

Annual Report & Accounts 2014

**TMT INVESTMENTS PLC**

For the year ended  
31 December 2014

## CONTENTS

	<b>Page</b>
The Company	3
Investment portfolio	5
Directors and professional advisors	7
Executive director's statement	10
Corporate governance	13
Directors' report	14
Independent auditors' report	17
Statement of comprehensive income	18
Statement of financial position	19
Statement of cash flows	20
Statement of changes in equity	21
Notes to the financial statements	22

## 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
- Business SaaS tools
- Social discovery shopping

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

The Company's ten largest portfolio investments (as of 31 December 2014) were as follows:

### Depositphotos

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

Incorporation	USA
First invested in	July 2011
Current value	US\$4,997,285
Type	Equity
Web site	<a href="http://www.depositphotos.com">www.depositphotos.com</a>



### rollApp

Provider of a software-on-demand service designed to instantly deliver existing third-party software applications to any web-browser-equipped device over broadband/3G/4G

Incorporation	USA
First invested in	August 2011
Current value	US\$600,000
Type	Equity
Web site	<a href="http://www.rollapp.com">www.rollapp.com</a>



### Unicell

Provider of digital marketing solutions and mobile applications and services in Israel

Incorporation	Israel
First invested in	September 2011
Current value	US\$2,982,471
Type	Equity
Web site	<a href="http://www.unicell.co.il">www.unicell.co.il</a>



### Wanelo

Online social discovery shopping platform

Incorporation	USA
First invested in	November 2011
Current value	US\$5,369,400
Type	Equity
Web site	<a href="http://www.wanelo.com">www.wanelo.com</a>



### Wrike

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

Incorporation	USA
First invested in	June 2012
Current value	US\$1,991,150
Type	Equity
Web site	<a href="http://www.wrike.com">www.wrike.com</a>



## INVESTMENT PORTFOLIO

### 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
Current value	US\$6,225,917
Type	Equity
Web site	<a href="http://www.backblaze.com">www.backblaze.com</a>



### Pipedrive

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

Incorporation	USA
First invested in	July 2012
Current value	US\$775,352
Type	Convertible note
Web site	<a href="http://www.pipedrive.com">www.pipedrive.com</a>



### AppsIndep

MMO game developer and publisher

Incorporation	Cyprus
First invested in	November 2012
Current value	US\$1,863,685
Type	Equity
Web site	<a href="http://www.ggeek.ru">www.ggeek.ru</a>



### Adinch, Inc.

Helps advertisers organise advertising campaigns on iOS and Android mobile devices and allows developers to monetise their mobile apps and mobile websites

Incorporation	USA
First invested in	February 2013
Current value	US\$2,400,001
Type	Equity
Web site	<a href="http://www.adinch.com">www.adinch.com</a>



### Anews

Global news-reading application with a built-in behavioural advertising network

Incorporation	USA
First invested in	August 2014
Current value	US\$1,000,000
Type	Equity
Web site	<a href="http://www.anews.com">www.anews.com</a>



## DIRECTORS 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](http://www.tmtinvestments.com)

## DIRECTORS 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 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. program 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 17 years of experience in investment banking and venture capital. He led the Company's IPO process and has been acting as its Executive Director since flotation in December 2010. In addition to actual investing and portfolio management activities, he is responsible for the overall management of the Company, including capital raising, regulatory, corporate governance, financial reporting, investor relations, PR, employee and advisor relations, treasury and other corporate functions.

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 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 head 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.

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

2014 has been a relatively quiet year for the Company, with only a limited number of revaluations across our portfolio. As a result, our NAV per share as of 31 December 2014 increased only slightly to US\$1.36 (from US\$1.30 as of 31 December 2013). TMT has now invested in just under 40 companies since its floatation in December 2010 and has a diversified portfolio of investees focused around mobile software applications, cloud solutions, advertising technologies, social discovery shopping and business SaaS tools.

### **Portfolio Performance**

Similarly to previous years, the biggest "reporting challenge" faced by the Company in 2014 was due to the fact that the majority of our investments are made in earlier-stage, privately held companies, which do not have a sufficiently long history of earnings. This means that, regardless of how impressively (or otherwise) some of our portfolio companies may have grown in terms of revenue and operating metrics, changes in fair value of our 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 change in the valuation. We hope that the growing number of investee companies will increase the chances of more regular revaluations across our portfolio in the future.

In 2014, the following developments took place in the Company's portfolio:

#### **Cash and part-cash exits:**

- In August 2014, the Company sold its entire equity stake in The One-Page Company, Inc. ("One-Page"). TMT's total consideration received pursuant to the transaction was US\$509,740, representing an internal rate of return ("IRR") of 32%. TMT originally invested US\$250,000 in One-Page in February 2012.

#### **Positive non-cash revaluations:**

- In May 2014, Gild, Inc. ("Gild"), a proprietary IT talent sourcing and candidate relationship management platform, completed a new equity financing round. The transaction represents an uplift of approximately US\$379,000 (or 223%) in the fair value of TMT's investment in Gild, compared to the amount reported as of 31 December 2013.
- Based on the results of an independent valuation report commissioned by Backblaze, Inc. ("Backblaze"), the fair value of TMT's equity stake in Backblaze has increased by approximately US\$1.19 million (or 24%), compared to the amount reported as of 31 December 2013.

#### **Impairments and write-offs:**

- In May 2014, Graphicly, Inc. ("Graphicly"), an e-book publishing and distribution platform, announced its decision to wind up its operations. As a result, the fair value of TMT's investment in Graphicly has reduced by approximately US\$345,000 (or 70%), compared to the amount reported as of 31 December 2013.

