

TV COMMERCE HOLDINGS PLC
UNAUDITED INTERIM FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED 30 JUNE 2008

TV COMMERCE HOLDINGS PLC
CONSOLIDATED INCOME STATEMENT
FOR THE SIX MONTHS ENDED 30 JUNE 2008

	Note	Six months ended 30 June 08 Unaudited £	Six months ended 30 June 07 Unaudited £	Year ended 31 Dec 07 Audited £
Discontinued Operations				
Revenue :		-	209,381	199,724
Cost of sales		-	(123,954)	(114,576)
Gross profit		-	85,427	85,148
Other operating income		-	41,528	38,436
Administrative expenses		(25,078)	(166,603)	(238,006)
Loss before operations		(25,078)	(39,648)	(114,422)
Finance revenue		3,252	4,104	14,555
Finance Costs		-	-	(493)
Loss before tax		(21,826)	(35,544)	(100,360)
Taxes		-	-	-
Loss for the period from discontinued operations		(21,826)	(35,544)	(100,360)
Attributable to: Equity holders of the Group		(21,826)	(35,544)	(100,360)
Earnings per share	3			
Discontinued operations		(0.03)	(0.06)	(0,16)

TV COMMERCE HOLDINGS PLC
CONSOLIDATED BALANCE SHEET
FOR THE SIX MONTHS ENDED 30 JUNE 2008

	Unaudited 30 June 08 £	Unaudited 30 June 07 £	Audited 31 Dec 07 £
Non-current assets			
Property, plant and equipment	-	-	-
	-	-	-
Current assets			
Trade and other receivables	-	-	-
Cash and cash equivalents	-	-	-
	-	-	-
Disposal Group held for Sale	3,031	523,610	441,135
	3,031	523,610	441,135
Total Assets	3,031	523,610	441,135
EQUITY AND LIABILITIES			
Called-up share capital	64,180	641,796	641,796
Share premium account	-	624,066	624,066
Merger reserve	66,351	66,351	66,351
Retained earnings	(160,105)	(875,243)	(940,059)
	(29,574)	456,970	392,154
Total equity	(29,574)	456,970	392,154
Current liabilities			
Trade and other payables	-	-	-
	-	-	-
	-	-	-
Disposal Group held for sale	32,605	66,640	48,981
Non-Current liabilities			
Long-term borrowings	-	-	-
	-	-	-
	-	-	-
Total Liabilities	32,605	66,640	48,981
Total Equity and Liabilities	3,031	523,610	441,135

TV COMMERCE HOLDINGS PLC

STATEMENT OF CHANGES IN EQUITY

FOR THE SIX MONTHS ENDED 30 JUNE 2008

	Share capital £	Share premium £	Merger reserve £	Retained Earnings	Unaudited Total £
Balance at 1 January 2007	641,796	624,066	66,351	(839,699)	492,514
Loss for the period attributable to equity holders	-	-	-	(35,544)	(35,544)
Balance at 30 June 2007	641,796	624,066	66,351	(875,243)	456,970
Balance at 1 January 2008	641,796	624,066	66,351	(940,058)	392,155
Loss for the period attributable to equity holders	-	-	-	(21,826)	(21,826)
Capital reduction	(577,616)	(624,066)	-	1,201,682	-
Capital distribution	-	-	-	(399,903)	(399,903)
Balance at 30 June 2008	64,180	-	66,351	(160,105)	(29,574)

TV COMMERCE HOLDINGS PLC
CONSOLIDATED CASH FLOW STATEMENT
FOR THE SIX MONTHS ENDED 30 JUNE 2008

	Six months ended 30 June 08 Unaudited £	Six months ended 30 June 07 Unaudited £	Year ended 31 Dec 07 Unaudited £
Cash Flows from discontinued operating Activities			
Cash outflow from operations			
Loss before tax	(21,826)	(35,544)	(100,360)
Finance revenue	(3,252)	(4,103)	(14,555)
Finance cost	-	-	493
Depreciation	-	3,092	-
Decrease in trade and other receivables	2,888	387,850	423,706
Decrease in trade and other payables	(16,376)	(139,250)	(156,909)
Loss on disposal of assets	-	(41,528)	(38,436)
Net cash generated/(outflow) from operations	<u>(38,566)</u>	<u>170,517</u>	<u>113,939</u>
Cash flows from investing activities			
Purchase of property, plant and equipment	-	-	-
Disposal of property, plant and equipment	-	48,936	48,936
Interest received	3,252	4,103	14,555
Interest paid	-	-	(493)
Net cash generated in investing activities	<u>3,252</u>	<u>53,039</u>	<u>62,998</u>
Cash flows from financing activities			
Capital distribution	(399,903)	-	-
Net cash used in financing activities	<u>(399,903)</u>	<u>-</u>	<u>-</u>
Net increase/(decrease) in cash and cash equivalents	<u>(435,217)</u>	<u>223,556</u>	<u>176,937</u>
Cash and cash equivalents ay beginning of year	438,247	261,310	261,310
Cash and cash equivalents at end of year	<u><u>3,030</u></u>	<u><u>484,866</u></u>	<u><u>438,247</u></u>

