

*Directors: Philippos Vatiliotis – Non- Executive Director, Chairman of the Board, Yiannis Demetriou - C.E.O., Roman Shaikhutdinov – C.O.O., Lidana Bondar C.F.O., Ioannis Tirkides – Non- Executive Director, Gueorgui Horozov – Non- Executive Director*

27<sup>th</sup> March 2008

Dear Shareholder,

**Proposals to Raise £5 million via the issue of 20 million New Ordinary Shares – terms and conditions of the Offer**

**1 Introduction**

As explained in the Chairman's letter to you of 4 March 2008, the Company proposes to raise approximately £5 million before expenses, by the issue of 20,000,000 New Ordinary Shares pursuant to a pre-emptive offer.

The 20,000,000 New Ordinary Shares are being offered at 25p per share to all Qualifying Shareholders in proportion to their existing holdings. To the extent that Qualifying Shareholders do not take up their entitlement under the Offer, any excess New Ordinary Shares not taken up will be available to those Qualifying Shareholders who have taken up their entitlement in full. If applications for such Excess Shares cannot be satisfied in full, applications will be scaled back in proportion to Qualifying Shareholder's applications for such Excess Shares.

The Board has received a non binding indication from one of its institutional shareholders, Templeton Strategic Emerging Markets Funds II, that it intends to subscribe for its full basic entitlement to New Ordinary Shares and all Excess Shares available under the Offer.

This letter, together with the White Application Form enclosed in the case of Qualifying non-CREST Shareholders and the Blue Application Form enclosed in the case of Qualifying CREST Shareholders, contains the formal terms and conditions of the Offer. Words and phrases used in this letter and the Application Forms are defined at the end of this letter.

**2 The Offer**

Qualifying Shareholders are hereby invited, on and subject to the terms and conditions set out below, to apply to subscribe for any number of New Ordinary Shares at the Issue Price payable in full on application and free of all expenses up to a maximum of their basic pro rata entitlement which shall be calculated on the basis of:

1 New Ordinary Share for every 6.877836 Existing Shares

registered in their name at the close of business on the Record Date and so in proportion for any other number of Existing Shares then held. Fractional entitlements will be disregarded for the purposes of calculating Qualifying Shareholders' maximum entitlements under the Offer and entitlements will be rounded down to the nearest whole number of New Ordinary Shares as appropriate. Qualifying Shareholders holding less than 6 Existing Shares will have no entitlement to subscribe under the Offer.

In addition, to the extent Qualifying Shareholders do not take up all or any of their entitlement to New Ordinary Shares, those Qualifying Shareholders that have taken up their entitlement in full may make a further application for any such Excess Shares. If there are not enough Excess Shares available to satisfy in full any such further applications, those applications will be scaled back in proportion to Qualifying Shareholder's applications for such Excess Shares.

**Qualifying Shareholders should note that if they do not apply for any of their entitlement under the Offer, their existing shareholding in the Company will be diluted by approximately 14.54 per cent following Admission.**

Holdings of Existing Shares traded on AIM in uncertificated form will be treated as separate holdings for the purpose of calculating entitlements under the Offer, as will holdings under different designations and in different accounts.

No temporary documents of title will be issued. Definitive certificates in respect of New Ordinary Shares taken up are expected to be posted by 22 April 2008 to those Qualifying Shareholders who have validly elected to hold their New Ordinary Shares in certificated form. In respect of those Qualifying Shareholders who have validly elected to hold their New Ordinary Shares in uncertificated form, the New Ordinary Shares are expected to be credited to their stock accounts maintained in CREST by 15 April 2008.

If you are a Qualifying non-CREST Shareholder the White Application Form shows the number of Existing Shares registered in your name on the Record Date and also shows the maximum number of New Ordinary Shares for which you are entitled to apply under the Offer (other than any Excess Shares). Qualifying CREST Holders will have Offer Entitlements (other than in relation to Excess Shares) credited to their stock accounts in CREST and should refer to paragraphs 4.2(a) to 4.2(j) below and also to the CREST manual for further information on the relevant CREST procedures. You may apply for any number of New Ordinary Shares up to and including your maximum basic entitlement. Save in relation to Excess Shares, no application for New Ordinary Shares in excess of this maximum basic pro rata entitlement will be met and any Qualifying Shareholder so applying, and whose application is otherwise valid in all respects, will be deemed to have applied for his/her maximum basic entitlement. Any monies paid in excess of the amount due will be returned without interest by crossed cheque in favour of the applicant at its risk.

You may also apply for any number of Excess Shares in addition to your maximum basic pro rata entitlement. Qualifying non-CREST Shareholders may do this on the White Application Form and Qualifying CREST Shareholders may do so on the Blue Application Form. To the extent any such application scaled down and/or is not satisfied, any relevant monies will be returned without interest by crossed cheque in favour of the applicant at its risk.

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### 3 Conditions and further terms of the Offer

#### General

Qualifying CREST Holders should note that, although the Offer Entitlements (other than Excess Shares) will be admitted to CREST and be enabled for settlement, applications in respect of entitlements under the Offer may only be made by the Qualifying Shareholder originally entitled or by a person entitled by virtue of a *bona fide* market claim raised by Euroclear's Claims Processing Unit. Qualifying non-CREST Holders should note that the White Application Form is not a negotiable document and cannot be traded.

The New Ordinary Shares will be issued credited as fully paid and will rank *pari passu* in all respects with the Existing Shares. The New Ordinary Shares are not being made available in whole or in part to the public except under the terms of the Offer.

The Offer is conditional, *inter alia*, on:

- (i) the passing of the resolutions set out in the notice of meeting sent to Shareholders on 4 March 2008; and
- (ii) Admission of the New Ordinary Shares becoming effective by no later than 8.00 a.m. (UK time) and 10.00 a.m. (Cyriot time) on 15 April 2008.

The attention of Overseas Shareholders is drawn to paragraph 6 below.

Your attention is also drawn to paragraph 4 which gives details of the procedure for application and payment for the New Ordinary Shares. Dealings in the New Ordinary Shares are expected to commence at 8.00 a.m. (UK time) and 10.00 a.m. (Cyriot time) on 15 April 2008.

It is expected that the definitive documents of title in respect of the New Ordinary Shares, which will be in registered form, will be despatched by post in certificated form by 22 April 2008 and that CREST accounts will be credited by 15 April 2008. No temporary documents of title will be issued.

Application will be made for the Shares to be admitted to trading on AIM. Admission is expected to occur on 15 April 2008, when dealings in the New Ordinary Shares are expected to begin.