#### **Negative non-cash revaluations:**

- In October 2013, Universal Points Exchange, LLC, a wholly owned subsidiary of Source, Inc. ("Source") and Help Worldwide, Inc. ("HelpWW"), agreed to acquire the assets of UsingMiles Inc. ("UM") for shares. A UM liquidating trust ("Trust") has been established for the purposes of the transaction. The transaction closed on 31 December 2013, and TMT agreed to be included in the Trust on 11 August 2014. The transaction represents a reduction of approximately US\$230,000 (or 89%) in the fair value of TMT's investment in UM, compared to the amount reported as of 31 December 2013.

## EXECUTIVE DIRECTOR'S STATEMENT

**Key developments for the 10 largest portfolio holdings in 2014** (compared to 2013; source: TMT's portfolio companies)

**Adinch (online advertising platform):**

- Joined the Plug and Play incubator program in the USA
- Six new advertising platforms integrated
- US\$1.7m new equity raised

**Anews (news reading app):**

- Monthly active users up 301%
- Over 2m total app downloads
- Reached top 3 in the "News" category in AppStore and Google Play
- Monetization started in Q4 2014
- US\$2.7m new equity raised

**AppsIndep (online games developer):**

- Revenues below expectations
- Seeking additional capital

**Backblaze (online data backup provider):**

- Revenues up 43%
- Total number of licensed computers up 54%

**Depositphotos (photobank):**

- Revenues up 42%
- Total number of authors up 19%
- Total number of files in the photobank up 50%

**Pipedrive (sales CRM software):**

- Revenues up 115%
- Total paying customers up 118%

**rollApp (provider of access to 3rd party apps from any browser):**

- Total applications available on the platform up 100%
- Premium subscription plan launched
- Several file storage services integrated
- "Awesome File Opener" plugin for Chrome and Mozilla browsers released

**Unicell (Provider of digital marketing solutions and mobile applications and services):**

- Remained marginally profitable, but highly overleveraged

**Wanelo (online social shopping platform):**

- Over 350,000 stores and 20 million products on the platform
- Total subscribers up 27%
- In-app purchases launched

**Wrike (project management and collaboration software):**

- Revenues up 107%
- Total number of paid accounts up 47%

## EXECUTIVE DIRECTOR'S STATEMENT

### **New investments**

In 2014 the Company invested US\$3.37 million in eleven new companies (technology developer for visually impaired people PROvision/Oriense; smartphone solution provider for senior citizens E2C; mobile tech discovery service Dripler; on-demand business research platform Whale Path; "Internet of Everything" software developer Weaved; business productivity SaaS provider PandaDoc; fashion rental platform for women Le Tote; news reading app Anews; social intelligence platform Twtrland; mobile interface app Drupe; and taxi booking app Taxify), as well as an additional US\$950,000 in four existing portfolio companies (Gentoo/Contacts+, rollApp, KitApps/Attendify, and Adinch).

### **NAV per share**

The Company's net asset value per share as of 31 December 2014 increased to US\$1.36 (31 December 2013: US\$1.30).

### **Operating Expenses**

In 2014, the Company's Administrative Expenses of US\$1,382,874 were generally in line with 2013 levels (US\$1,293,538). Total Operating Expenses decreased in the reporting period due to the lower share-based option charge of US\$166,282 (2013: US\$576,207). This is a non-cash item resulting from the Company's share option program adopted in October 2012.

### **Financial position**

In July 2014, TMT raised US\$2.65 million at US\$1.85 per share from a number of new and existing investors. As of 31 December 2014, the Company had US\$2.6 million in cash reserves. As of the date of this report, the Company has no debt and approximately US\$2 million in cash reserves.

### **Events after the reporting period**

In February 2015, TMT's portfolio company Dripler, a mobile tech discovery service, completed a new sizable equity financing round. The transaction represents an uplift of approximately US\$97,000 (or 48%) in the fair value of TMT's investment in Dripler, compared to the amount announced as of 30 June 2014.

In April 2015, the Company invested US\$300,000 in fragrance subscription service ScentBird.

### **Outlook**

Although 2014 turned out relatively uneventful for TMT in terms of number of exits or revaluations, a significant number of our portfolio companies have experienced rapid growth. In addition, a number of our investees are currently in the process of completing follow-on capital raises at notably higher valuation levels, so we expect a number of positive revaluations of our portfolio holdings in 2015. At the same time, given the risky nature of earlier-stage venture capital investments, we expect some negative revaluations in due course as well.

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

**Alexander Selegenev**  
Executive Director

20 April 2015

### **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](http://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 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.

### **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.

### **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 2014

The Directors present their report and audited financial statements of the Company for the year ended 31 December 2014.

### 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\$1,561,988 which includes a profit on disposal of available for sale investments of US\$355,010. The total comprehensive income for the year amounted to US\$609,263, including unrealised gains of US\$2,171,251 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 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](http://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 2014 the number of the Company's issued ordinary shares was 27,744,962. At the date of this report, the number of the Company's issued ordinary shares is 27,744,962.

### Substantial shareholdings

The Directors are aware of the following shareholdings of 3% or more of the issued share capital of the Company as of 7 April 2015.