TV COMMERCE HOLDINGS PLC

NOTES TO THE INTERIM REPORT

FOR THE SIX MONTHS ENDED 30 JUNE 2008

1 Financial Information and basis of preparation

The unaudited financial information comprises the consolidated interim balance sheets as at 30 June 2008 and 30 June 2007 and the related consolidated interim statements of income, changed in equity and cash flows and related notes for six months then ended (hereinafter referred to as the "financial information")

The financial information, including the comparative figures for the year ended 31 December 2007, do not constitute statutory financial statements for the purposes of Section 240 of the Companies Act 1985. A copy of the statutory financial statements for the year ended 31 December 2007, prepared in accordance with the recognition and measurement criteria of the International Financial Reporting Standards (IFRS) as adopted by the European Union, has been delivered to the Registrar of Companies and contained an unqualified auditors' report in accordance with Section 235 of the Companies Act 1985.

The interim financial information has been prepared in accordance with the recognition and measurement requirements of IFRS as endorsed by the European Union. The Directors do not consider that there are any changes to the group's accounting policies set out in the 2007 Annual Report. As permitted, the Group has chosen not to adopt IAS 34 "Interim Financial Statements" in preparing this interim financial information.

Going Concern

The interim financial information has been prepared on the basis that the Group is not a going concern following a decision to cease trading activities on 28 February 2007. A revised investment strategy was approved by the shareholders at last the Annual General Meeting. In line with AIM Rule 15, the Group will then have 12 months from the date of the last Annual General Meeting to implement its investing strategy or complete a reverse takeover.

Following the return of capital to Shareholders on 17 March 2008, the Company requires additional working capital in order to fund existing working capital requirements and to conduct due diligence on potential acquisition opportunities. The Board is in discussions with its key shareholders and other providers of finance with a view to a fundraising which, as a result, has led to the publication of a circular convening an Extraordinary General Meeting to seek the approval of shareholders. In the short term the Company will receive limited financial support from a substantial shareholder to meet a shortfall against present requirements, however the Directors are not satisfied the Company will continue to meet its liabilities when they fall due and are carrying out a more detailed investigation to determine the Company's financial position. In the absence of alternative sources of finance the Company may not be able to continue to operate.

Basis of Consolidation

The interim financial information consolidate the Financial Statements of TV Commerce Holdings PLC and all its subsidiary undertakings made up to 31 June 2008 accounted for under merger accounting. Profits and losses on intra-group transactions are eliminated on consolidation.

2 Capital Reduction

On 23 January 2008, the courts approved a capital reorganisation within the Company. This reduced the authorised share capital of the Company from £1,250,000 divided into 125,000,000 Ordinary Shares of 0.1p each and 1,125,000,000 Deferred Shares of 0.1p each to £125,000 divided into 125,000,000 Ordinary Shares of 0.1p each and cancelled the share premium account of the Company.

As a result the issued share capital decreased from £641,796 divided into 64,179,932 Ordinary Shares of 0.1p each and 577,616,688 Deferred Shares of 0.1p to £64,180 divided into 64,179,932 Ordinary Shares of 0.1p each.

TV COMMERCE HOLDINGS PLC

NOTES TO THE INTERIM REPORT

FOR THE SIX MONTHS ENDED 30 JUNE 2008

The resolution also required, conditional to the Court's approval to the capital reorganization, that the amount standing to the credit of the share premium account be cancelled; and that the deferred shares also to be cancelled and extinguished.

On 17 March 2008, £399,903.29 was returned to shareholders via a payment of 0.6231p per share in relation to the capital reduction.

3 Earnings per share

The calculation of the basic and diluted earnings per share is based on the following data:

	30 June 08 £	30 June 07 £	31 Dec 07 £
Discontinuing activities	(21,826)	(35,544)	(100,360)
	<hr/>	<hr/>	<hr/>
Number of shares	30 June 08	30 June 07	31 Dec 06
Weighted average number of shares	64,179,632	64,179,632	64,179,632
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