If the Offer does not become unconditional, the Existing Shares will remain admitted to trading on AIM, no New Ordinary Shares will be issued, and all monies received by the Receiving Agents will be returned to applicants, without interest, as soon as practicable.

### 4 Procedure for application and payment

The action to be taken by Qualifying Holders in relation to the Offer depends on whether, at the relevant time, a Qualifying Shareholder is a Qualifying non-CREST Shareholder with a White Application Form or is a Qualifying CREST Holder with a Blue Application Form.

CREST sponsored members should refer to their CREST sponsor, as only their CREST sponsor will be able to take the necessary action specified below to apply under the Offer in respect of the Offer Entitlements of such members held in CREST. CREST members who wish to apply under the Offer in respect of their Offer Entitlements (other than for Excess Shares) in CREST should refer to the CREST Manual for further information on the CREST procedures referred to below. Subject to the provisions of paragraph 7 of this letter entitled "Admission Settlement and dealings", Qualifying Shareholders who hold their Existing Shares in certificated form will be allotted New Ordinary Shares in certificated form to the extent that their entitlement to the New Ordinary Shares arises as a result of holding Existing Shares in certificated form. Qualifying Holders who hold part of their Existing Shares in uncertificated form will be allotted New Ordinary Shares (other than Excess Shares) in uncertificated form to the extent that their entitlement to the New Ordinary Shares arises as a result of holding Existing Shares in uncertificated form. All Excess Shares will be allotted in certificated form (although depository interests in respect of any such Excess Shares allotted to Qualifying Holders who hold their Existing Shares in uncertificated form will be issued in uncertificated form).

If for any reason it becomes necessary to adjust the expected timetable as set out in this letter, the Company will make an appropriate announcement to a Regulatory Information Service giving details of the revised dates.

If you do not wish to apply to acquire New Ordinary Shares, you should not complete and return any Application Form.

#### 4.1 If you have a White Application Form in respect of your entitlement under the Offer

##### (a) General

Subject as provided in paragraph 6 of this letter in relation to Overseas Shareholders, Qualifying non-CREST Holders will have received a White Application Form with this document. The White Application Form shows the number of Existing Shares registered in their name at the close of business on the Record Date. It also shows the maximum number of New Ordinary Shares (other than Excess Shares) for which they are entitled to apply under the Offer. Qualifying non-CREST Holders may apply for less than their maximum entitlement should they wish to do so. Qualifying non-CREST Holders may also hold such a White Application Form by virtue of a *bona fide* market claim. The White Application Form also enables Qualifying non-Crest Holders to apply for Excess Shares. The instructions and other terms set out in the White Application Form form part of the terms of the Offer.

##### (b) Market claims

Applications to acquire New Ordinary Shares may only be made on the White Application Form and may only be made by the Qualifying non-CREST Holder named in it or by a person entitled by virtue of a *bona fide* market claim in relation to a purchase of Existing Shares through the market prior to the date upon which the Existing Shares were marked "ex" the entitlement to participate in the Offer. White Application Forms may not be assigned, transferred or split, except to satisfy *bona fide* market claims, up to 3.00 p.m. (UK time) and 5p.m. (Cyriot time) on 10 April 2008. The White Application Form is not a negotiable document and cannot be separately traded. A Qualifying non-CREST Holder who has sold or otherwise transferred all or part of his holding of Existing Shares prior to the date upon which the Existing Shares were marked "ex" the entitlement to participate in the Offer, should consult his broker or other professional adviser as soon as possible, as the invitation to acquire New Ordinary Shares under the Offer may be a benefit which may be claimed by the transferee from his counterparty. Qualifying non-CREST Holders who have sold all or part of their registered holdings should, if the market claim is to be settled outside CREST, complete Box 9 on the White Application Form and immediately send it to the stockbroker, bank or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee. The White Application Form should not, however, subject to certain exceptions, be forwarded to or transmitted in or into the Excluded Territories. If the market claim is to be settled in CREST, the beneficiary of the claim should follow the procedures set out in paragraph 4.2(e) below.

##### (c) Application procedures

Qualifying non-CREST Holders wishing to apply to acquire all or any of the New Ordinary Shares to which they are entitled should complete the White Application Form in accordance with the instructions printed on it. Completed White Application Forms should be posted in the accompanying reply-paid envelope (for use only in Cyprus) or delivered by hand (during normal business hours only) to the Company's Secretary, **AAA Regent Consultants Limited, Armenias 39A, 2003 Strovolos – Nicosia, Cyprus** (who will act as the Cypriot Receiving Agent in relation to the Offer), with payment being made by SWIFT to:

Account Name: **Teleset Networks Public Company Limited**

Bank Name: **Hellenic Bank Ltd**

Account Number: **119-07-370309-03**

IBAN: **CY36 0050 0119 0001 1907 3703 0903**

BIC: **HEBACY2N**

Address: **Branch 119, Corporate Services, Nicosia**

Hellenic Bank's GBP Correspondent:

Name: **BARCLAYS BANK PLC**

BIC: **BARCGB22**

**Payment must be made by the applicant, not a third party, otherwise the payment may be returned.**

Applications must be received by the Company (at the address detailed above) no later than 10.30 am (UK time) and 12.30 pm (Cyriot time), on 14 April 2008, after which time White Application Forms will not be valid. Once submitted, applications are irrevocable. If a

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White Application Form is being sent by post in Cyprus, Qualifying Shareholders are recommended to allow at least four working days for delivery.

The Company may in its sole discretion, but shall not be obliged to, treat a White Application Form as valid and binding on the person by whom or on whose behalf it is lodged, even if not completed in accordance with the relevant instructions or not accompanied by a valid power of attorney where required, or if it otherwise does not strictly comply with the terms and conditions of the Offer. The Company further reserves the right (but shall not be obliged) to accept either:

- (i) Application Forms received after 10.30 am (UK time) and 12.30 pm (Cypriot time) on 14 April 2008 or;
- (ii) applications in respect of which remittances are received before 10.30 a.m. (UK time) and 12.30 pm (Cypriot time) on 14 April 2008 from authorised persons (as defined in Financial Services and Materials Act 2000) specifying the New Ordinary Shares applied for and undertaking to lodge the White Application Form in due course but, in any event, within two Business Days. Multiple applications will not be accepted.

Any application monies received before the conditions of the Offer are fulfilled will be kept in a separate bank account until the conditions are fully met. If the conditions of the Offer are not fulfilled on or before 8.00 a.m. (UK time) and 10.00 a.m. (Cypriot time) on 30 April 2008, the Offer will lapse and all application monies will be returned without interest by telegraphic transfer at the risk of the applicant(s) as soon as is practicable after that date. Interest earned on monies held in the separate bank account will be retained for the benefit of the Company.

