



MARWYN VALUE INVESTORS LIMITED

UNAUDITED INTERIM RESULTS

FOR THE SIX MONTHS ENDED 30 JUNE 2019

MARWYN

MARWYN VALUE INVESTORS LIMITED

CONTENTS

Report of the Chairman	1
Performance Summary	3
Report of the Manager	4
Directors' responsibilities	13
Condensed statement of comprehensive income	14
Condensed statement of financial position	15
Condensed statement of cash flows	16
Condensed statement of changes in equity	17
Notes to the financial statements	18
Investment policy and performance summary	23
Advisers	26

MARWYN VALUE INVESTORS LIMITED

REPORT OF THE CHAIRMAN

I present to shareholders the unaudited interim results of Marwyn Value Investors Limited (the "Company") (LSE: MVI and MVIR) for the six months ended 30 June 2019.

Progress over the period

2019 has so far seen significant developments for our established portfolio investments, with BCA Marketplace plc ("BCA") reaching an agreement with TDR Capital LLP ("TDR") in relation to a cash offer for the business and Zegona Communications plc ("Zegona") successfully raising over £100 million of additional equity to increase its stake in Euskaltel S.A. ("Euskaltel"), whilst our 'cash-shell' investments continue to explore opportunities in their respective industry sectors.

BCA once again reported impressive results in its financial year ended 31 March 2019, with total revenue for the group increasing 24.5% to £3,028 million and adjusted EBITDA increasing by 7.8% to £172 million - both of which exceeded market expectations for the fourth consecutive year.

BCA has reached an agreement with TDR on the terms of an all cash offer for the entire issued share capital of BCA at 243p per share. TDR's cash offer is expected to be effected by way of a scheme of arrangement which was approved by BCA shareholders on 29 July 2019. The FCA has also approved the acquisition, however, at the time of writing, the offer remains subject to certain other conditions including approval by the European Commission. The offer represents an implied enterprise value multiple of 12.5x adjusted EBITDA for the year ended 31 March 2019 and the offer price represents a premium of almost 25% to BCA's share price immediately prior to the offer announcement.

Zegona is now the largest shareholder in Euskaltel, increasing its stake to over 20% using the proceeds of a £100.5 million equity raise completed in February 2019. Three Zegona-led appointments have since been made to the board of Euskaltel - in June, Zegona announced Jose Miguel Garcia as Euskaltel CEO, along with the appointment of Eamonn O'Hare, and the re-appointment of Robert Samuelson as proprietary directors. Zegona reported profit for the year ended 31 December 2018, predominantly the result of an increase in the market value of its investment in Euskaltel.

Safe Harbour continues to evaluate a number of platform acquisition targets engaged in B2B distribution and/or the business services sector and has strengthened its management team with the appointment of James Brotherton as Chief Financial Officer and executive director, joining from Tyman plc where he had been CFO since 2010. Safe Harbour continues to assess a wide universe of assets across a number of sectors that it believes are commercially attractive.

Wilmcote confirmed that it is in discussions with Arclin, Inc, regarding a potential acquisition. Kevin Dangerfield was appointed as Chief Financial Officer and executive director of Wilmcote, effective from 1 July 2019, joining from Laird plc. Wilmcote continues to pursue its platform acquisition.

Financo, a boutique investment bank, remains engaged to review the strategic options for Le Chateau Group plc ("LCG") and alongside this, a specialist consultant has been engaged to review LCG's strategy and operations, to undertake an in-depth cost review and to implement a cost saving programme. Significant cost saving initiatives have already been identified and are in the process of being implemented.

Despite the investment in new products and growth through new online channels, LCG remains dependent on its traditional retail channel. Year-to-date trading conditions in this channel have been particularly difficult across the sector. Lower than expected replenishment orders and lower forward order commitments have resulted in LCG's year-to-date trading being behind expectations. Uncertain economic conditions are likely to continue in the medium term, creating a difficult headwind for the core business. Consequently, Marwyn Asset Management Limited (the "Manager") has applied a prudent valuation approach and the value of the Company's investment in LCG has been written down to nil.

