

**TOP LEVEL DOMAIN HOLDINGS LTD**  
**GROUP INCOME STATEMENT**  
**FOR THE PERIOD ENDED 30 APRIL 2009**

	Note	Period ended 30 April 2009 (unaudited) £'000	Period 22 June 2007 to 30 April 2008 (unaudited) £'000	Period 22 June 2007 to 31 October 2008 (audited) £'000
Revenue		129	-	232
Administrative expenses		(465)	(215)	(516)
Impairment charge		-	-	(1,019)
Share options expensed	5	(106)	(106)	(249)
<b>Operating loss</b>		<b>(442)</b>	(321)	(1,552)
Interest receivable		21	75	138
<b>Loss on ordinary activities before taxation</b>		<b>(421)</b>	(246)	(1,414)
Taxation on loss on ordinary activities		-	-	-
<b>Loss for the financial period</b>		<b>(421)</b>	(246)	(1,414)
<b>Attributable to:</b>				
Equity holders of the company		<b>(421)</b>	(246)	(1,414)
Basic and diluted loss per share expressed in pence	3	<b>(0.26)</b>	(0.26)	(1.18)

**TOP LEVEL DOMAIN HOLDINGS LTD**  
**GROUP BALANCE SHEET**  
**AS AT 30 APRIL 2009**

	Note	30 April 2009 (unaudited) £'000	30 April 2008 (unaudited) £'000	31 October 2008 (audited) £'000
<b>Non-current assets</b>				
Intangible assets		349	1,262	349
<b>Total non-current assets</b>		<b>349</b>	<b>1,262</b>	<b>349</b>
<b>Current assets</b>				
Trade and other receivables		655	372	78
Cash and cash equivalents		2,027	2,686	2,888
<b>Total current assets</b>		<b>2,682</b>	<b>3,058</b>	<b>2,966</b>
<b>Total Assets</b>		<b>3,031</b>	<b>4,320</b>	<b>3,315</b>
<b>Current Liabilities</b>				
Trade and other payables		(31)	(30)	(61)
<b>Total Liabilities</b>		<b>(31)</b>	<b>(30)</b>	<b>(61)</b>
<b>Net Assets</b>		<b>3,000</b>	<b>4,290</b>	<b>3,254</b>
<b>Shareholders' equity</b>				
Share capital	4	-	-	-
Share premium account		4,380	4,394	4,380
Share based payment reserve	5	391	142	285
Foreign exchange reserve		64	-	3
Retained earnings		(1,835)	(246)	(1,414)
<b>Total Equity</b>		<b>3,000</b>	<b>4,290</b>	<b>3,254</b>

**TOP LEVEL DOMAIN HOLDINGS LTD**  
**GROUP CASH FLOW STATEMENT**  
**FOR THE PERIOD ENDED 30 APRIL 2009**

	<b>Period ended 30 April 2009 (unaudited) £'000</b>	Period 22 June to 30 April 2008 (unaudited) £'000	Period 22 June 2007 to 31 October 2008 (audited) £'000
<b>Cash outflow from operating activities</b>			
Operating Loss	(442)	(321)	(1,552)
Increase in trade and other receivables	(577)	(372)	(78)
(Decrease)/increase in trade and other payables	(30)	30	61
Impairment charge	-	-	1,019
Foreign exchange gain	-	-	(18)
Share options expensed	106	106	249
<b>Net cash outflow from operating activities</b>	<b>(943)</b>	<b>(557)</b>	<b>(319)</b>
<b>Cash flows from investing activities</b>			
Interest received	21	75	138
Payments to acquire intangible assets	-	(1,247)	(1,353)
<b>Net cash in/(out)flow from investing activities</b>	<b>21</b>	<b>(1,172)</b>	<b>(1,215)</b>
<b>Cash flows from financing activities</b>			
Issue of ordinary share capital	-	4,548	4,548
Share issue costs	-	(133)	(133)
<b>Net cash inflow from financing activities</b>	<b>-</b>	<b>4,415</b>	<b>4,415</b>
<b>Net increase in cash and cash equivalents</b>	<b>(922)</b>	<b>2,686</b>	<b>2,881</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>2,888</b>	<b>-</b>	<b>-</b>
<b>Exchange gain on cash and cash equivalents</b>	<b>61</b>	<b>-</b>	<b>7</b>
<b>Cash and cash equivalents at end of period</b>	<b>2,027</b>	<b>2,686</b>	<b>2,888</b>

**TOP LEVEL DOMAIN HOLDINGS LTD**  
**GROUP STATEMENT OF CHANGES IN EQUITY (Unaudited)**  
**FOR THE PERIOD ENDED 30 APRIL 2009**

