comprehensive income, using the effective interest method. Finance costs comprise interest expenses on borrowings and the unwinding of the discount on provisions.

2.8 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.

2.9 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.

2.10 Share-based payments

The fair value of options granted to employees is recognized as an employee expense, with a corresponding increase in equity, over the period that the employees become unconditionally entitled to the options. The amount recognized as an expense is adjusted to reflect the actual number of share options that vest. For equity settled share-based payment transactions other than transactions with employees the Company measures the goods or services received at their fair value, unless that fair value cannot be estimated reliably. If this is the case the Company measures their fair values and the corresponding increase in equity, indirectly, by reference to the fair value of equity instruments granted.

The Company enters into arrangements that are equity-settled share-based payments with certain employees. These are measured at fair value at the date of grant, which is then recognized in the statement of comprehensive income on a straight-line basis over the vesting period, based on the Company's estimate of shares that will eventually vest. Fair value is measured by use of an appropriate model. In valuing equity-settled transactions, no account is taken of any vesting conditions, other than conditions linked to the price of the shares of TMT Investments. The charge is adjusted at each year end date to reflect the actual number of forfeitures, cancellations and leavers during the period. The movement in cumulative charges since the previous year end is recognized in the statement of comprehensive income, with a corresponding entry in equity.

2.11 New IFRSs and interpretations not applied

The IASB has issued the following standards and interpretations which have been endorsed by the European Union to be applied to financial statements with periods commencing on or after the following dates:

		Effective for period beginning on or after
IAS 27	Separate Financial Statements (2011)	1 January 2013
IAS 28	Investments in Associates and Joint Ventures (2011)	1 January 2013
IFRS 10	Consolidated Financial Statements	1 January 2013
IFRS 11	Joint Arrangements	1 January 2013
IFRS 13	Fair Value Measurement	1 January 2013
IAS 39	Amendments to IAS 39 Employee Benefits	1 January 2013
IAS 1	Amendments to IAS 1 Presentation of Items of Other Comprehensive Income	1 July 2012
IFRS 7	Amendments to IFRS 7 Disclosures - Offsetting Financial Assets and Financial Liabilities	1 January 2013
IAS 32	Amendments to IAS 32 Disclosures - Offsetting Financial Assets and Financial Liabilities	1 January 2014

The Directors do not anticipate that the adoption of these standards and interpretations will have a material impact on the financial statements in the period of initial application and have decided not to adopt any of them early.

2.12 Accounting estimates and judgements

Estimates and judgements 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. The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, rarely equal the related actual results.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

The estimates significant to the financial statements during the year and at the year end is the consideration of the fair value of available-for-sale assets, the impairment of available-for-sale assets and share-based payment calculations, as set out in the relevant accounting policies shown above. A number of the available-for-sale financial assets held by the Company are at an early stage of their development. The Company cannot yet carry out regular reliable fair value estimates of some of these investments. Future events or transactions involving the companies invested in may result in more accurate valuations of their fair values (either upwards or downwards) which may affect the Company's overall net asset value.

3 Revenue

	For the year ended 31/12/2012 USD	*For the year ended 31/12/2011 USD*
Gross interest income from convertible notes receivable	163,902	12,618
Amortized costs of convertible notes receivable	(48,853)	(4,419)
Net interest income from convertible notes receivable	**115,049**	**8,199**
Profit on disposal of equity investment (note 10)	200,000	**-**
Total revenue	**315,049**	**8,199**

4 Segmental analysis

Geographic information
The Company has investments in four principal geographical areas – USA, Israel, BVI and Cyprus.

Revenue from non-current financial assets amounted to US$115,049 and was derived from net interest for convertible notes receivable and a profit on disposal of a US equity investment of US$200,000.

