

HELLO TELECOM (UK) PLC

Result of Entitlement Offer and Issue of Shares

The Directors of Hello Telecom (UK) plc are pleased to report the successful conclusion of the Entitlement Offer which closed on 31st July and confirm that a total of £286,275 has been subscribed for 2,241,834 new Ordinary Shares of 0.5p each.

During the Offer Period the Company raised £168,775 from new and existing shareholders with the issue of 1,125,168 Ordinary Shares at 15p each. In addition the Directors of the Company have added to their holdings in the Company by subscribing for shares at the Offer price. The Chief Executive, Mr Jansky, subscribed £2,500 and was issued with 16,666 Ordinary Shares extinguishing his loan to the Company and Mr Grundy, the Chairman, subscribed £15,000 and was issued with 100,000 Ordinary Shares substantially reducing his loan to the Company. The Company further strengthened its balance sheet by securing an investment of £100,000 from Turning Point Investments LLP. The shares have been issued at 10p and Mr Grundy commented "We are pleased to have the support of Turning Point who Hello regard as long term investors and supporters".

In view of the continuing support and assistance of the Company's Corporate Adviser, City & Merchant Corporate Finance Limited ("City & Merchant") the Board have issued 258,775 warrants, exercisable at 10p, to City & Merchant exercisable over the next 5 years. The Company has also agreed to issue 105,850 warrants to City One Securities Limited, exercisable at 10p over the next 3 years.

Following the latest allotment of shares the following persons have substantial shareholdings in the Company (as defined by the PLUS Rules):

Mr K Grundy (Chairman)	11,137,100	38.66%
Mr S Jansky (Chief Executive)	7,016,666	24.36%
Costas Panayi (Director)	1,000,000	3.47%
Roger Pedley (Director)	16,000	0.06%
Gary Arnold	1,000,000	3.47%
TeING Limited	2,500,000	8.67%
Turning Point Investments LLP*	1,227,275	4.26%

* The total for Turning Point includes the holding of a partner of Turning Point, Andrew Springhall, who holds 227,275 Ordinary Shares (0.79%) in the Company in his own name.

The Directors of Hello Telecom (UK) plc accept responsibility for this announcement.

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Hello Telecom (UK) plc is a communications provider of systems and services exclusively tailored to the needs of businesses.