Shareholders	Number of ordinary shares	% of issued ordinary share capital
MacMillan (German Kaplun and Alexander Morgulchik)	6,137,186	22.12%
Wissey Trade & Invest Ltd	5,000,000	18.02%
Advance Consulting Services (Artyom Inyutin)	4,067,752	14.66%
Menostar	3,167,918	11.42%
Alula Trading Limited	2,953,498	10.65%
Ubenord Investments Limited	2,900,000	10.45%
Spotlight Global	2,453,152	8.84%
Others	1,065,456	3.84%
<b>Total</b>	<b>27,744,962</b>	<b>100.00%</b>

### 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

## DIRECTORS' REPORT FOR THE YEAR ENDED 31 December 2014

The Directors' fees (including one-off bonuses where applicable) for 2014 were as follows:

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<i>Director</i>	
Yuri Mostovoy	US\$115,500
Alexander Selegenev	US\$186,826
James Joseph Mullins	US\$32,912
Petr Lanin	US\$21,031

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### Share options

In addition to the shares granted to Alexander Selegenev in 2011, on 24 October 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 then issued share capital (or 23% of the enlarged share capital at the time, assuming full exercise of the options), could be made available at an exercise price determined by the Board or its remuneration committee, which would 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 were to vest on a daily basis over a period of 3 years whilst the option holder remains eligible, and vested options could be exercised on each anniversary of the grant, but if not exercised within 1 year from the allowable date of exercise, would lapse.

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

### Subsequent events

In February 2015, TMT's portfolio company Dripler, a mobile tech discovery service, completed a new sizable equity financing round. The transaction represents an uplift of approximately US\$97,000 (or 48%) in the fair value of TMT's investment in Dripler, compared to the amount announced as of 30 June 2014.

In April 2015, the Company invested US\$300,000 in fragrance subscription service ScentBird.

**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 7 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  
20 April 2015



## 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 2014 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 16, 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](http://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 2014 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: 20 April 2015

## FINANCIAL STATEMENTS

### Statement of Comprehensive Income

		For the year ended 31/12/2014	For the year ended 31/12/2013
	Notes	USD	USD
<b>Losses on investments</b>	3	<b>(23,911)</b>	<b>(29,593)</b>
		<b>(23,911)</b>	<b>(29,593)</b>
<b>Expenses</b>			
Share-based payment charge	15	(166,282)	(576,207)
Administrative expenses	5	(1,382,874)	(1,293,538)
<b>Operating loss</b>		<b>(1,573,067)</b>	<b>(1,899,338)</b>
Net finance income	7	11,079	50,035
<b>Loss before taxation</b>		<b>(1,561,988)</b>	<b>(1,849,303)</b>
Taxation	8	-	-
<b>Loss attributable to equity shareholders</b>		<b>(1,561,988)</b>	<b>(1,849,303)</b>
<b>Other comprehensive income for the year:</b>			
Change in fair value of available-for-sale financial assets	16	2,171,251	5,932,139
<b>Total comprehensive income for the year</b>		<b>609,263</b>	<b>4,082,836</b>
<b>Loss per share</b>			
Basic and diluted loss per share (cents per share)	9	(5.96)	(7.42)

## FINANCIAL STATEMENTS

### Statement of Financial Position

		At 31 December 2014 USD	At 31 December 2013 USD
	Notes		
<b>Non-current assets</b>			
Investments in equity shares	10	31,854,151	26,932,335
Convertible loan notes receivable	10	3,091,702	2,193,304
<b>Total non-current assets</b>		<b>34,945,853</b>	<b>29,125,639</b>
<b>Current assets</b>			
Trade and other receivables	11	159,784	79,532
Cash and cash equivalents	12	2,639,070	3,242,269
<b>Total current assets</b>		<b>2,798,854</b>	<b>3,321,801</b>
<b>Total assets</b>		<b>37,744,707</b>	<b>32,447,440</b>
<b>Current liabilities</b>			
Trade and other payables	13	59,399	96,008
<b>Total liabilities</b>		<b>59,399</b>	<b>96,008</b>
<b>Net assets</b>		<b>37,685,308</b>	<b>32,351,432</b>
<b>Equity</b>			
Share capital	14	31,453,510	26,895,179
Share-based payment reserve	16	392,659	695,970
Fair value reserve	16	10,108,618	7,937,367
Retained losses	16	(4,269,479)	(3,177,084)
<b>Total equity</b>		<b>37,685,308</b>	<b>32,351,432</b>

The financial statements were approved by the Board of Directors on 20 April 2015 and were signed on its behalf by:

**Alexander Selegenev**  
Executive Director

## FINANCIAL STATEMENTS

### Statement of Cash Flows

		For the year ended 31/12/2014 USD	For the year ended 31/12/2013 USD
	Notes		
<b>Operating activities</b>			
Operating loss		(1,573,067)	(1,899,338)
<b>Adjustments for non-cash items:</b>			
Profit on disposal of available-for-sale assets	3	(355,010)	(320,563)
Gain on conversion of loan notes to equity		(2,221)	(92,841)
Impairment of available-for-sale assets and accrued interest	3	451,482	458,863
Employee salaries settled by issue of shares	14	300,000	300,000
Share-based payment charge	15	166,282	576,207
Amortized costs of convertible notes receivable	3	14,036	28,263
		<b>(998,498)</b>	<b>(949,409)</b>
<b>Changes in working capital:</b>			
(Increase)/decrease in trade and other receivables	11	(80,252)	56,276
Decrease in trade and other payables	13	(36,609)	(18,307)
<b>Net cash used by operating activities</b>		<b>(1,115,359)</b>	<b>(911,440)</b>
<b>Investing activities</b>			
Interest received	7	11,079	50,035
Purchase of available-for-sale assets	10	(4,370,612)	(5,412,720)
Proceeds from sale of available-for-sale assets		613,362	1,339,909
<b>Net cash used by investing activities</b>		<b>(3,746,171)</b>	<b>(4,022,776)</b>
<b>Financing activities</b>			
Cash proceeds from issue of shares	14	4,258,331	1,158,930
Purchase of own shares		-	(699,999)
<b>Net cash from financing activities</b>		<b>4,258,331</b>	<b>458,931</b>
<b>Decrease in cash and cash equivalents</b>		<b>(603,199)</b>	<b>(4,475,285)</b>
Cash and cash equivalents at the beginning of the year		<b>3,242,269</b>	<b>7,717,554</b>
<b>Cash and cash equivalents at the end of the year</b>	12	<b>2,639,070</b>	<b>3,242,269</b>