Non-current financial assets
As at 31/12/2012

	USA USD	*Israel USD*	*BVI USD*	*Cyprus USD*	*Total USD*
Equity investments	10,283,334	2,982,471	305,050	1,863,685	**15,434,540**
Convertible notes	3,691,691	-	-	-	**3,691,691**
	13,975,025	**2,982,471**	**305,050**	**1,863,685**	**19,126,231**

As at 31/12/2011

	USA USD	*Israel USD*	*BVI USD*	*Total USD*
Equity	1,961,988	2,982,471	1,000,000	**5,944,459**
Convertible note	1,392,252	-	-	**1,392,252**
Total	**3,354,240**	**2,982,471**	**1,000,000**	**7,336,711**

5 Administrative expenses

Administrative expenses include the following amounts:

	For the year ended 31/12/2012 USD	*For the year ended 31/12/2011 USD*
Staff expenses (note 6)	758,171	329,829
Professional fees	239,265	171,553
Legal fees	46,770	5,400
Bank and LSE charges	25,533	18,689
Audit and accounting fees	47,538	24,220
Rent	43,152	-
Other expenses	158,212	10,220
Currency exchange (gain)/loss	(1,190)	9,269
	1,317,451	**569,180**

6 Staff expenses

	For the year ended 31/12/2012 USD	*For the year ended 31/12/2011 USD*
Directors' fees	284,765	230,209
Wages and salaries	345,223	91,200
Share-based payment charge (note 15)	128,183	8,420
	758,171	**329,829**

Wages and salaries shown above include salaries paid in the year 2012, bonuses and share option schemes relating to the year. These costs are included in administrative expenses.

The average number of staff employed (excluding Directors) by the Company during the year was 4 (2011: 1).

The Directors' fees for 2012 were as follows:

	For the year ended 31/12/2012 USD	*For the year ended 31/12/2011 USD*
Alexander Selegenev	126,205	115,339
Yuri Mostovoy	100,000	55,558
James Mullins	31,922	32,415
Petr Lanin	26,638	26,897
	284,765	**230,209**

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.

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 and share options.

7 Net finance income

	For the year ended 31/12/2012 USD	*For the year ended 31/12/2011 USD*
Bank interest income	127,251	118,390
	127,251	**118,390**

8 Income tax expense

	For the year ended 31/12/2012 USD	For the year ended 31/12/2011 USD
Current taxes		
Current year	-	-
Deferred taxes		
Deferred income taxes	-	-
	-	-

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

9 Loss per share

The calculation of basic loss per share is based upon the net loss for the year ended 31 December 2012 attributable to the ordinary shareholders of USD875,151 (2011: net loss of USD 442,591) and the weighted average number of ordinary shares outstanding calculated as follows:

Loss per share	For the year ended 31/12/2012	For the year ended 31/12/2011
Basic loss per share (cents per share)	(3.62)	(2.21)
Diluted loss per share (cents per share)	(3.62)	(2.21)
Loss attributable to equity holders of the entity	(875,151)	(442,591)

The weighted average number of ordinary shares outstanding before and after adjustment for the effects of all dilutive potential ordinary shares calculated as follows:

(in number of shares weighted during the year outstanding)	For the year ended 31/12/2012	For the year ended 31/12/2011
Weighted average number of shares in issue		
Ordinary shares	24,186,185	20,000,002
	24,186,185	**20,000,002**
Effect of dilutive potential ordinary shares		
Share options	146,735	6,283
Weighted average of shares for the year (fully diluted)	**24,332,920**	**20,006,285**

The diluted loss per share for both 2012 and 2011 is the same as the basic loss per share because the conversion of the share options decreases the basic loss per share and is therefore anti-dilutive.

Transactions involving ordinary shares between the year end date and the date of approval of financial statements are shown in the subsequent events note (note 20).

