MELITA CAPITAL P.L.C.

Financial Statements
24 July 2009

Company Registration Number: C47318

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Directors' report

The directors present their report and the audited financial statements for the period ended 24 July 2009.

Principal activity

Melita Capital p.l.c. was incorporated on 16 July 2009 to carry on the business of a finance and investment company and accordingly these financial statements have been prepared from the date of incorporation to 24 July 2009.

Review of the business

The company was set up on 16 July 2009 and did not operate during the period. The company was formed with the intention to acquire 100% shareholding in Melita Infrastructure Limited (formerly Honey V Limited), a company incorporated on 17 July 2008 and set up to construct and operate a fibre optic submarine cable for the Maltese Islands, and 30% of Melita Mobile Limited, a company which commenced operations in February 2009 with its principal activity being the provision of mobile telephony services.

Results and dividends

The income statement is set out on page 6. The directors do not recommend the payment of a dividend.

Directors

The directors of the company who held office since incorporation were:

Joseph A.Gasan
Massimo Prelz
Jonathan Gillbanks (resigned 23 July 2009)
Robert Savignol
James Wade
Paul Connolly
Gary Quinn (appointed 23 July 2009)
Timothy Green (appointed 23 July 2009)

On behalf of the board

Joseph Gasan
Director

Massimo Prelz
Director

Registered office
Gasan Centre
Imriehel By-Pass
Imriehel BKR3000
Malta

20 August 2009

Statement of directors' responsibilities

The directors are required by the Companies Act, 1995 to prepare financial statements which give a true and fair view of the state of affairs of the company as at the end of each reporting period and of the profit or loss for that period.

In preparing the financial statements, the directors are responsible for:

- ensuring that the financial statements have been drawn up in accordance with International Financial Reporting Standards as adopted by the EU;
- selecting and applying appropriate accounting policies;
- making accounting estimates that are reasonable in the circumstances;
- ensuring that the financial statements are prepared on the going concern basis unless it is inappropriate to presume that the company will continue in business as a going concern.

The directors are also responsible for designing, implementing and maintaining internal control relevant to the preparation and the fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error, and that comply with the Companies Act, 1995. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

1. Summary of significant accounting policies - continued

1.9 Provisions

Provisions are recognised when the company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made.

2. Financial risk management

2.1 Financial risk factors

The company's activities potentially expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk. The company's overall risk management focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the company's financial performance.

The company did not make use of derivative financial instruments to hedge certain risk exposures during the current period.

The Board provides principles for overall risk management, as well as policies covering risks referred to above and specific areas such as investment of excess liquidity.

Credit risk

Credit risk arises from cash and cash equivalents and deposits with banks. The company's exposures to credit risk are analysed as follows:

	2009 €
Cash and cash equivalents (Note 5)	175,200

The maximum exposure to credit risk at the reporting date in respect of the financial assets mentioned above is disclosed in the respective notes to the financial statements. The company does not hold any collateral as security in this respect.

- Cash and cash equivalents

The company banks only with local financial institutions with high quality standing.

Liquidity risk

The company is not exposed to liquidity risk. Prudent liquidity risk management includes maintaining sufficient cash and committed credit lines to ensure the availability of an adequate amount of funding to meet the company's obligations.

2. Financial risk management - continued

2.2 Capital risk management

The company's objectives when managing capital are to safeguard the company's ability to continue as a going concern in order to provide returns for shareholders and to maintain an optimal capital structure to reduce the cost of capital.

2.3 Fair values of financial instruments

At 24 July 2009 the carrying amounts of cash at bank, prepayments and accrued expenses reflected in the financial statements are reasonable estimates of fair value in view of the nature of these instruments or the relatively short period of time between the origination of the instruments and their expected realisation.

3. Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and based on historical experience and other factors including expectations of future events that are believed to be reasonable under the circumstances.

In the opinion of the directors, the accounting estimates and judgments made in the course of preparing these financial statements are not difficult, subjective or complex to a degree which would warrant their description as critical in terms of the requirements of IAS1 (revised).

4. Trade and other receivables

	2009 €
Prepayments	31,799
	31,799

5. Cash and cash equivalents

For the purposes of the statement of cash flows, the period-end cash and cash equivalents comprise the following:

	2009 €
Cash at bank and in hand	175,200

6. Share capital

	2009 €
Authorised	
1,000,000 ordinary shares of € 1 each	1,000,000
Issued and fully paid	
175,200 ordinary shares of € 1 each	175,200

7. Trade and other payables

	2009 €
Amounts falling due within one year	
Accruals	89,799
	89,799

8. Expenses by nature

	Period from 16 July 2009 to 24 July 2009 €
Other expenses	58,000
Total administrative expenses	58,000

9. Tax charge

No tax charge has been provided in these financial statements in view of the tax loss incurred by the company.

10. Cash generated from operations

Reconciliation of loss for the period to cash generated from operations:

	Period from 16 July 2009 to 24 July 2009 €
Loss for the period	(58,000)
Changes in working capital:	
Trade and other receivables	(31,799)
Trade and other payables	89,799
Cash generated from operations	-

11. Related party transactions

Melita Capital p.l.c. is ultimately owned by GMT (Honey I) Sa.r.l, M/C Ventures Partners VI L.P, Grand Canal Capital Limited, Gee Five Limited and Honey II Group Limited .

All companies forming part of the Melita Group and Honey Group are considered to be related parties due to common shareholding.

12. Statutory information

Melita Capital p.l.c is a public limited liability company and is incorporated in Malta.