Group	Attributable to equity holders of the company					
	Called up share capital £ 000's	Share premium reserve £ 000's	Share based payment reserve £ 000's	Foreign currency translation reserve £ 000's	Retained earnings £ 000's	Total £ 000's
<b>As at 22 June 2007</b>	-	-	-	-	-	-
Loss for the period	-	-	-	-	(1,414)	(1,414)
Currency translation differences	-	-	-	3	-	3
<b>Total recognised income and expense</b>	-	-	-	3	(1,414)	(1,411)
Share capital issued	-	4,563	-	-	-	4,563
Cost of share issue	-	(183)	-	-	-	(183)
Share based payments	-	-	285	-	-	285
<b>As at 31 October 2008</b>	-	<b>4,380</b>	<b>285</b>	<b>3</b>	<b>(1,414)</b>	<b>3,254</b>
Loss for the period	-	-	-	-	(421)	(421)
Currency translation differences	-	-	-	61	-	61
<b>Total recognised income and expense</b>	-	-	-	61	(421)	(360)
Share capital issued	-	-	-	-	-	-
Cost of share issue	-	-	-	-	-	-
Share based payments	-	-	106	-	-	106
<b>As at 30 April 2009</b>	-	<b>4,380</b>	<b>391</b>	<b>64</b>	<b>(1,835)</b>	<b>3,000</b>

**TOP LEVEL DOMAIN HOLDINGS LTD**  
**NOTES TO THE INTERIM FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 30 APRIL 2009**

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**1. Basis of preparation**

The Company was registered as Hecta Media Inc. in British Virgin Islands having been incorporated on 22<sup>nd</sup> June 2007 under the BVI Business Companies Act 2004 with registered number 1412814. On 16 April 2009, the company changed its registered name to Top Level Domain Holdings Ltd.

The consolidated financial statements has been prepared under the historical cost convention and on a going concern basis and in accordance with International Financial Reporting Standards and IFRIC interpretations adopted for use in the European Union (“IFRS”) and those parts of the BVI Business Companies Act applicable to companies reporting under IFRS.

The consolidated financial statements for the period ended 30 April 2009 have not been audited or reviewed in accordance with the International Standard on Review Engagements 2410 issued by the Auditing Practices Board. The figures were prepared using applicable accounting policies and practices consistent with those adopted in the statutory accounts for the period ended 31 October 2008.

The consolidated financial statements contained in this document do not constitute statutory accounts as defined by Section 240 of the Companies Act 1985 (England & Wales). In the opinion of the directors the financial information for this period fairly presents the financial position, result of operations and cash flows for this period.

This Interim Financial Report was approved by the Board of Directors on 12 June 2009.

**Statement of compliance**

These condensed interim financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union with the exception of International Accounting Standard (‘IAS’) 34 – Interim Financial Reporting. Accordingly the interim financial statements do not include all of the information or disclosures required in the annual financial statements.

**Foreign currencies**

The functional currency of each entity is determined after consideration of the primary economic environment of the entity. The group’s presentational currency is Sterling (£).

## 2 Segmental analysis - Group

For management purposes the Group only operates in 1 business division, that of internet operations. Revenue is received on the basis of parking revenue and domain sales. Therefore the primary segment is that of Geographical location.

The analysis of the operating loss before taxation and the net assets employed by geographical segment of operations is shown below;

### By geographical area

30 April 2009

	BVI/Pare nt £ 000's	BVI/USA £ 000's	Total £ 000's
<b>Revenue</b>			
External sales	8	121	129
<b>Result</b>			
Operating loss	(171)	(271)	(442)
Investment revenue	21	-	21
Loss before & after tax			(421)
<b>Other information</b>			
Depreciation, amortisation and impairment	-	-	-
Capital additions	-	-	-
<b>Assets</b>			
Segment assets	45	304	349
Financial assets	613	42	655
Cash			2,027
Consolidated total assets			3,031
<b>Liabilities</b>			
Segment liabilities	-	-	-
Financial liabilities	(23)	(8)	(31)
Consolidated total liabilities			(31)

## 2 Segmental analysis – Group (continued)

31 October 2008	BVI/Parent £ 000's	BVI/USA £ 000's	Total £ 000's
<b>Revenue</b>			
External sales	10	222	232
<b>Result</b>			
Operating loss	(648)	(904)	(1,552)
Investment revenue	137	1	138
Loss before & after tax			(1,414)
<b>Other information</b>			
Depreciation, amortisation and impairment	-	1,019	1,019
Capital additions	45	1,323	1,368
<b>Assets</b>			
Segment assets	45	304	349
Financial assets	-	78	78
Cash			2,888
Consolidated total assets			3,315
<b>Liabilities</b>			
Segment liabilities	-	-	-
Financial liabilities	(52)	(9)	(61)
Consolidated total liabilities			(61)

## 3. Loss per share

The calculation of earnings per share is based on the loss after taxation divided by the weighted average number of shares in issue during the period:

	Period ended 30 April 2009 (unaudited) £'000 0	Period ended 30 April 2008 (unaudited) £'000	Period ended 31 October 2008 (unaudited) £'000
Net loss after taxation	(421)	(246)	(1,414)
Weighted average number of ordinary shares used in calculating basic earnings per share	162.63m	95.82m	120.28m
Basic loss per share (expressed in pence)	(0.26) pence	(0.26) pence	(1.18) pence

As the inclusion of the potential ordinary shares would result in a decrease in the loss per share they are considered to be anti-dilutive and, as such, a diluted loss per share is not included.