10 Non-current financial assets

	At 31 December 2012	*At 31 December 2011*
Available-for-sale financial assets, USD:		
Investments in equity shares (i)		
- unlisted shares	15,434,540	5,944,459
Convertible notes receivable (ii)		
- promissory notes	3,691,691	1,392,252
	19,126,231	**7,336,711**

Reconciliation of fair value measurements of non-current financial assets:

	Available-for-sale		*Total*
	Unlisted shares USD	*Promissory notes USD*	*USD*
Balance as at 1 January 2011	-	-	-
Purchases in 2011	*5,944,459*	*1,392,252*	*7,336,711*
Balance as at 31 December 2011	***5,944,459***	***1,392,252***	***7,336,711***
Total gains or losses in 2012:			
- in profit or loss	197,993	(46,846)	151,147
- in other comprehensive income	2,005,228	-	2,005,228
Purchases (including consulting & legal fees)	8,486,860	2,346,285	10,833,145
Disposal of investment	(1,200,000)	-	(1,200,000)
Balance as at 31 December 2012	**15,434,540**	**3,691,691**	**19,126,231**

(i) Breakdown of equity investments as at 31 December 2012:

Invested company	*Date of investment*	*Total cost of investment at 1 Jan 2012, USD*	*Additions to net investment during the period, USD*	*Amount of capitalized consulting and legal services, USD*	*Gain/loss from changes in fair value of financial assets, USD*	*Disposals, USD*	*Total investment at 31 Dec 2012, USD*	*Proportion of equity shares held*
Unicell	15/09/2011	2,982,471	-	-	-	-	2,982,471	10.00%
Berryman	30/08/2011	1,000,000	-	-	200,000	(1,200,000)	-	-
Depositphotos	26/07/2011	911,988	2,099,997	7,500	2,043,538	-	5,063,023	30.00%
RollApp	19/08/2011	360,000	-	-	-	-	360,000	9.70%
Wanelo	21/11/2011	355,000	-	-	-	-	355,000	6.53%
Gild	05/12/2011	335,000	-	1,260	(179,350)	-	156,910	2.21%
1-Page	06/02/2012	-	245,289	13,062	47,016	-	305,367	6.09%
ThusFresh	26/03/2012	-	485,000	25,000	-	-	510,000	7.66%
Backblaze*	24/07/2012	-	2,500,759	10,000	-	-	2,510,759	9.86%
UsingMiles	23/08/2012	-	250,000	10,000	-	-	260,000	3.00%
Gentoo LABS	17/09/2012	-	250,000	10,000	-	-	260,000	6.25%
Favim Holding	24/10/2012	-	300,000	5,050	-	-	305,050	20.00%
Appsindep	12/11/2012	-	1,858,685	5,000	-	-	1,863,685	19.24%
Virool Inc	29/08/2012	-	401,820	6,431	94,024	-	502,275	1.69%
Total	**-**	**5,944,459**	**8,391,550**	**93,303**	**2,205,228**	**(1,200,000)**	**15,434,540**	**-**

*On the first anniversary of the initial investment in Backblaze, the Company has agreed to acquire such number of newly issued and existing shares in Backblaze as will bring TMT's fully diluted equity stake in Backblaze to a minimum of 13.33% and a maximum of 19.05%, dependent on Backblaze's performance, for an additional aggregate consideration of US$2,500,759.

(ii) Breakdown of convertible loan notes as at 31 December 2012:

Invested company	*Date of investment*	*Total cost of investment at 1 Jan 2012, USD*	*Additions to net investment during the period, USD*	*Amount of capitalized consulting and legal services, USD*	*Amount of amortized costs, USD*	*Total investment at 31 Dec 2012, USD*	*Maturity term, years*	*Interest rate, %*
Socialize	19/12/2011	504,671	-	-	(10,027)	494,644	2	6.00%
Tracks Media	24/11/2011	454,062	-	-	(9,275)	444,787	2	5.00%
Ninua	08/06/2011	303,119	200,000	5,000	(3,575)	504,544	1.5	5.00%
PeekYou	03/11/2011	130,400	-	-	(8,022)	122,378	1	5.00%
Todoroo	12/04/2012	-	400,000	-	-	400,000	1	8.00%
Hotlist Media	18/04/2012	-	388,000	17,000	(11,970)	393,030	1	6.00%
Wrike	12/06/2012	-	1,000,000	6,285	(2,922)	1,003,363	1	8.00%
Pipedrive	30/07/2012	-	325,000	5,000	(1,055)	328,945	2	2.00%
Total		**1,392,252**	**2,313,000**	**33,285**	**(46,846)**	**3,691,691**		