## FINANCIAL STATEMENTS

### Statement of Changes in Equity

For the year ended 31 December 2014 and for year ended 31 December 2013, USD

	Notes	Share capital USD	Share-based payment reserve USD	Fair value reserve USD	Retained losses USD	Total USD
<b>Balance at 1 January 2013</b>		<b>26,136,248</b>	<b>128,183</b>	<b>2,005,228</b>	<b>(1,336,201)</b>	<b>26,933,458</b>
Total comprehensive income/(loss) for the year		-	-	5,932,139	(1,849,303)	4,082,836
Issue of shares	14	1,458,930	-	-	-	1,458,930
Buy back and cancellation of shares		(699,999)	-	-	-	(699,999)
Share-based payment charge	15	-	576,207	-	-	576,207
Lapse of share options	15	-	(8,420)	-	8,420	-
<b>Balance at 31 December 2013</b>		<b>26,895,179</b>	<b>695,970</b>	<b>7,937,367</b>	<b>(3,177,084)</b>	<b>32,351,432</b>
Total comprehensive income/(loss) for the year		-	-	2,171,251	(1,561,988)	609,263
Issue of shares	14	4,558,331	-	-	-	4,558,331
Share-based payment charge	15	-	166,282	-	-	166,282
Transfers on exercise / lapse of share options	15	-	(469,593)	-	469,593	-
<b>Balance at 31 December 2014</b>		<b>31,453,510</b>	<b>392,659</b>	<b>10,108,618</b>	<b>(4,269,479)</b>	<b>37,685,308</b>

## **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).

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014

### 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.

Currency	Conversation rates, USD	
	At 31.12.2014	Average rate, 2014
British pounds, £	1.5569	1.6478
Euro, €	1.2162	1.3258

### 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 loan 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 loan 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 2014 all investments are classified as "available-for-sale" and none are classified as "fair value through profit and loss".

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014

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.



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014

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
IFRS 9	Financial Instruments	1 January 2018
IFRS 10	Consolidated Financial Statements	1 January 2014
IFRS 11	Joint Arrangements	1 January 2014
IFRS 12	Disclosure of Interests in Other Entities	1 January 2014
IFRS 13	Fair Value Measurement	1 January 2014
IFRS 15	Revenue from Contracts with Customers	1 January 2017
IAS 27	Separate Financial Statements (2011)	1 January 2014
IAS 28	Investments in Associates and Joint Ventures (2011)	1 January 2014
IAS 32	Amendments to IAS 32 Disclosures - Offsetting Financial Assets and Financial Liabilities	1 January 2014
IAS 36	Amendments to IAS 36 – Recoverable Amount Disclosures for Non-Financial Assets	1 January 2014

There is no material impact on the financial statements of the application of new standards with an effective date of 1 January 2014. The Directors do not anticipate that the adoption of other 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.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014

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 Losses on investments

	<i>For the year ended 31/12/2014</i>	<i>For the year ended 31/12/2013</i>
	<i>USD</i>	<i>USD</i>
Gross interest income from convertible notes receivable	86,597	136,970
Amortized costs of convertible notes receivable	(14,036)	(28,263)
<b>Net interest income from convertible notes receivable</b>	<b>72,561</b>	<b>108,707</b>
Profit on disposal of equity investments	251,388	-
Profit on disposal of convertible notes	103,622	320,563
Impairment of available-for-sale assets	(451,482)	(390,683)
Impairment of interest accrued	-	(68,180)
<b>Total net losses on investments</b>	<b>(23,911)</b>	<b>(29,593)</b>

### 4 Segmental analysis

#### Geographic information

The Company has investments in six principal geographical areas – USA, Israel, BVI, Estonia, Cyprus, and Russia.

#### Non-current financial assets

*As at 31/12/2014*

	<i>USA USD</i>	<i>Israel USD</i>	<i>BVI USD</i>	<i>Cyprus USD</i>	<i>Estonia USD</i>	<i>Russia USD</i>	<i>Total USD</i>
Equity investments	25,490,710	3,806,652	305,050	1,863,685	328,958	59,096	<b>31,714,151</b>
Convertible notes	2,954,852	-	-	-	136,850	-	<b>3,091,702</b>
<b>Total</b>	<b>28,445,562</b>	<b>3,806,652</b>	<b>305,050</b>	<b>1,863,685</b>	<b>465,808</b>	<b>59,096</b>	<b>34,945,853</b>

*As at 31/12/2013*

	<i>USA USD</i>	<i>Israel USD</i>	<i>BVI USD</i>	<i>Cyprus USD</i>	<i>Estonia USD</i>	<i>Total USD</i>
Equity investments	21,781,129	2,982,471	305,050	1,863,685	-	<b>26,932,335</b>
Convertible notes	2,051,605	-	-	-	141,699	<b>2,193,304</b>
<b>Total</b>	<b>23,832,734</b>	<b>2,982,471</b>	<b>305,050</b>	<b>1,863,685</b>	<b>141,699</b>	<b>29,125,639</b>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2014**