A detailed review of the performance of the underlying investment assets (the "Portfolio Companies") is set out in the Report of the Manager.

Ordinary Share Distribution Policy

In 2019, to date, all amounts due under the 'Minimum Annual Distribution' (as defined in the policy) have been made through the repurchase of ordinary shares in accordance with the amended Ordinary Share Distribution Policy adopted on 5 September 2018.

It remains Board's intention to effect the Minimum Annual Distribution via share repurchases, which commenced on 1 October 2018 (the "buy-back scheme"). Should the repurchases under the buy-back scheme not be sufficient to satisfy the quarterly allocation of the Minimum Annual Distribution, the balance will be paid as a dividend. We continue to review the means by which funds are distributed on a regular basis.

Under the buy-back scheme, £1.46 million has been distributed to ordinary shareholders in each of the first three quarters of 2019. A total of 3,408,853 ordinary shares have been re-purchased at an average price of £1.2856 per share. These have all been converted into exchange shares with the corresponding limited partnership interests cancelled.

MARWYN VALUE INVESTORS LIMITED

REPORT OF THE CHAIRMAN

January 2019 Partial Offer

In January 2019, Marwyn Value Investors LP (the "Master Fund"), under instruction from the Manager made a partial offer to institutional shareholders for ordinary shares in the Company (the "Partial Offer"), conducted by way of a reverse bookbuild. Pursuant to this offer, the Master Fund acquired 4,030,625 ordinary shares at a price of 130p per share for a total consideration of £5.2 million. Following approval by shareholders at the Company's September 2019 Annual General Meeting, these shares have also been converted to exchange shares and the corresponding limited partnership interests cancelled.

As the ordinary shares acquired under the buy-back scheme and the Partial Offer are re-purchased at a discount to net asset value ("NAV"), each re-purchase is NAV-accretive for remaining ordinary shareholders. The buy-backs executed in the first three quarters of 2019, along with the Partial Offer, have resulted in an uplift in NAV per ordinary share of 4.5p.

Total distributions

To the date of this report, a total of £55.3 million has been returned to ordinary shareholders since the implementation of the Ordinary Share Distribution Policy in November 2013 (including the partial offer in January 2019 and shares purchased under the buy-back scheme in Q3 2019).

Further information regarding these distributions is contained in Note 8 of these interim financial statements.

Returns to investors

Ordinary shares

The NAV per share total return to ordinary shareholders over the six month period to 30 June 2019 was a decline of 1.68%.

Realisation shares

The NAV total return to realisation shareholders over the six month period was a decline of 4.10%.

Discount

The Board, together with the Manager and Marwyn Investment Management LLP (the "Investment Adviser"), continues to monitor the discount of the share price to the Company's NAV per share on a regular basis for both share classes. We are committed to exploring, and where appropriate pursuing, opportunities to reduce the discount.

Following the implementation of the buy-back scheme and the January 2019 Partial Offer, for the six months ended 30 June 2019, the ordinary share price discount to NAV has narrowed from 38.34%

as at 31 December 2018 to 32.26%. This discount has further narrowed in Q3 of 2019, to 25.74% as at 13 September 2019.

We continue to believe that significant upside potential remains both within the existing portfolio and, for ordinary shareholders, future management platforms to deploy the remaining cash reserves, which will lead to an improvement in both the liquidity of the shares and a narrowing of the discount to the NAV.

For realisation shareholders, we believe that the distribution of proceeds on the sale of investments as those investments are realised in line with the realisation share investment policy, will serve to reduce the discount of the realisation shares.

As at 30 June 2019, the share price discount to NAV of the realisation shares was 11.24%, compared to a discount of 14.88% as at 31 December 2018. Subsequent to the write off of the LCG investment in August, the share price as at 13 September 2019 represented a premium of 1.60% to NAV.

Risks

The principal risks have not changed significantly since our financial statements for the year ended 31 December 2018, a copy of which is available on the Company's website, www.marwynvalue.com.