(d) **Effect of application**

All documents and remittances sent by post by or to an applicant (or as the applicant may direct) will be sent at the applicant's own risk. By completing and delivering a White Application Form the applicant:

- (i) agrees that all applications under the Offer shall be governed by and construed in accordance with the laws of England. The New Ordinary Shares will be held by the Shareholders in accordance with the Company's constitutional documents governed by the laws of the Republic of Cyprus;
- (ii) confirms that in making the application the applicant is not relying on any information or representation other than that contained in the Chairman's letter of 4 March 2008, this document and the White Application Form, and the applicant accordingly agrees that no person responsible solely or jointly for this document or any part thereof shall have any liability for any such information or representation not so contained and further agrees that having had the opportunity to read this document, he will be deemed to have had notice of all information contained in this document;
- (iii) represents and warrants that if the applicant received some or all of their Offer Entitlements from a person other than the Company, the applicant is entitled to apply under the Offer in relation to such Offer Entitlements by virtue of a *bona fide* market claim;
- (iv) requests that the New Ordinary Shares, to which he will become entitled, be issued to him on the terms set out in this document, subject to the constitutional documents of the Company;
- (v) represents and warrants that he is not, nor is he applying on behalf of any Qualifying Shareholder who is, a citizen or resident or which is a corporation, partnership or other entity created or organised in or under any laws of any of the Excluded Territories and he is not applying with a view to reoffering, re-selling, transferring or delivering any of the New Ordinary Shares which are the subject of his application to, or for the benefit of, a Qualifying Shareholder who is a citizen or resident or which is a corporation, partnership or other entity created or organised in or under any laws of the Excluded Territories;
- (vi) represents and warrants that he is not and nor is he applying as nominee or agent for, a person who is or may be liable to notify and account for tax under the Stamp Duty Reserve Tax Regulations 1986 at any of the increased rates referred to in section 93 (depository receipts) or section 96 (clearance services) of the Finance Act 1986.

All enquiries in connection with the procedure for application and completion of the White Application Form should be addressed to the Company's Secretary, AAA Regent Consultants Limited, Armenias 39A, 2003 Strovolos – Nicosia, Cyprus, Tel No.: +357 22 87 97 02 or Fax: +357 22 35 55 51. Please note that the Company's Secretary cannot provide financial advice on the merits of the Offer or as to whether applicants should take up their Offer Entitlements.

Qualifying Shareholders who do not wish to apply for the New Ordinary Shares under the Offer should take no action and should not complete or return any Application Form. Shareholders are, however, encouraged to vote at the Extraordinary General Meeting by completing and returning the Form of Proxy previously sent on 4 March 2008.

4.2 If you have Offer Entitlements credited to your stock account in CREST in respect of your entitlement under the Offer

(e) **General**

Subject as provided in paragraph 6 of this letter in relation to certain Overseas Shareholders, each Qualifying CREST Holder will receive a credit to his stock account in CREST of his Offer Entitlements equal to the maximum number of New Ordinary Shares (other than Excess

Shares) for which he is entitled to apply to acquire under the Offer. The CREST stock account to be credited will be an account under the participant ID and member account ID that apply to the Existing Shares held on the Record Date by the Qualifying CREST Holder in respect of which the Offer Entitlements have been allocated. If for any reason the Offer Entitlements cannot be admitted to CREST by, or the stock accounts for Qualifying CREST Holders cannot be credited by such time as the Company may decide, a White Application Form will be sent to each Qualifying CREST Holder in substitution for the Offer Entitlements which should have been credited to his stock account in CREST. In these circumstances the expected timetable as set out in this letter will be adjusted as appropriate and the provisions of this letter applicable to Qualifying non-CREST Holders with White Application Forms will apply to Qualifying CREST Holders who receive White Application Forms. CREST members who wish to apply to acquire some or all of their entitlements to New Ordinary Shares should refer to the CREST Manual for further information on the CREST procedures referred to below. Should you need advice with regard to these procedures, please contact Computershare on telephone number 0870 707 1523, or, if calling from overseas, +44 870 707 1523. If you are a CREST sponsored member you should consult your CREST sponsor if you wish to apply for New Ordinary Shares as only your CREST sponsor will be able to take the necessary action to make this application in CREST. In addition each Qualifying CREST Holder will receive a Blue Application Form. The Blue Application Form enables Qualifying CREST Holders to apply for Excess Shares. The instructions and other terms set out in the Blue Application Form form part of the terms of the Offer.

(f) **Market claims**

The Offer Entitlements (other than the relation to Excess Shares) will constitute a separate security for the purposes of CREST. Although Offer Entitlements will be admitted to CREST and be enabled for settlement, and applications in respect of Offer Entitlements may only be made by the Qualifying Shareholder originally entitled or by a person entitled by virtue of a *bona fide* market claim transaction. Transactions identified by the CREST Claims Processing Unit as "cum" the Offer Entitlement will generate an appropriate market claim transaction and the relevant Offer Entitlement(s) will thereafter be transferred accordingly.

(g) **USE Instructions**

CREST members who wish to apply for New Ordinary Shares (other than Excess Shares) in, respect of all or some of their Offer Entitlements in CREST must send (or, if they are CREST sponsored members, procure that their CREST sponsor sends) a USE instruction to Euroclear which, on its settlement, will have the following effect:

- (i) the crediting of a stock account of Computershare under the participant ID and member account ID specified below, with a number of Offer Entitlements corresponding to the number of New Ordinary Shares applied for; and
- (ii) the creation of a CREST payment, in accordance with the CREST payment arrangements in favour of the payment bank of Computershare in respect of the amount specified in the USE instruction which must be the full amount payable on application for the number of New Ordinary Shares referred to in (i) above.

(h) **Content of USE instruction**

The USE instruction must be properly authenticated in accordance with Euroclear's specifications and must contain, in addition to the other information that is required for settlement in CREST, the following details:

- (i) the number of New Ordinary Shares for which application is being made (and hence the number of the Offer Entitlement(s) being delivered to Computershare);
- (ii) the ISIN of the Offer Entitlement. This is CY0140631819;
- (iii) the participant ID of the accepting CREST member;
- (iv) the member account ID of the accepting CREST member from which the Offer Entitlements are to be debited;
- (v) the participant ID of Computershare in its capacity as a CREST receiving agent. This is 3RA48;
- (vi) the member account ID of Computershare in its capacity as a CREST receiving agent is TELESET;
- (vii) the amount payable by means of a CREST payment on settlement of the USE instruction. This must be the full amount payable on application for the number of New Ordinary Shares referred to in (i) above;
- (viii) the intended settlement date. This must be on or before 10.30 a.m. (UK time) and 12.30 pm (Cyprus time) on 14 April 2008; and
- (ix) the Corporate Action Number for the Offer. This will be available by viewing the relevant corporate action details in CREST.