**5 Administrative expenses**

Administrative expenses include the following amounts:

	<i>For the year ended 31/12/2014</i>	<i>For the year ended 31/12/2013</i>
	<i>USD</i>	<i>USD</i>
Staff expenses (note 6)	796,309	718,030
Professional fees	173,963	177,365
Legal fees	27,266	56,341
Bank and LSE charges	24,412	26,118
Audit and accounting fees	49,837	43,281
Rent	172,608	172,608
Other expenses	119,717	106,709
Currency exchange loss/(gain)	18,762	(6,914)
	<b>1,382,874</b>	<b>1,293,538</b>

**6 Staff expenses**

	<i>For the year ended 31/12/2014</i>	<i>For the year ended 31/12/2013</i>
	<i>USD</i>	<i>USD</i>
Directors' fees	356,269	268,283
Wages and salaries	440,040	449,747
	<b>796,309</b>	<b>718,030</b>

Wages and salaries shown above include salaries and bonuses relating to 2014. These costs are included in administrative expenses. As discussed in note 14, wages and salaries include US\$300,000 of employee salaries that were settled by the issue of shares in lieu of cash payments. In addition to the above, there are employment expenses for share-based payments of US\$166,282 (for the year ended 31 December 2013: \$576,207).

The average number of staff employed (excluding Directors) by the Company during the year was 5 (2013: 5).

The Directors' fees (including bonuses where applicable) for 2014 were as follows:

	<i>For the year ended 31/12/2014</i>	<i>For the year ended 31/12/2013</i>
	<i>USD</i>	<i>USD</i>
Alexander Selegenev	186,826	110,852
Yuri Mostovoy	115,500	100,000
James Joseph Mullins	32,912	31,161
Petr Lanin	21,031	26,270
	<b>356,269</b>	<b>268,283</b>

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, bonuses and share options.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2014**

**7 Net finance income**

	<i>For the year ended 31/12/2014 USD</i>	<i>For the year ended 31/12/2013 USD</i>
Interest income	11,079	50,035
	<b>11,079</b>	<b>50,035</b>

**8 Income tax expense**

	<i>For the year ended 31/12/2014 USD</i>	<i>For the year ended 31/12/2013 USD</i>
<b>Current taxes</b>		
Current year	-	-
<b>Deferred taxes</b>		
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 2014 attributable to the ordinary shareholders of US\$1,561,988 (2013: net loss of US\$1,849,303) and the weighted average number of ordinary shares outstanding calculated as follows:

<i>Loss per share</i>	<i>For the year ended 31/12/2014</i>	<i>For the year ended 31/12/2013</i>
Basic loss per share (cents per share)	(5.96)	(7.42)
Loss attributable to equity holders of the entity	(1,561,988)	(1,849,303)

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

<i>(in number of shares weighted during the year outstanding)</i>	<i>For the year ended 31/12/2014</i>	<i>For the year ended 31/12/2013</i>
<b>Weighted average number of shares in issue</b>		
Ordinary shares	26,199,590	24,914,735
	<b>26,199,590</b>	<b>24,914,735</b>
<b>Effect of dilutive potential ordinary shares</b>		
Share options	1,004,720	1,042,733
<b>Weighted average of shares for the year (fully diluted)</b>	<b>27,204,310</b>	<b>25,957,468</b>

The diluted loss per share for both 2014 and 2013 is kept 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.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2014**

**10 Non-current financial assets**

	<i>At 31 December 2014</i>	<i>At 31 December 2013</i>
<b>Available-for-sale financial assets, USD:</b>		
Investments in equity shares (i)		
- unlisted shares	31,854,151	26,932,335
Convertible notes receivable (ii)		
- promissory notes	3,091,702	2,193,304
	<b>34,945,853</b>	<b>29,125,639</b>

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

	<i>Available-for-sale</i>		<i>Total</i>
	<i>Unlisted shares USD</i>	<i>Convertible notes USD</i>	<i>USD</i>
<b>Balance as at 1 January 2013</b>	<b>15,434,540</b>	<b>3,691,691</b>	<b>19,126,231</b>
Total gains or losses in 2013:			
- in profit or loss - impairment	-	(390,683)	(390,683)
- in other comprehensive income	5,932,139	-	5,932,139
Purchases (including consulting & legal fees)	3,582,550	1,830,170	5,412,720
Disposal of investment (carrying value)	-	(1,047,609)	(1,047,609)
Conversion of notes to equity and net gain	1,983,106	(1,890,265)	92,841
<b>Balance as at 31 December 2013</b>	<b>26,932,335</b>	<b>2,193,304</b>	<b>29,125,639</b>
Total gains or losses in 2014:			
- in profit or loss - impairment	(451,482)	-	(451,482)
- in other comprehensive income	2,171,251	-	2,171,251
Purchases (including consulting & legal fees)	3,074,752	1,295,860	4,370,612
Disposal of investment (carrying value)	(258,352)	(14,036)	(272,388)
Conversion and other movements	385,647	(383,426)	2,221
<b>Balance as at 31 December 2014</b>	<b>31,854,151</b>	<b>3,091,702</b>	<b>34,945,853</b>

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 they are measured at cost less any identified impairment losses at the end of reporting period, in accordance with IAS 39 para 46 (c) exemption.