Outlook

The Board believes that the Company continues to offer a unique and attractive proposition for investing in actively-managed investment opportunities and acquisition-led growth strategies in carefully selected industries. Following the expected completion of TDR's offer for BCA and anticipated deployment of the resulting available capital into the platform acquisitions of Safe Harbour and Wilmcote, both of which are predominantly analysing American and European businesses, the Company will have limited exposure to the UK economy and Sterling. Given the significant levels of economic and political uncertainty in the UK, we believe the Company is well positioned to provide shareholder value in the coming years.

Robert Ware
Chairman
26 September 2019

MARWYN VALUE INVESTORS LIMITED

PERFORMANCE SUMMARY

Ordinary Shares

The NAV per ordinary share of the Company decreased during the period by 3.22p to £1.8895, a decrease of 1.68%. As at 30 June 2019, the discount of the share price to NAV per ordinary share was 32.26%, a decrease over the six month period from 38.34% as at 31 December 2018.

	NAV Total Return ¹	FTSE All-Share
Six months (to 30 June 2019)	(1.7)%	12.9%
Since inception (1 March 2006 to 30 June 2019)	172.5%	121.3%

Realisation Shares

The NAV per realisation share of the Company decreased during the period by 8.18p to £1.9153, a decrease of 4.10%. As at 30 June 2019, the discount of the share price to NAV per realisation share was 11.24%, a reduced discount over the six month period from 14.88% as at 31 December 2018.

	NAV Total Return	FTSE All-Share
Six months (to 30 June 2019)	(4.1)%	12.9%
Since inception (30 November 2016 to 30 June 2019)	(11.2)%	21.5%

The decrease in NAV per ordinary share and realisation share over the period was primarily attributable a decrease in Zegona's share price, a write down of the value of the LCG investment and operational expenses, partially offset by an increase in BCA's share price.

A summary of costs ultimately incurred by the both ordinary shareholders and realisation shareholders is included in the 'Key Information Documents', located on the 'Documents' section of the Company's website, www.marwynvalue.com.

¹ The inception to date movement is based on the combined weighted average NAV of Marwyn Value Investors I, II and B shares prior to their amalgamation, using the conversion ratio published on 17 April 2008.
Total return assumes the reinvestment of dividends paid to shareholders into the Company at NAV and is calculated on a cum-income basis

MARWYN VALUE INVESTORS LIMITED

REPORT OF THE MANAGER

DISCLAIMER

The report of the Manager ("Manager's Report") is issued by Marwyn Asset Management Limited which has been registered as a fund service business provider under the Financial Services (Jersey) Law 1998 by the Jersey Financial Services Commission (the "Commission"), in connection with the Master Fund, Marwyn Value Investors II LP ("MVI II LP"), MVI II Co-Invest LP, MVI II DCI I LP and the Company (collectively, the "Marwyn Funds"). The Commission is protected by the Financial Services (Jersey) Law 1998 against liability arising from the discharge of its function under that law.

This Manager's Report does not constitute a prospectus or offering document relating to the Marwyn Funds, nor does it constitute or form part of any offer or invitation to purchase, sell or subscribe for, or any solicitation of any such offer to purchase, sell or subscribe for, any securities in the Marwyn Funds (an "Investment") nor shall this Manager's Report or any part of it, or the fact of its distribution, form the basis of, or be relied on in connection with, any contract therefor.

Persons who wish to make an Investment are reminded that any such Investment should only be made on the basis of the information contained in materials provided for that purpose for your consideration and not on the information contained in this Manager's Report. No reliance may be placed, for any purposes whatsoever, on the information contained in this Manager's Report or on its completeness and this Manager's Report should not be considered a recommendation by Marwyn Investment Management LLP, the Manager or any member of the Marwyn group or any of their respective advisers or affiliates or the Marwyn Funds (the "Relevant Entities") in relation to an Investment.

No representation or warranty, express or implied, is given by or on behalf of the Relevant Entities or any of their respective directors, partners, officers, employees, advisers or any other persons as to the accuracy, fairness or sufficiency of the information or opinions contained in this Manager's Report and none of the information contained in this Manager's

Report has been independently verified by the Relevant Entities or any other person. Save in the case of fraud, no liability is accepted for any errors, omissions or inaccuracies in such information or opinions.