In order for an application under the Offer to be valid, the USE instruction must comply with the requirements as to authentication and contents set out above and must settle on or before 10.30 am (UK time) and 12.30 pm (Cyprus time) on 14 April 2008.

In order to assist prompt settlement of the USE instruction, CREST members (or their sponsors, where applicable) may consider adding the following non-mandatory fields to the USE instruction: (i) a contact name and telephone number (in the free format shared note field); and (ii) a priority of at least 80.

CREST members and, in the case of CREST sponsored members, their CREST sponsors, should note that the last time at which a USE instruction may settle on 14 April 2008 in order to be valid is 10.30 a.m. (UK time) and 12.30 pm (Cyprus time) on that day.

In the event that the Offer does not become unconditional by 8.00 am (UK time) and 10.00 a.m. (Cyprus time) on 30 April 2008, the Offer will lapse, the Offer Entitlements admitted to CREST will be disabled and Computershare will refund the amount paid by a Qualifying CREST Holder by way of a CREST payment, without interest, within 14 days thereafter. The interest earned on such monies, be retained for the benefit of the Company.

(i) **Deposit of Offer Entitlements into, and withdrawal from, CREST**

A Qualifying non-CREST Holder's entitlement under the Offer (save in relation to Excess Shares) as shown by the number of Offer Entitlements set out in his White Application Form may be deposited into CREST (either into the account of the Qualifying Holder named in the White Application Form or into the name of a person entitled by virtue of a *bona fide* market claim). Similarly, Offer Entitlements held in CREST may be withdrawn from CREST so that the entitlement under the Offer is reflected in a White Application Form. Normal CREST procedures (including timings) apply in relation to any such deposit or withdrawal, subject (in the case of a deposit into CREST) as set out in the White Application Form.

A holder of a White Application Form who is proposing to deposit the entitlement set out in such form into CREST is recommended to ensure that the deposit procedures are implemented in sufficient time to enable the person holding or acquiring the Offer Entitlements following their deposit into CREST to take all necessary steps in connection with taking up the entitlement prior to 10.30 am (UK time) and 12.30 pm (Cyprus time) on 14 April 2008.

In particular, having regard to normal processing times in CREST and on the part of Computershare and the Company, the recommended latest time for depositing a White Application Form with the Company or the CREST Courier and Sorting Service, where the person entitled wishes to hold the

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entitlement under the Offer set out in such White Application Form as Offer Entitlements in CREST, is 3.00 p.m. (UK time) and 5 p.m. (Cyprriot time) on 9 April 2008 and the recommended latest time for receipt by Euroclear of a dematerialised instruction requesting withdrawal of Offer Entitlements from CREST is 4.30 p.m. (UK time) and 6.30 p.m. (Cyprriot time) on 7 April 2008, in either case so as to enable the person acquiring or (as appropriate) holding the Offer Entitlements following the deposit or withdrawal (whether as shown in an Application Form or held in CREST) to take all necessary steps in connection with applying in respect of the Offer Entitlements prior to 10.30 a.m. (UK time) and 12.30 pm (Cyprriot time) on 14 April 2008. Delivery of a White Application Form with the CREST deposit form duly completed whether in respect of a deposit into the account of the Qualifying Shareholder named in the White Application Form or into the name of another person, shall constitute a representation and warranty to the Company and Computershare by the relevant CREST member(s) that it/they is/are not in breach of the provisions of the notes under the paragraph headed "Instructions for depositing entitlements under the Offer into CREST" on page 3 of the Application Form, and a declaration to the Company and Computershare from the relevant CREST member(s) that it/they is/are not citizen(s) or resident(s) of any Excluded Territory and, where such deposit is made by a beneficiary of a market claim, a representation and warranty that the relevant CREST member(s) is/are entitled to apply under the Offer by virtue of a *bona fide* market claim.

(j) **Validity of application**

A USE instruction complying with the requirements as to authentication and contents set out above which settles by no later than 10.30 a.m. (UK time) and 12.30 pm (Cyprriot time) on 14 April 2008 will constitute a valid application under the Offer.

(k) **CREST procedures and timings**

CREST members and (where applicable) their CREST sponsors should note that Euroclear does not make available special procedures, in CREST, for any particular corporate action. Normal system timings and limitations will therefore apply in relation to the input of a USE instruction and its settlement in connection with the Offer. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST sponsored member, to procure that his CREST sponsor takes) such action as shall be necessary to ensure that a valid application is made as stated above by 10.30 am (UK time) and 12.30 pm (Cyprriot time) on 14 April 2008. In this connection CREST members and (where applicable) their CREST sponsors are referred in particular to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

(l) **Incorrect or Incomplete applications**

If a USE instruction includes a CREST payment for an incorrect sum, the Company, through Computershare, reserves the right:

- (i) to reject the application in full and refund the payment to the CREST member in question;
- (ii) in the case that an insufficient sum is paid, to treat the application as a valid application for such lesser whole number of New Ordinary Shares as would be able to be applied for with that payment at the Issue Price, refunding any unutilised sum to the CREST member in question; and
- (iii) in the case that an excess sum is paid, to treat the application as a valid application for all the New Ordinary Shares referred to in the USE instruction, refunding any unutilised sum to the CREST member in question.

(h) **Effect of valid application**

A CREST member who makes or is treated as making a valid application in accordance with the above procedures will thereby:

- (i) pay the amount payable on application in accordance with the above procedures by means of a CREST payment in accordance with the CREST payment arrangements (it being acknowledged that the payment to Computershare's payment bank in accordance with the CREST payment arrangements shall, to the extent of the payment, discharge in full the obligation of the CREST member to pay to the Company the amount payable on application);
- (ii) request that the New Ordinary Shares to which he will become entitled be issued to him on the terms set out in this document and subject to the constitutional documents of the Company;
- (iii) agree that all applications and contracts resulting therefrom under the Offer shall be governed by, and construed in accordance with, the laws of England;
- (iv) represent and warrant that he is not, and nor is he applying on behalf of any Qualifying Shareholder, who is a citizen or resident or which is a corporation, partnership or other entity created or organised in or under any laws of any Excluded Territory and he is not applying with a view to reoffering, reselling, transferring or delivering any of the New Ordinary Shares which are the subject of this application to, or for the benefit of, a Qualifying Shareholder who is a citizen or resident or which is a corporation, partnership or other entity created or organised in or under any laws of any Excluded Territory except where proof satisfactory to the Company has been provided to the Company that he is able to accept the invitation by the Company free of any requirement which it (in its absolute discretion) regards as unduly burdensome, nor acting on behalf of any such person on a non discretionary basis nor (a) person(s) otherwise prevented by legal or regulatory restrictions from applying for New Ordinary Shares under the Offer;
- (v) represent and warrant that he is not and nor is he applying as nominee or agent for, a person who is or may be liable to notify and account for tax under the Stamp Duty Reserve Tax Regulations 1986 at any of the increased rates referred to in Section 93 (depository receipts) or Section 96 (clearance services) of the Finance Act 1986;
- (vi) confirm that in making such application he is not relying on any information in relation to the Company other than that contained in the Chairman's letter of 4 March 2008, this document and the Application Forms and agrees that no person responsible solely or jointly for this document or any part thereof or involved in the preparation thereof, shall have any liability for any such other information and further agree that having had the opportunity to read this document, he will be deemed to have had notice of all the information concerning the Company contained therein; and
- (vii) represent and warrant that he is the Qualifying Shareholder originally entitled to the Offer Entitlements or that he has received such Offer Entitlements by virtue of a *bona fide market* claim.

(i) **Company's discretion as to the rejection and validity of applications**

The Company may in its sole discretion:

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# TELESET NETWORKS

- (i) treat as valid (and binding on the CREST member concerned) an application which does not comply in all respects with the requirements as to validity set out or referred to in this letter;
- (ii) accept an alternative properly authenticated dematerialised instruction from a CREST member or (where applicable) a CREST sponsor as constituting a valid application in substitution for or in addition to a USE instruction and subject to such further terms and conditions as the Company may determine;
- (iii) treat a properly authenticated dematerialised instruction (in this sub-paragraph the "first instruction") as not constituting a valid application if, at the time at which Computershare receives a properly authenticated dematerialised instruction giving details of the first instruction or thereafter, either the Company or Computershare have received actual notice from Euroclear of any of the matters specified in Regulation 35(5)(a) of the Euroclear Regulations in relation to the first instruction. These matters include notice that any information contained in the first instruction was incorrect or notice of lack of authority to send the first instruction; and
- (iv) accept an alternative instruction or notification from a CREST member or CREST sponsored member or (where applicable) a CREST sponsor, or extend the time for settlement of a USE instruction or any alternative instruction or notification, in the event that, for reasons or due to circumstances outside the control of any CREST member or CREST sponsored member or (where applicable) CREST sponsor, the CREST member or CREST sponsored member is unable validly to apply for New Ordinary Shares by means of the above procedures. In normal circumstances, this discretion is only likely to be exercised in the event of any interruption, failure or breakdown of CREST (or any part of CREST) or on the part of the facilities and/or systems operated by Computershare in connection with CREST.
- (j) **Application procedures for Excess Shares for Qualifying CREST Shareholders**  
Qualifying CREST Holders wishing to apply for Excess Shares should complete the Blue Application Form in accordance with the instructions printed on it. Completed Blue Application Forms should be posted in the accompanying reply-paid envelope (for use only in the UK) to Computershare Investor Services PLC, Corporate Actions Projects, The Pavilions, Bridgwater Road, Bristol BS99 6AH (who will act as the UK Receiving Agent in relation to the Offer), with a cheque or banker's draft drawn in Sterling on a bank or building society in the UK which is either a member of the Cheque and Credit Clearing Company Limited or the CHAPS Clearing Company Limited or which has arranged for its cheques or banker's drafts to be cleared through the facilities provided for members of any of those companies. Such cheques or banker's drafts must bear the appropriate sort code in the top right-hand corner and must be for the full amount payable on application.  
Applications must be received by the Company (at the address detailed above) no later than 10.30 am (UK time) and 12.30 pm (Cypriot time), on 14 April 2008, after which time Blue Application Forms will not be valid. Once submitted, applications are irrevocable. If a Blue Application Form is being sent by post in the UK, Qualifying Shareholders are recommended to allow at least four working days for delivery.  
Cheques should be made payable to "The Royal Bank of Scotland plc re: Teleset Networks Public Company Limited Offer" and crossed "A/C Payee Only". It is a condition of application that cheques will be honoured on first presentation and the Company may in its absolute discretion elect not to treat as valid any application in respect of which a cheque is not so honoured.  
The Company may in its sole discretion, but shall not be obliged to, treat a Blue Application Form as valid and binding on the person by whom or on whose behalf it is lodged, even if not completed in accordance with the relevant instructions or not accompanied by a valid power of attorney where required, or if it otherwise does not strictly comply with the terms and conditions of the Offer. The Company further reserves the right (but shall not be obliged) to accept either:
- (a) Blue Application Forms received after 10.30 am (UK time) and 12.30 pm (Cypriot time) on 14 April 2008 or;
- (b) applications in respect of which remittances are received before 10.30 a.m. (UK time) and 12.30 pm (Cypriot time) on 14 April 2008 from authorised persons (as defined in Financial Services and Materials Act 2000) specifying the New Ordinary Shares applied for and undertaking to lodge the Blue Application Form in due course but, in any event, within two Business Days. Multiple applications will not be accepted.
- Cheques and banker's drafts are liable to be presented for payment upon receipt. If they are presented before the conditions of the Offer are fulfilled, the application monies will be kept in a separate bank account until the conditions are fully met. If the conditions of the Offer are not fulfilled on or before 8.00 a.m. (UK time) and 10.00 a.m. (Cypriot time) on 30 April 2008, the Offer will lapse and all application monies will be returned without interest by crossed cheque in favour of the first named applicant through the post at the risk of the applicant(s) as soon as is practicable after that date. Interest earned on monies held in the separate bank account will be retained for the benefit of the Company.
- Cheques, which must be drawn on the personal account where you have sole or joint title to the funds, should be made payable to "The Royal Bank of Scotland Plc re: Teleset Networks Public Company Limited". Third party cheques (other than building society cheques or banker's drafts where the building society or bank has confirmed that you have title to the underlying funds), will not be accepted. Payments must be made by cheque or banker's draft in Pounds Sterling drawn on a branch in the United Kingdom of a bank or building society which is either a settlement member of the Cheque and Credit Clearing Company Limited or the CHAPS Clearing Company Limited or which has arranged for its cheques to be cleared through the facilities provided for the members of any of those companies and must bear the appropriate sort code in the top right-hand corner. Cheques may be cashed immediately upon receipt. Post-dated cheques will not, save with the Company's consent be accepted.
- (k) **Effect of Application for Excess Shares**  
All documents and remittances sent by post by or to an applicant (or as the applicant may direct) will be sent at the applicant's own risk. By completing and delivering a Blue Application Form the applicant:
- (a) agrees that all applications under the Offer and contracts resulting therefrom, shall be governed by and construed in accordance with the laws of England;
- (b) confirms that in making the application the applicant is not relying on any information or representation other than that contained in the Chairman's letter of 4 March 2008, this document and the Blue Application Form, and the applicant accordingly agrees that no person responsible solely or jointly for this document or any part thereof shall have any liability for