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.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2014**

(i) Equity investments as at 31 December 2014:

<i>Investee company</i>	<i>Date of initial investment</i>	<i>Value at 1 Jan 2014, USD</i>	<i>Additions to equity investments during the period, USD</i>	<i>Capitalized consulting and legal fees, USD</i>	<i>Gain/loss from changes in fair value of equity investments, USD</i>	<i>Impairments and Disposals, USD</i>	<i>Internal movements, USD</i>	<i>Value at 31 Dec 2014, USD</i>	<i>Equity stake owned</i>
Unicell	15/09/2011	2,982,471	-	-	-	-	-	2,982,471	10.00%
DepositPhotos	26/07/2011	4,997,285	-	-	-	-	-	4,997,285	27.75%
RollApp	19/08/2011	550,000	50,000	-	-	-	-	600,000	10.00%
Wanelo	21/11/2011	5,369,400	-	-	-	-	-	5,369,400	4.72%
Gild	05/12/2011	170,038	-	-	379,307	-	-	549,345	1.04%
One-Page	06/02/2012	305,367	-	-	(47,015)	(258,352)	-	-	-
ThusFresh	26/03/2012	510,000	-	-	(130,645)	-	-	379,355	3.53%
Backblaze	24/07/2012	5,034,439	-	-	1,191,478	-	-	6,225,917	16.45%
UsingMiles	23/08/2012	260,000	-	-	-	(230,727)	(29,273)	-	-
UM Liquidating Trust	15/07/2014	-	-	-	-	-	29,273	29,273	5.89%
Gentoo LABS	17/09/2012	260,000	-	-	-	-	-	260,000	6.25%
Favim Holding	24/10/2012	305,050	-	-	-	-	-	305,050	20.00%
Appsindp	12/11/2012	1,863,685	-	-	-	-	-	1,863,685	19.24%
Virool	29/08/2012	502,275	-	-	-	-	-	502,275	1.69%
Adinch	19/02/2013	1,004,000	600,000	-	796,001	-	-	2,400,001	22.43%
Tracks Media	24/11/2011	341,350	-	-	-	-	-	341,350	6.83%
Wrike	12/06/2012	1,991,150	-	-	-	-	-	1,991,150	4.39%
Graphicly	03/04/2013	485,825	-	-	(125,070)	(220,755)	-	140,000	-
Oriense	27/01/2014	-	59,095	-	-	-	-	59,095	5.45%
E2C	15/02/2014	-	124,732	10,000	2,049	-	-	136,781	5.51%
Dripler	01/05/2014	-	200,000	5,000	97,400	-	-	302,400	1.44%
Weaved	13/06/2014	-	250,000	5,000	-	-	-	255,000	2.44%
Le Tote	21/07/2014	-	200,000	-	(654)	-	251,014	450,360	1.62%
Anews	25/08/2014	-	1,000,000	-	-	-	-	1,000,000	9.41%
Twtrland	01/09/2014	-	150,000	5,000	-	-	-	155,000	3.27%
Drupe Mobile	02/09/2014	-	225,000	5,000	-	-	-	230,000	9.37%
Taxify	15/09/2014	-	185,925	-	8,400	-	134,633	328,958	2.8%
<b>Total</b>		<b>26,932,335</b>	<b>3,044,752</b>	<b>30,000</b>	<b>2,171,251</b>	<b>(709,834)</b>	<b>385,647</b>	<b>31,854,151</b>	

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2014**

(ii) Convertible loan notes as at 31 December 2014:

<i>Investee company</i>	<i>Date of initial investment</i>	<i>Value at 1 Jan 2014, USD</i>	<i>Additions to convertible note investments during the period, USD</i>	<i>Capitalized consulting and legal fees, USD</i>	<i>Amortized costs, USD</i>	<i>Internal movements, USD</i>	<i>Profit on disposal/ Impairment charge, USD</i>	<i>Disposals, USD</i>	<i>Value at 31 Dec 2014, USD</i>	<i>Term, years</i>	<i>Interest rate, %</i>
Ninua	08/06/2011	500,000	-	-	-	-	-	-	500,000	1.5	5.00%
Pipedrive	30/07/2012	777,266	-	-	(1,914)	-	-	-	775,352	2.0	2.00%
Sharethis	26/03/2013	571,723	-	-	(400)	-	-	-	571,323	5.0	1.09%
KitApps	10/07/2013	202,616	200,000	585	(2,862)	-	-	-	400,339	1.0	2.00%
VitalFields	20/12/2013	141,699	-	-	(4,849)	-	-	-	136,850	1.0	15.00%
Gentoo LABS	21/05/2014	-	100,000	685	(210)	-	-	-	100,475	2.0	0.28%
Whale Path	02/06/2014	-	200,000	5,000	(1,452)	-	-	-	203,548	2.0	5.00%
Quote Roller	11/07/2014	-	400,000	5,000	(1,185)	-	-	-	403,815	2.0	2.00%
Le Tote	21/07/2014	-	250,000	-	-	(250,000)	-	-	-	-	-
Taxify	15/09/2014	-	129,590	5,000	(1,164)	(133,426)	-	-	-	-	-
<b>Total</b>		<b>2,193,304</b>	<b>1,279,590</b>	<b>16,270</b>	<b>(14,036)</b>	<b>(383,426)</b>	<b>-</b>	<b>-</b>	<b>3,091,702</b>		

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2014**

**11 Trade and other receivables**

	<i>At 31 December 2014</i>	<i>At 31 December 2013</i>
	<i>USD</i>	<i>USD</i>
Prepayments	6,438	9,767
Interest receivable on promissory notes	152,528	68,151
Interest receivable on deposits	818	1,614
	<b>159,784</b>	<b>79,532</b>

**12 Cash and cash equivalents**

The cash and cash equivalents as at 31 December 2014 include cash on hand and in banks, deposits, net of outstanding bank overdrafts. The effective interest rate at 31 December 2014 was 0.95%.