The distribution of this document in certain jurisdictions may be restricted by law and the persons into whose possession this document comes should inform themselves about, and observe, any such restrictions.

This Manager's Report includes "forward-looking statements" which includes all statements other than statements of historical facts, including, without limitation, those regarding the Master Fund's and the Company's financial position, business strategy, plans and objectives of management for future operations and any statements preceded by, followed by or that include forward-looking terminology such as the words "targets", "believes", "estimates", "expects", "aims", "intends", "can", "may", "anticipates", "would", "should", "could" or similar expressions or the negative thereof. Such forward-looking statements involve known and unknown risks, uncertainties and other important factors beyond the control of the Marwyn Funds that could cause the actual results, performance or achievements of the Marwyn Funds to be materially different from future results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding the present and future business strategies of the Marwyn Funds and the environment in which the Marwyn Funds will operate in the future.

These forward-looking statements speak only as at the date of this Manager's Report.

Investing in the Company involves certain risks, as detailed in these financial statements, and as described more fully in the prospectus published by the Company on 19 October 2016.

MARWYN VALUE INVESTORS LIMITED

REPORT OF THE MANAGER

The Manager presents its 2019 interim report to the shareholders of the Company.

The review that follows refers to the underlying Portfolio Companies in which the Company is indirectly invested.

What we invest in

One of the founding principles of our investment strategy is to identify, support, invest in and work alongside experienced operational management teams to manage, build and grow businesses with a target enterprise value of £150 million to £1.5 billion headquartered in the UK, Europe or the Americas.

Our approach brings private equity-style investment principles to bear primarily in public equity environments. Marwyn Funds typically act as the lead cornerstone investor and draw on capital from high-calibre co-investors which, we believe, augments purchasing power when pursuing acquisitions and provides an independent validation of our investment thesis.

We believe that this unique combination of private equity and public market disciplines allows the team to effectively unlock difficult-to-acquire assets with embedded value and identify synergistic M&A opportunities to drive value for investors across market cycles. We believe our active value investment approach is differentiated through our relationship with management teams and our experience and successful track record of extracting value in the public market environment with an event-driven approach.

How we invest

When evaluating opportunities, we seek to understand:

- the major drivers for the sector (both positive and negative);
- the assets under consideration for acquisition; and
- how our buy-and-build strategy will improve value creation.

Our review of a sector typically begins with discussions with potential management teams, including their investment thesis for the sector, with this information being cross referenced in meetings with companies across the sector for general information purposes.

Although our strategy is sector agnostic, our process of canvassing specific industries is robust. Our immersive approach to investment means that our management teams, led by sector experts, live with us for the lifetime of our investment. Over the course of up to two years, we work with management to develop the sector thesis, company resources and target pipeline and identify suitable co-investors prior to the company's platform acquisition. We aim to avoid competitive auction processes with over 90% of deals to date completed outside of competitive processes.

We have developed a methodical approach to sourcing, executing and exiting investments, using the following process:

- partner with experienced industry-leading management teams;
- alongside management, focus on fragmented sectors which can benefit from consolidation or sectors where structural and/or regulatory change is driving a shift in value;
- actively support the development of each business; and
- exit investments at an attractive multiple to original invested capital.

Performance

To 30 June 2019, our investee companies have together delivered an aggregate gross cash multiple on Marwyn's invested capital of 2.6x, with the investee companies drawing c.£2.8 billion of capital from Marwyn funds and third party co-investors.

For the six months ended 30 June 2019, the NAV per ordinary share decreased by 1.68%, compared with an increase in value of the FTSE All-Share of 12.97% over the same period. The NAV per realisation share over the period decreased by 4.10%. As noted in the Performance Summary on page 3, the decreases in NAV per ordinary share and per realisation share over the period are primarily attributable to a decrease in the share prices of Zegona and a write down of the LCG investment.

Subsequent to 30 June 2019, the value of the LCG investment was further (fully) written down. As at 13 September 2019, the year to date movement in NAV per ordinary share and NAV per realisation share was (10.65)% and (16.22)% respectively.