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any such information or representation not so contained and further agrees that having had the opportunity to read this document, he will be deemed to have had notice of all information contained in this document;

- (c) requests that the New Ordinary Shares, to which he will become entitled, be issued to him on the terms set out in this document, subject to the constitutional documents of the Company;
- (d) represents and warrants that he is not, nor is he applying on behalf of any Qualifying Shareholder who is, a citizen or resident or which is a corporation, partnership or other entity created or organised in or under any laws of any of the Excluded Territories and he is not applying with a view to reoffering, re-selling, transferring or delivering any of the New Ordinary Shares which are the subject of his application to, or for the benefit of, a Qualifying Shareholder who is a citizen or resident or which is a corporation, partnership or other entity created or organised in or under any laws of the Excluded Territories;
- (e) represents and warrants that he is not and nor is he applying as nominee or agent for, a person who is or may be liable to notify and account for tax under the Stamp Duty Reserve Tax Regulations 1986 at any of the increased rates referred to in section 93 (depository receipts) or section 96 (clearance services) of the Finance Act 1986.

All enquiries in connection with the procedure for application and completion of the Blue Application Form should be addressed to Computershare Investor Services PLC, Corporate Actions Projects, The Pavilions, Bridgwater Road, Bristol BS99 6AH (Telephone 0870 707 1523, or if calling from overseas +44 870 707 1523). Please note that Computershare cannot provide financial advice on the merits of the Offer or as to whether applicants should take up their Offer Entitlements.

Qualifying Shareholders who do not wish to apply for the New Ordinary Shares under the Offer should take no action and should not complete or return any Application Form. Shareholders are, however, encouraged to vote at the Extraordinary General Meeting by completing and returning the Form of Proxy previously sent on 4 March 2008.

## 5 Money laundering regulations

### 5.1 Holders of Application Forms

It is a term of the Offer that, to ensure compliance with the Money Laundering Regulations 2003 (as amended and supplemented), Computershare or the Company's Secretary may at their absolute discretion require verification of identity from any person lodging an Application Form (the "applicant") including, without limitation, any applicant who (i) tenders payment by way of cheque or banker's draft drawn on an account in the name of a person or persons other than the applicant, or (ii) appears to Computershare or the Company's Secretary to be acting on behalf of some other person. In the former case, verification of the identity of the applicant may be required. In the latter case, verification of the identity of any person on whose behalf the applicant appears to be acting may be required.

The verification of identity requirements will not usually apply:

- (i) if the applicant is an organisation required to comply with the Money Laundering Directive (the Council Directive on prevention of the use of the financial system, for the purpose of money laundering (no.91/308/EEC));
- (ii) if the applicant (not being an applicant who delivers his application in person) makes payment by way of a cheque drawn on an account in the applicant's name; or
- (iii) if the aggregate subscription price for the New Ordinary Shares is less than £9,000 or its equivalent.

In other cases the verification of identity requirements, may apply. Satisfaction of these requirements may be facilitated in the following ways:

- (a) Payments must be made by cheque or bankers' draft in pounds sterling drawn on a branch in the United Kingdom of a bank or building society which is either a member of the Cheque and Credit Clearing Company Limited or the CHAPS Clearing Company Limited or which has arranged for its cheques or bankers drafts' to be cleared through the facilities provided for members of any of these companies. Such cheques or bankers' drafts must bear the appropriate sort code in the top right hand corner. Cheques, which must be drawn on the personal account of the individual investor where they have a sole or joint title to the funds, should be payable to "The Royal Bank of Scotland plc re; Teleset Networks Public Company Limited Offer" and crossed "A/C Payee Only". Third party cheques will not be accepted with the exception of building society cheques or bankers drafts where the building society or Bank has confirmed the name of the account holder by stamping endorsing the cheque/bankers' draft to such effect.
- (b) The account name should be the same as that shown on the application;
- (c) if the Application Form is lodged with payment by an agent which is an organisation of the kind referred to in (1) above or which is subject to anti-money laundering regulation in a country which is a member of the Financial Action Task Force (the non-European Union members of which are Argentina, Australia, Brazil, Canada, Gibraltar, Hong Kong, Iceland, Japan, Mexico, New Zealand, Norway, Russian Federation, Singapore, South Africa, Turkey, UK Crown Dependencies and the United States and, by virtue of their membership of the Gulf Co-operation Council, Bahrain, Kuwait, Oman, Qatar, Saudi Arabia and the United Arab Emirates), the agent should provide with the Application Form written confirmation that it has that status and that it has obtained and recorded evidence of the identity of the person for whom it acts and that it will on demand make such evidence available to Computershare or the Company's Secretary. If the agent is not such an organisation, it should contact Computershare or the Company's Secretary at the address set out in this document.

If you deliver your Application Form personally by hand, you should ensure that you have with you evidence of identity bearing your photograph (for example your passport). If, within a reasonable period of time following a request for verification of identity, and in any case by no later than 10.30 am (UK time) and 12.30 pm (Cypriot time), on 14 April 2008, Computershare or the Company's Secretary have not received evidence satisfactory to them as aforesaid, Computershare or the Company's Secretary may, at their discretion reject the relevant application, in which event the monies submitted in respect of that application will be returned

without interest to the account at the drawee bank from which such monies were originally debited (without prejudice to the rights of the Company to undertake proceedings to recover monies in respect of the loss suffered by it as a result of the failure to produce satisfactory evidence as aforesaid).