Cash and cash equivalents comprise the following:

	<i>At 31 December 2014</i>	<i>At 31 December 2013</i>
	<i>USD</i>	<i>USD</i>
Deposits	1,000,000	1,500,000
Bank balances	1,639,070	1,742,269
	<b>2,639,070</b>	<b>3,242,269</b>

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

	<i>At 31 December 2014</i>	<i>At 31 December 2013</i>
	<i>USD</i>	<i>USD</i>
Bank balances		
A rating	1,639,070	1,742,269
	<b>1,639,070</b>	<b>1,742,269</b>
Deposits		
A rating	1,000,000	1,500,000
	<b>1,000,000</b>	<b>1,500,000</b>
	<b>2,639,070</b>	<b>3,242,269</b>

**13 Trade and other payables**

	<i>At 31 December 2014</i>	<i>At 31 December 2013</i>
	<i>USD</i>	<i>USD</i>
Directors' fees payable	23,902	40,540
Trade payables	34,874	55,424
Other current liabilities	623	44
Accrued expenses	-	-
	<b>59,399</b>	<b>96,008</b>



**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2014**

**14 Share capital**

On 31 December 2014 the Company had an authorised share capital of unlimited shares of no par value and had issued share capital of:

	<i>At 31 December 2014</i> <i>USD</i>	<i>At 31 December 2013</i> <i>USD</i>
<b>Share capital</b>	<b>31,453,510</b>	<b>26,895,179</b>
<b>Issued capital comprises:</b>	Number	Number
Fully paid ordinary shares	27,744,962	24,977,728
	<i>Number of shares</i>	<i>Share capital, USD</i>
<b>Balance at 31 December 2013</b>	<b>24,977,728</b>	<b>26,895,179</b>
Issue of shares	2,767,234	4,558,331
Share buy-back and cancellation	-	-
<b>Balance at 31 December 2014</b>	<b>27,744,962</b>	<b>31,453,510</b>

On 29 April 2014, as a result of Alexander Selegenev's exercising his option, the Company allotted 33,334 new ordinary shares of no par value each in the Company to Alexander Selegenev at a price of US\$1.00 per share, raising US\$33,334.

On 20 June 2014, as a result of the Company's senior managers German Kaplun, Alexander Morgulchik and Artyom Inyutin's exercising their options, the Company allotted 1,125,000 ordinary shares, at the exercise price of US\$1.40 per share. The share price on the date of exercise was US\$1.975 per share.

On 22 July 2014, the Company allotted 1,432,431 new ordinary shares of no par value each in the Company to new investors at a price of US\$1.85 per share, being a discount of 5.6% over the closing price of the Company's shares on 21 July 2014 and raising US\$2.65 million.

In December 2013, German Kaplun, Alexander Morgulchik and Artyom Inyutin entered into agreements with the Company to receive all of their 2014 salaries, collectively amounting to US\$300,000, in TMT shares on 31 December 2014 rather than monthly in cash. Accordingly, on 31 December 2014, the Company allotted 176,469 ordinary shares of no par value each in the Company at a price of US\$1.70 per share (31 December 2013: the Company allotted 187,500 ordinary shares of no par value each in the Company at a price of US\$1.60 per share amounting to US\$300,000).

There have been no changes to the Company's share capital between the year-end date and the date of approval of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2014**

**15 Share-based payments**

	<i>For the year ended 31/12/2014 USD</i>	<i>For the year ended 31/12/2013 USD</i>
Share option (compensation expense)	166,282	576,207
<b>Total share-based payment charge</b>	<b>166,282</b>	<b>576,207</b>

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 were as follows:

	<i>Options granted to Alexander Selegenev</i>
Date granted	1 January 2011
Number of instruments	100,000
Option life, years	1-3
Exercise price	US\$1.00

Options granted to Mr. Alexander Selegenev vested as follows:

<i>No. of ordinary shares</i>	<i>Exercise Price</i>	<i>Exercise Period</i>
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.

As at 31 December 2014 all options for 100,000 ordinary shares had either been exercised by Mr. Alexander Selegenev or lapsed.

On 24 October 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 then issued share capital (or 23% of the enlarged share capital at the time, assuming full exercise of the options), could be made available at an exercise price determined by the Board or its remuneration committee, which would 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 were to vest on a daily basis over a period of 3 years whilst the option holder remains eligible, and vested options could be exercised on each anniversary of the grant, but if not exercised within 1 year from the allowable date of exercise, would lapse.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2014**

The following options, without performance conditions, have been granted under the Plan on 24 October 2012:

<b>Name</b>	<b>Option Shares</b>	<b>Option Price Year 1</b>	<b>Option Price Year 2</b>	<b>Option Price Year 3</b>
German Kaplun (Employee)	1,125,000	US\$1.40	US\$1.55	US\$1.70
Alexander Morgulchik (Employee)	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
<b>TOTAL</b>	<b>5,512,500</b>			

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:

<b>(in USD, except for number of shares and percent)</b>	<b>Option Price Year 1</b>	<b>Option Price Year 2</b>	<b>Option Price Year 3</b>
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 from the Company's share price performance on AIM.

