

Marwyn Value Investors Limited

18 November 2013

Interim management statement for the period from 1 July 2013 to 18 November 2013.

Introduction

This interim management statement covers the period from 1 July 2013 to 30 September 2013 together with relevant information up to the date of publication.

Investment Objective

Marwyn Value Investors Limited (the "Company") (LSE: MVI) is a Specialist Fund Market-listed company which provides access to the investment strategy pursued by Marwyn Value Investors L.P. (the "Master Fund").

The Master Fund invests in a portfolio of European small and mid-cap opportunities, pursuing a 'buy and build' strategy in sectors impacted by structural and regulatory change. The Master Fund focuses on sourcing and working alongside high quality management teams across a range of sectors, including media, leisure and gaming, software, food and support services.

Material Events and Transactions - Portfolio

The Company announced on 10 October that the Fund had successfully sold what remained of its investment in Advanced Computer Software Plc ("ACS"). Following a partial disposal in March 2013, this disposal generated net aggregate proceeds of £25.4m (of which £18.4m is attributable to the Company), delivering 5.9x cash return in aggregate for the Company over the life of the investment. This resulted in a gross IRR of 31.3% in respect of the Company's indirect investment in ACS.

Entertainment One Limited ("eOne") announced on 1 July the approval by the UK Listing Authority of the transfer of the listing category of all of its common shares from the standard listing segment to the premium listing segment of the Official List. eOne also presented its Q1 Interim Management Statement in July with revenues up over 40% (digital revenues more than doubled) and full year earnings in line with management expectations. eOne was included in the UK FTSE 250 Index Series on 23 September 2013.

Breedon Aggregates Ltd ("Breedon") announced on 18 July its interim results for the six months ended 30 June 2013. Revenue of £100.2m was up 21% on the equivalent period in the prior year, with underlying EBITDA increasing by 34% to £9.7m, at a margin of 12.9%. Net debt has also reduced to £72.2m as at the end of June. Acquisitions of assets from Aggregate Industries and Marshalls plc were completed in April 2013.

Following Breedon's acquisition of Aggregate Industries, the Office of Fair Trading performed a review of this transaction and announced on 24 September that, following its investigation, it believed that there were some competition issues which it considered required further examination by the Competition Commission. Breedon confirmed it had conducted an extensive examination of the market and believed strongly that there were only minor issues in one product area which may require disposal of a limited number of individual assets. Breedon stated it believed that its view was consistent with the findings of the Competition Commission in their recent market review and the criteria applied to the Anglo American/Lafarge merger in 2012. The main investigation by the Competition Commission is expected to last for up to six months.

Silverdell Plc ("Silverdell") requested on 2 July a suspension of its shares from trading pending clarification of the Group's financial position. This followed the appointment of administrators to

Kitsons Environmental Europe Limited ("Kitsons"), one of the Silverdell Group's principal trading subsidiaries. Subsequently, Silverdell announced that on 23 July its subsidiary, Euro Dismantling Services Ltd ("EDS"), acquired the business and certain assets of Kitsons. Kitsons will operate as a separate division of EDS, with the objective of maximising cost efficiencies between the existing EDS division and Kitsons and to facilitate a seamless transfer of on-going customer contracts and relationships to EDS. Silverdell subsequently confirmed on 14 August that it had reached agreement with its lending bank HSBC regarding the provision of an additional facility of £5m. The new facility will be used alongside the Silverdell Group's existing cash resources to satisfy the deferred consideration for the acquisition of Kitsons. The Silverdell Group is currently assessing the impact of the administration on its trading performance and therefore the capital requirements of the business for the remainder of FY2013 and for FY2014 in order to work towards lifting the suspension from trading of Silverdell's shares.

Marwyn Management Partners Plc ("MMP") released its unaudited results for the period from 1 January to 30 June 2013. The MMP Group's revenues for the period were £21.3m, the transport and luxury goods businesses generating revenues of £13.4m and £7.9m respectively. Consolidated operating loss for the period was £4.0m. At 30 June 2013, the MMP Group's consolidated net assets were £17.0m and consolidated net debt was £11.6m. MMP also stated that it had decided to delay a decision to move to AIM and pursue the listing of its subsidiary MET on AIM.

Fulcrum Utility Services Limited ("Fulcrum") announced on 10 October the disposal of substantially all of its non-core domestic-customer gas connection assets held by its subsidiary Fulcrum Pipelines Limited to ES Pipelines Limited for a gross consideration of £6.3m. The consideration has been settled in cash, subject to a small retention covering transitional matters; all necessary regulatory approvals have been obtained. The net proceeds of the disposal, after advisers' fees and transaction costs, will be approximately £5.9m. The strengthening of Fulcrum's cash position will allow the Fulcrum Group to seek new opportunities for revenue growth such as the adoption of new industrial and commercial pipeline assets and new contracts to support conversion of customers from fuel oil to gas.