## 5.2 Offer Entitlements In CREST

If you hold your Offer Entitlements in CREST and apply for New Ordinary Shares in respect of all or some of your Offer Entitlements as agent for one or more persons and you are not a UK or EU regulated person or institution (e.g. a UK financial institution), then, irrespective of the value of the application, Computershare is obliged to take reasonable measures to establish the identity of the person or persons on whose behalf you are making the application. You must therefore contact Computershare before sending any USE or other instruction so that appropriate measures may be taken. Submission of a USE instruction which on its settlement constitutes a valid application as described above constitutes a warranty and undertaking by the applicant to provide promptly to Computershare such information as may be specified by Computershare as being required for the purposes of the Money Laundering Regulations. Pending the provision of evidence satisfactory to Computershare as to identity, Computershare may in its absolute discretion take, or omit to take, such action as it may determine to prevent or delay issue of the New Ordinary Shares concerned. If satisfactory evidence of identity has not been provided within a reasonable time, then the application for the New Ordinary Shares represented by the USE instruction will not be valid. This is without prejudice to the right of the Company to take proceedings to recover any loss suffered by it as a result of failure to provide satisfactory evidence.

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## Overseas Shareholders

The distribution of this document and making of the Offer to persons who are resident in, or citizens of, or which are corporations, partnerships or other entities created or organised under the laws of countries other than the United Kingdom or Cyprus or to persons who are nominees of or custodian trustees or guardians for citizens, residents in or nationals of, countries other than the United Kingdom or Cyprus may be affected by the laws or regulatory requirements of the relevant jurisdictions.

Overseas Shareholders should consult their professional advisers as to whether they require any governmental or other consents or need to observe any applicable legal requirement to enable them to take up the New Ordinary Shares under the Offer. Except as otherwise provided herein, no person receiving a copy of this document and/or an Application Form in a territory other than the United Kingdom or Cyprus may treat the same as constituting an invitation or offer to him/her, nor should he/she in any event use any such Application Form unless, in the relevant territory such an offer or invitation can lawfully be made to him on the Application Form without contravention of any legislation or other local regulatory requirements.

Receipt of this document and/or Application Form does not constitute an invitation or offer to Overseas Shareholders in any Excluded Territory or any other territory in which it would be unlawful to make an invitation or offer and in such circumstances this document and/or the Application Form is for information only. It is the responsibility of any person receiving a copy of this document and/or an Application Form outside the United Kingdom or Cyprus wishing to apply for New Ordinary Shares to satisfy himself/herself as to the full observance of the laws of the relevant territory in connection therewith, including obtaining any governmental or other consents which may be required, observing any other formalities needing to be observed in such territory and paying any issue, transfer or other taxes in such territory. Persons (including, without limitation, nominees and trustees) receiving a copy of this document and/or an Application Form in connection with the Offer must not distribute or send either of those documents in or into any Excluded Territory. If a copy of this document and/or an Application Form is received by a person in any Excluded Territory or by his/her agent or nominee of such a person, he/she must not seek to take up the New Ordinary Shares under the Offer. Any person who does forward a copy of this document and/or an Application Form into any prohibited territory, whether pursuant to a contractual or legal obligation or otherwise, should draw the attention of the recipient to the contents of this letter and specifically the contents of this paragraph 6.

The Company reserves the right to reject Application Forms received from Shareholders in any Excluded Territory or from persons it believes are acquiring New Ordinary Shares for resale in any such territory or whose application under the Offer may, in the Company's opinion, violate applicable legal or regulatory requirements. A Qualifying Shareholder who is in any doubt as to his/her position should consult an appropriate professional adviser without delay. In particular, Qualifying Shareholders note the following:

### (a) United States

As neither the New Ordinary Shares, the Offer Entitlements or the Application Form are being registered under the Securities Act or under any relevant securities laws of any other state of the United States, the New Ordinary Shares are not being offered in or for purchase by any US person (as defined in Regulation S promulgated under the Securities Act) pursuant to the Offer. The Offer is not being made in or into the United States. Applications from any US person and Application Forms mailed from the United States of America and Application Forms which do not include a warranty that the applicant is not a US person, will be deemed to be invalid. No Application Form will be sent to and no Offer Entitlements will be credited to a stock account in CREST of any Qualifying Shareholder whose registered address is in the United States. If any Application Form is received from a Qualifying Shareholder whose registered address is outside the United States but who is in fact a US person, he/she should not apply under the Offer. For the purposes of this document and the Application Form, "US person" means a citizen or resident of the United States including the estate of any such person or any corporation, partnership or other entity created or organised under the laws of the United States or any political sub-division thereof.

### (b) Canada

The relevant exemptions are not being obtained from the appropriate provincial authorities in Canada. Accordingly, the New Ordinary Shares are not being offered for purchase by persons resident in Canada or any territory or possessions thereof. Applications from any Canadian person who appears to be or whom the Company has reason to believe to be so resident or the agent of any person so resident will be deemed to be invalid. No Application Form will be sent to and no Offer Entitlements will be credited to a stock account in CREST of any Qualifying Shareholder whose registered address is in Canada. If any Application Form is received by any Qualifying Shareholder whose registered address is elsewhere but who is in fact a Canadian person or the agent of a Canadian person so resident, he/she should not apply under the Offer. In this document and in the Application Form "Canada" means Canada, its territories and possessions and all other areas subject to its jurisdiction. For the purposes of this document and the Application Form, "Canadian person" means a citizen or resident of Canada including the estate of any such person or any corporation, partnership or other entity created or organised under the laws of Canada or any political sub-division thereof.

### (c) Australia

Neither this document nor an Application Form in relation to the New Ordinary Shares has been lodged with, or registered by, the Australian Securities and Investments Commission. A person may not: (i) directly or indirectly offer for subscription or purchase or issue an invitation to subscribe for or buy or sell, the New Ordinary Shares; or (ii) distribute any draft or definitive document in relation to any such offer, invitation or sale in the Commonwealth of Australia, its states, territories or possessions ("Australia") or to any resident of Australia (including corporations and other entities organised under the laws of Australia but not including a permanent establishment of such a corporation or entity located outside Australia). Accordingly, neither this document nor any Application Form will be issued to and no Offer Entitlements will be credited to a stock account in CREST of Qualifying Shareholders with registered addresses in, or to residents of, Australia.

### (d) Japan

No document in relation to the New Ordinary Shares has been or will be lodged with or registered by the Japanese Ministry of Finance and no steps have been taken to enable the New Ordinary Shares to be offered, sold, accepted or otherwise delivered in Japan in compliance with applicable laws of Japan. The New Ordinary Shares may, therefore, not be offered, sold, accepted or otherwise delivered, directly or indirectly within Japan. The Offer is not being made in Japan, its territories and possessions or any areas subject to its jurisdiction ("Japan"). Neither the Application Form nor the New Ordinary Shares have been or will be available for subscription or purchase by any person resident in Japan. Holders of Existing Shares with registered addresses in Japan will not be Qualifying Shareholders and an Application Form will not be sent to such persons and no Offer Entitlements will be credited to stock accounts in CREST of such persons.