Available-for-sale investments are carried at fair values. Where financial assets do not have a quoted market price in an active market and their fair values cannot be reliably measured so are measured at cost less any identified impairment losses at the end of reporting period, in accordance with IAS 39 para 46 (c) exemption. There have been no indications of impairment to date.

Where there has been a relevant transaction during the year that gives an indication of the fair value of the unlisted shares, the shares are included at that fair value and the increase or decrease in fair value is recognised in the fair value reserve. The “price of recent investment” methodology is used mainly for investments in venture capital companies and includes cost of investment or valuation by reference to a subsequent financing round. Valuation increases above cost are only recognised if that round involved a new external investor and the company is meeting milestones set by investor.

11 Trade and other receivables

	At 31 December 2012 USD	*At 31 December 2011 USD*
Prepayments	25,029	24,406
Interest receivable on promissory notes	171,910	12,618
Interest receivable on deposit	7,049	12,486
	203,988	**49,510**

12 Cash and cash equivalents

The cash and cash equivalents as at 31 December 2012 include cash on hand and in banks, deposits, net of outstanding bank overdrafts. The effective interest rate at 31 December 2012 was 1.30%.

Cash and cash equivalents at the end of the reporting period as shown in the statement of cash flows can be reconciled to the related items in the statement of financial position as follows:

	At 31 December 2012	*At 31 December 2011*
	USD	*USD*
Deposits	5,000,000	10,000,000
Bank balances	2,717,554	1,861,305
	7,717,554	**11,861,305**

The following table represents an analysis of cash and equivalents by rating agency designation based on Fitch rating or their equivalent:

	At 31 December 2012	*At 31 December 2011*
	USD	*USD*
Bank balances		
A rating	2,717,554	1,861,305
	2,717,554	**1,861,305**
Deposits		
A rating	5,000,000	10,000,000
	5,000,000	**10,000,000**

13 Trade and other payables

	At 31 December 2012	*At 31 December 2011*
	USD	*USD*
Directors' fees payable	40,475	37,978
Trade payables	53,625	10,650
Other current liabilities	25	16,383
Accrued expenses	20,190	7,318
	114,315	**72,329**

14 Share capital

On 31 December 2012 the Company had an authorised share capital of unlimited shares of no par value and had issued share capital of:

	At 31 December 2012	*At 31 December 2011*
	USD	*USD*
Share capital	**26,136,248**	**19,636,247**
Issued capital comprises:	Number	Number
Fully paid ordinary shares	24,642,860	20,000,002

	Number of shares	*Share capital USD*
Balance at 31 December 2010 & 2011	**20,000,002**	**19,636,247**
Issue of shares in 2012	4,642,858	6,500,001
Balance at 31 December 2012	**24,642,860**	**26,136,248**

Share capital includes share issue costs of USD 363,753.

On 6 February 2012, the Company allotted 4,642,858 new ordinary shares of no par value each in the Company at a price of US$1.4 per share, being a premium of 12% over the closing price of the Company's shares on 3 February 2012 and raising US$6.5 million.

15 Share-based payments

Share-based payment charge recognized for the years ended 31 December is as follows:

	For the year ended 31/12/2012 USD	*For the year ended 31/12/2011 USD*
Share option (compensation expenses)	128,183	8,420
Total share-based payment charge	**128,183**	**8,420**

On 27 April 2011, on the recommendation of the independent directors, the Company granted share options to subscribe for up to 100,000 ordinary shares to Mr. Alexander Selegenev, an executive director of the Company.