#### 4. Share capital

The authorised share capital of the Company and the called up and fully paid amounts at 30 April 2009 were as follows:

		<b>£'000</b>
		<b>Authorised</b>
Unlimited ordinary shares of no par value each		-
		<b>£'000</b>
	<b>Number of shares</b>	<b>Nominal value</b>
		<b>£'000</b>
<b>Called up, allotted, issued and fully paid</b>		
Incorporation	1	-
26 October 2007 for cash at 1p per share	64,750,000	-
26 October 2007 for cash at 4p per share	10,000,000	-
29 October 2007 – original incorporation share cancelled	(1)	-
31 October 2007 for cash at 4p per share	87,516,456	-
13 March 2008 for non-cash consideration at 4p per share	368,242	-
<b>As at 30 April 2009</b>	<b>162,634,698</b>	<b>-</b>

#### *Total share options in issue*

During the period ended 30 April 2009, the company granted no further options over ordinary shares.

As at 30 April 2009 the unexercised options in issue were;

<b>Exercise Price</b>	<b>Expiry Date</b>	<b>Options in Issue</b>
		<b>30 April 2009</b>
4p	13 November 2012	19,000,000
4p	1 January 2013	1,750,000
		<b>20,750,000</b>

#### *Total warrants in issue*

<b>Exercise Price</b>	<b>Expiry Date</b>	<b>Options in Issue</b>
		<b>30 April 2009</b>
4p	13 November 2012	1,622,665
		<b>1,622,665</b>

No options or warrants lapsed or were cancelled and no options or warrants were exercised during the period to 30 April 2009.



## 5. Share based payments

Under IFRS 2 'Share Based Payments', the Company determines the fair value of options issued to Directors and Employees as remuneration and recognises the amount as an expense in the income statement with a corresponding increase in equity.

Name	Date Granted	Date Vested	Number	Exercise Price (pence)	Expiry Date	Fair Value at Grant Date (pence)
Frederick Krueger	14/11/2007	See 1 below	5,000,000	4	13/11/2012	2.23
David Weill	14/11/2007	See 1 below	4,000,000	4	13/11/2012	2.23
Clark Landry	14/11/2007	See 1 below	5,000,000	4	13/11/2012	2.23
Guy Elliott	14/11/2007	See 1 below	3,000,000	4	13/11/2012	2.23
Michael Mendelson	14/11/2007	See 1 below	2,000,000	4	13/11/2012	2.23
Consultant	01/01/2008	See 2 below	1,000,000	4	01/01/2013	2.23
Consultant	01/01/2008	See 3 below	750,000	4	01/01/2013	2.23
<b>Totals</b>			<b>20,750,000</b>			

1. The above share options vest on the 2<sup>nd</sup> anniversary from the date of grant. The options are exercisable at any time after vesting during the Directors period as an eligible employee until the fifth anniversary of admission.
2. The above share options vested over the period of the 12 months from the date of grant, on the basis of 166,667 a month for the first 3 months, and 55,555 over the remaining 9 months.
3. The above share options vested equally over the 6 months from the date of grant. The consultants' contract was terminated on 30 June 2008, and no further options have been granted or vested in accordance with the consultancy agreement.

The fair value of the options and warrants vesting during the period ended 30 April 2009 amounted to £0.106 million. The assessed fair value at grant date is determined using the Black-Scholes Model that takes into account the exercise price, the term of the option, the share price at grant date, the expected price volatility of the underlying share, the expected dividend yield and the risk-free interest rate for the term of the option.

The following table lists the inputs to the models used for the period ended 30 April 2009:

	<b>14 November 2007 issue - Options</b>
Dividend Yield (%)	-
Expected Volatility (%)	60.0
Risk-free interest rate (%)	4.8
Share price at grant date (£)	0.04

The expected volatility reflects the assumption that the historical volatility is indicative of future trends, which may, not necessarily be the actual outcome.

## 6. Post balance sheet events

On 27 May 2009, the Company announced it was to change its name to Top Level Domain Holdings Ltd. On the same date, the company also announced it had made the following investments;

- In dotNYC LLC, the company has taken an interest of 23.5% in the issued share capital for a cash consideration of US\$180,000.
- In DotEco LLC, the company subscribed for a 10% interest in the issued share capital for a cash consideration of US\$200,000.
- In Minds+Machines Inc., the company conditionally subscribed for a 35.11% interest for a cash consideration of US\$501,000.

7. The financial information set out above does not constitute the Group's statutory accounts for the period ended 31 October 2008, but is derived from those accounts. Statutory accounts for the period have been delivered to the shareholders, and the auditors made an unqualified report thereon.

8. A copy of this interim statement is available on the Company's website : [www.tldh.org](http://www.tldh.org)