### (e) South Africa

No Application Form in relation to the New Ordinary Shares is being sent to and no Offer Entitlements will be credited to stock accounts in CREST of Qualifying Shareholders with registered addresses in, and the New Ordinary Shares may not be offered, sold or delivered in, South Africa. Accordingly, no offer of New Ordinary Shares is being made under this document, or the Application Form, to Qualifying Shareholders with registered addresses in, or to residents of, South Africa. The Company reserves the right to reject any Application Form which appears to the Company or its agents to have been executed in or despatched from South Africa or which provides an address in South Africa for delivery of definitive share certificates for New Ordinary Shares.



(f) **Other overseas territories**

Qualifying Shareholders resident in other overseas territories should consult appropriate professional advisers as to whether they require any governmental or other consents or need to observe any further formalities to enable them to apply for any New Ordinary Shares under the Offer.

7 **Admission, settlement and dealings**

Application will be made for the New Ordinary Shares to be admitted to trading on AIM. It is expected that Admission will become effective and that dealings in the New Ordinary Shares, fully paid, will commence at 8.00 a.m. (UK time) and 10.00 a.m. (Cypriot time) on 15 April 2008.

Although this letter refers to New Ordinary Shares being issued and held in uncertificated form, Qualifying Shareholders should note that New Ordinary Shares themselves cannot be held or transferred in CREST, and from Admission interests in such shares will be held and transferred pursuant to the depositary interest arrangement previously established by the Company. Computershare, acting as depositary, will issue depositary interests in respect of the underlying New Ordinary Shares which will be independent securities constituted under English law, have the same ISIN as the underlying New Ordinary Share, and are issued pursuant to a deed poll entered into by Computershare which governs the relationship between it and the holders of the depositary interests.

Offer Entitlements held in CREST are expected to be disabled in all respects after 10.30 am (UK time) and 12.30 pm (Cypriot time) on 14 April 2008 (the latest date for applications under the Offer). If the conditions to the Offer described above are satisfied, New Ordinary Shares will be issued in uncertificated form to those persons who submitted a valid application for New Ordinary Shares by utilising the CREST application procedures and whose applications have been accepted by the Company on the day on which such conditions are satisfied (expected to be 14 April 2008). On this day, Computershare will instruct Euroclear to credit the appropriate stock accounts of such persons with such persons' entitlements to New Ordinary Shares with effect from Admission. The stock accounts to be credited will be accounts under the same participant IDs and member account IDs in respect of which the USE instruction was given.

Notwithstanding any other provision of this document, the Company reserves the right to send you a White Application Form instead of crediting the relevant stock account with Offer Entitlements, and to allot and/or issue any New Ordinary Shares in certificated form. In normal circumstances, this right is only likely to be exercised in the event of any interruption, failure or breakdown of CREST (or of any part of CREST) or on the part of the facilities and/or systems operated by Computershare in connection with CREST.

For Qualifying non-CREST Shareholders who have applied by using a White Application Form, share certificates in respect of the New Ordinary Shares validly applied for are expected to be despatched by post by 22 April 2008. No temporary documents of title will be issued and, pending the issue of definitive certificates, transfers will be certified against the register. All documents or remittances sent by or to applicants or as they may direct, will be sent through the post at their own risk. For more information as to the procedure for application, Qualifying non-CREST Shareholders are referred to the White Application Form.

8 **UK and Cypriot taxation**

Qualifying Shareholders who are in any doubt as to their tax position in relation to taking up their entitlements under the Offer should immediately consult a suitable professional adviser.

Yours faithfully

**Constantinos Tsaggaris**

**AAA Regent Consultants Limited**

**Company Secretary**

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**Definitions**

Admission	admission of the New Ordinary Shares to trading on AIM
AIM	the market of that name operated by the London Stock Exchange
Application Forms	the White Application Form and the Blue Application Form
Blue Application Form	the personalised blue application form on which Qualifying CREST Shareholders may apply for Excess Shares
Board	the board of directors of the Company
Business Day	any day on which banks in London and Cyprus are generally open for the transaction of business other than a Saturday, Sunday or public holiday
Company	Teleset Networks Public Company Limited
Computershare	Computershare Investor Services PLC
CREST	the relevant system (as defined in the Euroclear Regulations) in respect of which Euroclear is the Operator (as defined in the Euroclear Regulations)
Euroclear	Euroclear UK and Ireland Limited
Euroclear Regulations	the uncertificated Securitisation Regulations 2001 (SI 2001 No. 3755) as amended from time to time
Excess Shares	New Ordinary Shares to which all Qualifying Shareholders are entitled to subscribe under the pre-emptive offer but which are not taken up and are therefore available to those Qualifying Shareholders who have taken up their pre-emptive entitlement in full
Excluded Territories	United States, Canada, Japan, Malaysia, New Zealand, South Africa, Australia and any other jurisdiction where the extension or availability of the Offer (and any other transaction contemplated thereby) would breach any applicable law
Existing Shares	ordinary shares of €0.02 each in the capital of the Company at the date of this document
Issue Price	25 pence for each New Ordinary Share
London Stock Exchange	London Stock Exchange plc
New Ordinary Shares	the 20,000,000 ordinary shares of €0.02 each in the capital of the Company being made available to Qualifying Shareholders under the Offer
Offer	the conditional offer by the Company to Qualifying Shareholders to apply to acquire the New Ordinary Shares at the Issue Price, on the terms and conditions described in this letter and the Application Forms
Offer Entitlement	an entitlement to apply to subscribe for New Ordinary Shares pursuant to the Offer
Overseas Shareholders	Qualifying Shareholders with registered addresses in, or who are citizens, residents or nationals of, any Excluded Territory
Qualifying CREST Shareholders	Qualifying Shareholders whose interests in Existing Shares on the Register at the Record Date are in uncertificated form
Qualifying non-CREST Shareholders	Qualifying Shareholders whose interests in Existing Shares on the Register at the Record Date are in certificated form
Qualifying Shareholders	holders of Existing Shares on the Register at the Record Date other than certain Overseas Shareholders
Receiving Agent	Computershare Investor Services PLC or the Company's Secretary, as the context requires
Record Date	the close of business in London on 26 February 2008
Register	the Company's statutory register of members
Regulatory Information Service	one of the regulatory information services authorized by the United Kingdom Listing Authority to receive, process and disseminate regulatory information from companies
Securityholder	The Qualifying Shareholder named in the Application Form
White Application Form	the personalised white application form on which Qualifying non-CREST Shareholders may apply for New Ordinary Shares under the Open Offer

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