The terms and conditions of the options granted are as follows:

	Options granted to Alexander Selegenev
Date granted	1 January 2011
Number of instruments	100,000
Vesting period	1-3 years
Exercise price	US$1.00
Share-based compensation (USD) during 2011	8,420
Share-based compensation (USD) during 2012	8,420

Options granted to Mr. Alexander Selegenev vest as follows:

No. of ordinary shares	*Exercise Price*	*Exercise Period*
33,333	US$1	31/12/11-30/01/12*
33,333	US$1	31/12/12-30/01/13*
33,334	US$1	31/12/13-30/01/14*

* or a period of 30 days starting from the date on which certain circumstances preventing exercise during these periods have ended.

These options are exercisable by Mr. Alexander Selegenev only while he remains a director and will lapse on the termination of his appointment.

None of the options that vested to Mr. Selegenev in the year ended 31 December 2011 were exercised and therefore lapsed.

The weighted average exercise price and contractual life is as stated in the above tables.

The fair value of services received in return for share options granted is based on the fair value of share options and warrants granted, measured using the Black-Scholes formula, using the following assumptions:

(in USD, except for number of shares and percent)	*Options granted to Alexander Selegenev*
Fair value at grant date	1.03
Share price at grant date	1.25
Exercise price	1
Expected volatility, per cent	7.56%
Option life, years	1-3
Expected dividends, per cent	0
Risk free interest rate, per cent	3.14%

Expected volatility is estimated by considering the Company's data on AIM.

On 27 August 2012, Board of Directors approved a share option plan (the "Plan") for directors, officers, employees of or consultants to the Company and/or any company directly or indirectly controlled by the Company.

Under the Plan, options for a total of 7,500,000 ordinary shares in the Company, representing approximately 30% of the current issued share capital (or 23% of the enlarged share capital assuming full exercise of the options), can be made available at an exercise price determined by the Board or its remuneration committee, which will not be less than the closing middle market price for the Company's share on AIM on the date of grant as published by or on behalf of the London Stock Exchange plc. Options will vest on a daily basis over a period of 3 years whilst the option holder remains eligible, and vested options can be exercised on each anniversary of the grant, but if not exercised within 1 year from the allowable date of exercise, will lapse.

The following options, without performance conditions, have been granted under the Plan on 25 October 2012:

Name	**Option Shares**	**Option Price Year 1**	**Option Price Year 2**	**Option Price Year 3**
German Kaplun (note 19)	1,125,000	US$1.40	US$1.55	US$1.70
Alexander Morgulchik (note 19)	1,125,000	US$1.40	US$1.55	US$1.70
Alexander Selegenev (Director)	1,125,000	US$1.40	US$1.55	US$1.70
Artyom Inyutin (Employee)	1,125,000	US$1.40	US$1.55	US$1.70
Yuri Mostovoy (Director)	562,500	US$1.40	US$1.55	US$1.70
Alexander Pak (Employee)	300,000	US$1.40	US$1.55	US$1.70
Levan Kavtaradze (Employee)	150,000	US$1.40	US$1.55	US$1.70
TOTAL	**5,512,500**			

The fair value of services received in return for share options granted is based on the fair value of share options and warrants granted, measured using the Black-Scholes formula, using the following assumptions:

(in USD, except for number of shares and percent)	**Option Price Year 1**	**Option Price Year 2**	**Option Price Year 3**
Number of share options granted	1,837,500	1,837,500	1,837,500
Fair value of share option at date of grant	0.25	0.15	0.09
Share price at date of grant	1.65	1.65	1.65
Exercise price	1.40	1.55	1.70
Expected volatility, per cent	9.39%	9.39%	9.39%
Option life, years	0-1	0-2	0-3
Expected dividends, percent	0	0	0
Risk free interest rate, percent	0.41%	0.41%	0.41%

Expected volatility is estimated by considering the data of company on AIM.