Material Events – Corporate

On 27 August, the Board announced proposals to (i) amend the Master Fund's investment policy, (ii) introduce a distribution policy and regular opportunities for holders of Ordinary shares to elect to realise up to 100% of their holding at net asset value less costs and (iii) cancel the exchange procedure for investors in the Ordinary shares. On 1 November, the Board announced further details of those proposals, including a number of amendments to the proposals announced in August. Full details of the proposals are set out in the circular which was posted to shareholders on 1 November. Implementation of the proposals is subject to the approval of shareholders at an extraordinary general meeting of the Company, which has been convened for 11.30 a.m. on 19 November 2013.

General Financial Information

Ordinary Shares

Ordinary shares	30 Sept 2013	30 Aug 2013	30 Dec 2012
Net Asset Value per share (p) (basic)	232.4	225.4	187.1
Share price (p)	171.5	159.8	122.5
Discount (%)	26.2%	29.1%	34.3%
Net Assets (GBPm)	153.6	149.0	123.7
Market Capitalisation (GBPm)	113.4	105.6	81.3
Number of Ordinary shares	66,106,473	66,106,473	66,106,473

% change	1 month to 30 Sept 2013	3 months to 30 Sept 2013	12 months to 30 Sept 2013
NAV per Ordinary share	3.1%	10.4%	25.0%
Ordinary share price	7.4%	11.4%	35.3%
FTSE All Share Index (ex Investment Trusts)	1.0%	4.7%	14.8%

The Company's total NAV for the Ordinary shares is broken down across the following companies:

Company	Sector	% of NAV at 30 Sept 2013	% of NAV at 30 Aug 2013	% of NAV at 30 Dec 2012
Advanced Computer Software	Healthcare Software	12.19%(*)	12.15%	18.08%
Breedon Aggregates	Construction Materials	22.37%(**)	21.34%	19.42%
Entertainment One	Entertainment Rights	78.08%	78.93%	74.60%
Marwyn Management Partners	Diversified Financial Services	0.89%	0.81%	1.66%
Silverdell	Asbestos Services	3.46%(***)	3.57%(***)	5.14%
Other assets of the Master Fund		3.19%	3.31%	0.79%
Liabilities of the Master Fund		-20.17%	-20.11%	-19.69%
Net assets		100.00%	100.00%	100.00%

*The Fund's stake in ACS was divested on 8 October 2013.

** In September 2013 there was a further placing of 12.4m shares reducing the Master Fund's holding to 14.52%.

*** Silverdell shares were temporarily suspended from trading on 2 July and the NAV has been calculated using the last available share price prior to the temporary suspension.

B Ordinary Shares

B Ordinary shares	30 Sept 2013	30 Aug 2013	30 Dec 2012
Net Asset Value per share (p) (basic)	38.4	39.6	0.8
Share price (p)	43.5	45.0	56.0
Premium/(Discount) (%)	13.2%	13.8%	(25.3)%
Net Assets (GBPm)	1.9	2.0	3.77
Market Capitalisation (GBPm)	2.2	2.3	2.33
Number of B Ordinary shares	5,008,870	5,008,870	5,008,870

% change	1 month to 30 Sept 2013	3 months to 30 Sept 2013	12 months to 30 Sept 2013
NAV per B Ordinary share	-2.9%	-14.5%	-55.8%
B Ordinary share price	-3.3%	-3.3%	-22.3%
FTSE All Share Index (ex Investment Trusts)	1.0%	4.7%	14.8%

The Company's total NAV for the B Ordinary shares is broken down across the following companies:

Company	Sector	% of NAV at 30 Sept 2013	% of NAV at 30 Aug 2013	% of NAV at 30 Dec 2012
Fulcrum Utility Services Limited (formerly Marwyn Capital I Limited)	Support Services	54.10%	55.10%	67.40%
Paragon Entertainment Limited	Investment Company	49.37%(*)	47.95%	32.52%
Other assets of the Master Fund		7.79%	7.73%	4.62%
Liabilities of the Master Fund		-11.25%	-10.78%	-4.54%
Net assets		100.00%	100.00%	100.00%

* In July 2013 there was a further placing of 26m shares reducing the Master Fund's holding to 10.66%.

A copy of the interim management statement and further information about the Company can be found on the Company's website (www.marwynvalue.com).

Enquiries to:
Axio Capital Solutions Limited
Axio House
Robin Place
St Helier
Jersey JE2 4LT