	<b>Number of shares</b>	<b>Weighted average exercise price of share options</b>
Outstanding share options at 31 December 2013	5,512,500	1.55
Options exercised during the year ended 31 December 2014	(1,125,000)	1.40
Options expired during the year ended 31 December 2014	(712 500)	1.40
Outstanding share options at 31 December 2014	3,675,000	1.63
Exercisable share options at 31 December 2014	1,837,500	1.55

On 20 June 2014, the Company's senior managers German Kaplun, Alexander Morgulchik and Artyom Inyutin each exercised options over 375,000 (in total 1,125,000) ordinary shares, at the exercise price of US\$1.40 per share. The share price on the date of exercise was US\$1.975 per share.

No other options that vested in Year 1 under the Plan were exercised, and those options have now lapsed.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2014**

**16 Reserves**

	<i>Share-based payment reserve USD</i>	<i>Fair value reserve USD</i>	<i>Retained losses USD</i>	<i>Total USD</i>
<b>Balance as at 1 January 2013</b>	<b>128,183</b>	<b>2,005,228</b>	<b>(1,336,201)</b>	<b>797,210</b>
Loss for the year	-	-	(1,849,303)	(1,849,303)
Gain from changes in fair value	-	5,932,139	-	5,932,139
Share-based payment charge	576,207	-	-	576,207
Transfer on lapse of share options	(8,420)	-	8,420	-
<b>Balance as at 31 December 2013</b>	<b>695,970</b>	<b>7,937,367</b>	<b>(3,177,084)</b>	<b>5,456,253</b>
Loss for the year	-	-	(1,561,988)	(1,561,988)
Gain from changes in fair value	-	2,171,251	-	2,171,251
Share-based payment charge	166,282	-	-	166,282
Transfer on exercise of share options	(469,593)	-	469,593	-
<b>Balance as at 31 December 2014</b>	<b>392,659</b>	<b>10,108,618</b>	<b>(4,269,479)</b>	<b>6,231,798</b>

**17 Capital management**

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

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 2014 the largest exposure to credit risk related to cash and cash equivalents, which was US\$2,639,070. 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.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014

### (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:

	<i>At 31 December</i> 2014 USD	<i>At 31 December</i> 2013 USD
Convertible notes receivable	3,091,702	2,193,304
Trade and other receivables	159,784	79,532
Cash and cash equivalents	2,639,070	3,242,269
	<b>5,890,556</b>	<b>5,515,105</b>

### 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 2014 the Company had a cash deposit of US\$1,000,000, 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, EUR. The exposure to foreign currency risk as at 31 December 2014 was as follows:

	<i>For the year</i> <i>ended</i> 31/12/2014 GBP	<i>For the year</i> <i>ended</i> 31/12/2014 EUR	<i>For the year</i> <i>ended</i> 31/12/2013 GBP	<i>For the year</i> <i>ended</i> 31/12/2013 EUR
<b>Current assets</b>				
Cash and cash equivalents	207,618	12,026	123,891	13,760
<b>Current liabilities</b>				
Trade and other payables	(40,022)	-	(40,756)	-
<b>Net (short) long position</b>	<b>167,596</b>	<b>12,026</b>	<b>83,135</b>	<b>13,760</b>
<b>Net exposure currency</b>	<b>107,647</b>	<b>9,888</b>	<b>50,400</b>	<b>9,964</b>
<b>Net exposure currency (assuming a 10% movement in exchange rates)</b>	<b>150,836</b>	<b>10,823</b>	<b>74,821</b>	<b>12,384</b>
<b>Impact on exchange movements in the statement of comprehensive income</b>	<b>16,760</b>	<b>1,203</b>	<b>8,314</b>	<b>1,376</b>

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014

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

	31/12/2014	31/12/2013
<b>Currency</b>		
British pounds, £	1.5569	1.6495
Euro, €	1.2162	1.3810

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 2014, the cash and equivalents of the Company were US\$2,639,070.

The following are the maturities of current liabilities as at 31 December 2014:

	<i>Carrying amount</i>	<i>Within one year</i>	<i>2-5 years</i>	<i>More than 5 years</i>
	<i>USD</i>	<i>USD</i>	<i>USD</i>	<i>USD</i>
Directors' fees payable	23,902	23,902	-	-
Trade payables	34,874	34,874	-	-
Other current liabilities	623	623	-	-
	<b>59,399</b>	<b>59,399</b>	-	-

## **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 22.12% 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 represented a discount from the prevailing market rate for similar office space in Moscow at the time. Together with other related expenses (support personnel, company car, security services, etc.), the total costs to TMT were US\$14,384 per month (US\$172,608 per year). Following the recent negative developments in the Russian economy and Moscow office rental market in particular, starting from 1 February 2015 these office costs have been reduced to US\$7,000 per month.

In December 2012, Alexander Morgulchik, German Kaplun and Artyom Inyutin agreed to receive all of their 2013 salaries in TMT shares on 31 December 2014 rather than monthly in cash. The number of shares receivable in each case was fixed at a price of US\$1.60 per share. Also in December 2013, Alexander Morgulchik, German Kaplun and Artyom Inyutin agreed to receive all of their 2014 salaries in TMT shares on 31 December 2014 rather than monthly in cash. The number of shares receivable in each case was fixed at a price of US\$1.70 (2013: US\$1.60) per share.

## **20 Subsequent events**

In February 2015, TMT's portfolio company Dripler, a mobile tech discovery service, completed a new sizable equity financing round. The transaction represents an uplift of approximately US\$97,000 (or 48%) in the fair value of TMT's investment in Dripler, compared to the amount announced as of 30 June 2014.

In April 2015, the Company invested US\$300,000 in fragrance subscription service ScentBird.

## **21 Control**

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