16 Reserves

	Share based payment reserve USD	*Fair value reserve USD*	*Retained earnings USD*	*Total USD*
Balance as at 1 January 2011	-	-	(26,879)	**(26,879)**
Loss for the year	-	-	(442,591)	**(442,591)**
Share based payment charge	8,420	-	-	**8,420**
Balance as at 31 December 2011	**8,420**	**-**	**(469,470)**	**(461,050)**
Loss for the year	-	-	(875,151)	**(875,151)**
Gain from changes in fair value transferred to equity	-	2,205,228	-	**2,205,228**
Fair value gain on disposal transferred from equity	-	(200,000)	-	**(200,000)**
Share based payment charge	128,183	-	-	**128,183**
Transfer to retained earnings on lapse of share options	(8,420)	-	8,420	**-**
Balance as at 31 December 2012	**128,183**	**2,005,228**	**(1,336,201)**	**797,210**

17 Capital management

The capital structure of the Company consists of equity share capital, reserves, and retained earnings.

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.

No changes were made to the objectives, policies and process for managing capital during the year.

18 Financial risk management and financial instruments

The Company has identified the following risks arising from its activities and has established policies and procedures to manage these risks. The Company's principal financial assets are cash and cash equivalents, investments in equity shares, and convertible notes receivable.

Credit risk

As at 31 December 2012 the largest exposure to credit risk related to cash and cash equivalents, which was US$7,717,554. The exposure risk is reduced because the counterparties are banks with high credit ratings ("A" Liquidity banks) assigned by international credit rating agencies. The Directors intend to continue to spread the risk by holding the Company's cash reserves in more than one financial institution.

(i) Exposure to credit risk

The carrying amount of the following assets represents the maximum credit exposure. The maximum exposure to credit risk as at 31 December is as follows:

	At 31 December 2012 USD	*At 31 December 2011 USD*
Convertible notes receivable	3,691,691	1,392,252
Trade and other receivables	203,988	49,510
Cash and cash equivalents	7,717,554	11,861,305
	11,613,233	**13,303,067**

Market risk

The Company's financial assets are classified as available-for-sale and are measured at fair value. The measurement of the Company's investments in equity shares and convertible notes is largely dependent on the underlying trading performance of the investee companies, but the valuation and other items in the financial statements can also be affected by the interest rate and fluctuations in the exchange rate.

Interest rate risk

Changes in interest rates impact primarily cash and cash equivalents by changing either their fair value (fixed rate deposits) or their future cash flows (variable rate deposits). Management does not have a formal policy of determining how much of the Company's exposure should be to fixed or variable rates.

At 31 December 2012 the Company had a cash deposit of US$5,000,000, earning a variable rate of interest. The Board of Directors monitors the interest rates available in the market to ensure that returns are maximized.

Foreign currency risk management

The Company is exposed to foreign currency risks on investments and salary and director remuneration payments that are denominated in a currency other than the functional currency of the Company. The currency giving rise to this risk is primarily GBP. The exposure to foreign currency risk as at 31 December 2012 was as follows:

	For the year ended 31/12/2012 USD	For the year ended 31/12/2011 USD
Current assets		
Cash and cash equivalents	141,333	122,743
Trade and other receivables	2,344	2,546
Current liabilities		
Trade and other payables	(61,296)	(22,168)
Net (short) long position	**82,381**	**103,121**
Net exposure currency (GBP)	**50,969**	**65,720**
Net exposure currency (assuming a 10% movement in exchange rates against GBP)	**74,143**	**92,809**
Impact on exchange movements in the statement of comprehensive income	**8,238**	**10,312**

The foreign exchange rates of the USD at 31 December were as follows:

	31/12/2012	31/12/2011
Currency		
GBP	1.6163	1.5691

This analysis assumes that all other variables, in particular interest rates, remain constant.

Liquidity risk management

The Company's approach to managing liquidity is to ensure that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company.

The Company has low liquidity risk due to maintaining adequate banking facilities, by continuously monitoring actual cash flows and by matching the maturity profiles of financial assets and current liabilities.

As at 31 December 2012, the cash and equivalents of the Company were US$7,717,554

The following are the maturities of current liabilities as at 31 December 2012:

	Carrying amount USD	Within one year USD	2-5 years USD	More than 5 years USD
Directors' fees payable	40,475	40,475	-	-
Trade payables	53,625	53,625	-	-
Other current liabilities	25	25	-	-
Accrued expenses	20,190	20,190	-	-
	114,315	**114,315**	**-**	**-**

19 Related party transactions

Since May 2012, TMT's Moscow-based staff have been located in an office that belongs to a company ("Orgtekhnika") controlled by Mr. Alexander Morgulchik and Mr. German Kaplun, who collectively own 15.8% of the issued share capital of TMT and are thus considered related parties. There are currently 5 TMT staff involved working substantially full time on TMT's business. TMT started paying rent from 1 October 2012. Rent was being paid to Orgtekhnika at the rate of US$700 per sq meter per year of space utilised. The board believes this represents a discount from the prevailing market rate for similar office space in Moscow. Together with other related expenses (support personnel, company car, security services, etc.), the total costs to TMT were US$14,536 per month (US$174,429 per year). These totalled US$43,152 for the period from 1 October to 31 December 2012 and are included under administrative expenses.

Prior to becoming employees of TMT on 14 June 2012, Mr. Alexander Morgulchik and Mr. German Kaplun acted as consultants to TMT and were paid US$58,981 in reimbursed expenses during the year ended 31 December 2012. They have also been granted share options during the year as set out in note 15. In December 2012, Alexander Morgulchik, German Kaplun and Artyom Inyutin agreed to receive all of their 2013 salaries in TMT shares on 31 December 2013 rather than monthly in cash. The number of shares receivable in each case is fixed at a price of US$1.60 per share.

20 Subsequent events

On 8 February 2013, portfolio company Gild, Inc. ("Gild") completed the initial closing of an equity financing round. After the new equity financing is completed, TMT will hold approximately 1.23% of Gild's fully-diluted equity capital.

On 20 February 2013, TMT Investments completed an investment in Adinch, Inc. ("Adinch"). TMT has acquired 1,000,000 preferred shares representing 20.0% of Adinch's fully diluted equity capital, for an aggregate consideration of US$1,000,000.

On 4 March 2013, TMT Investments was informed by Menostar Holdings Limited that it had sold 1,300,000 shares, representing approximately 5.28% in the Company, to Spotlight Global Corp.

On 7 March 2013, TMT Investments allotted 750,398 new ordinary shares of no par value each in the Company to new investors at a price of US$1.5 per share, being a discount of 12% over the closing price of TMT's ordinary shares on 6 March 2013 and raising US$1,125,000. The Company now has a total of 25,393,258 ordinary shares in issue.

On 8 March 2013, TMT Investments completed an additional investment in Tracks Media, Inc. ("Tracks"). TMT's new investment consists of a US$100,000 unsecured convertible promissory note in Tracks.

On 26 March 2013, the Company's portfolio company Socialize, Inc. was acquired by ShareThis, Inc. ("ShareThis"). TMT's total maximum consideration for the transaction is US$713,991, consisting of US$40,319 payable to TMT in cash at closing, up to additional US$103,642 in cash payable to TMT after the expiration of an eighteen months' holdback period, and US$570,030 in the form of an unsecured convertible promissory note in ShareThis.

On 3 April 2013, TMT completed an investment in Graphicly, Inc. TMT's investment consists of a US$350,000 subordinated secured convertible promissory note in Graphicly.

21 Control

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