Investments

We are confident in the ability of our existing and new portfolio management teams to deliver attractive returns for the Company's shareholders into the future and believe that the Company remains a compelling investment opportunity, providing investors with access to exceptional management talent in growing businesses alongside a clearly defined and disciplined distribution policy.

A detailed review of each of the Portfolio Companies is included on pages 8 to 12.

Given the recent progress of our mature assets and the potential of our 'cash-shell' vehicles, Safe Harbour and Wilmcote, we are confident that there will be significant opportunities in the near-term to deploy our available capital in the current portfolio as they complete platform acquisitions or continue to execute their respective strategies.

MARWYN VALUE INVESTORS LIMITED

REPORT OF THE MANAGER

Allocation of NAV by company at 30 June 2019

Ordinary shares

Based upon the Company's indirect investments in the Portfolio Companies through its interest in the Master Fund and MVI II LP, the Company's total NAV attributable to ordinary shareholders is broken down across the following companies and percentages as at 30 June 2019:

Company	Ticker	Focus	% of NAV	Held by
BCA Marketplace plc	BCA LN	Automotive	50.8%	MVI II LP
Zegona Communications plc	ZEG LN	TMT	26.0%	MVI II LP
Wilmcote Holdings plc	WCH LN	Downstream & Specialty Chemicals	7.7%	MVI II LP
Safe Harbour Holdings plc	SHH LN	B2B Distribution & Business Services	6.5%	MVI II LP
Le Chateau Group plc		Luxury Goods	11.1%	Master Fund
Other assets			18.8%	
Liabilities			(20.9)%	
Net assets			100.0%	

Realisation shares

Based upon the Company's indirect investments in the Portfolio Companies through its interest in the Master Fund, the Company's total NAV attributable to realisation shareholders is broken down across the following companies in the following percentages as at 30 June 2019:

Company	Ticker	Focus	% of NAV	Held by
BCA Marketplace plc	BCA LN	Automotive	42.2%	Master Fund
Zegona Communications plc	ZEG LN	TMT	36.0%	Master Fund
Safe Harbour Holdings plc	SHH LN	B2B Distribution & Business Services	9.1%	Master Fund
Le Chateau Group plc		Luxury Goods	12.7%	Master Fund
Other assets			17.4%	
Liabilities			(17.4)%	
Net assets			100.0%	

MARWYN VALUE INVESTORS LIMITED

REPORT OF THE MANAGER

Allocation of NAV by company at 13 September 2019

Ordinary shares

Based upon the Company's indirect investments in the Portfolio Companies through its interest in the Master Fund and MVI II LP, the Company's total NAV attributable to ordinary shareholders is broken down across the following companies and percentages as at 13 September 2019:

Company	Ticker	Focus	% of NAV	Held by
BCA Marketplace plc	BCA LN	Automotive	57.9%	MVI II LP
Zegona Communications plc	ZEG LN	TMT	29.3%	MVI II LP
Wilmcote Holdings plc	WCH LN	Downstream & Specialty Chemicals	8.8%	MVI II LP
Safe Harbour Holdings plc	SHH LN	B2B Distribution & Business Services	7.4%	MVI II LP
Le Chateau Group plc		Luxury Goods	-%	Master Fund
Other assets			11.5%	
Liabilities			(14.9)%	
Net assets			100.0%	

Realisation shares

Based upon the Company's indirect investments in the Portfolio Companies through its interest in the Master Fund, the Company's total NAV attributable to realisation shareholders is broken down across the following companies and percentages as at 13 September 2019:

Company	Ticker	Focus	% of NAV	Held by
BCA Marketplace plc	BCA LN	Automotive	48.1%	Master Fund
Zegona Communications plc	ZEG LN	TMT	40.6%	Master Fund
Safe Harbour Holdings plc	SHH LN	B2B Distribution & Business Services	10.4%	Master Fund
Le Chateau Group plc		Luxury Goods	-%	Master Fund
Other assets			18.1%	
Liabilities			(17.2)%	
Net assets			100.0%	

MARWYN VALUE INVESTORS LIMITED

REPORT OF THE MANAGER

INVESTMENTS

Company:	BCA Marketplace plc ("BCA")
Sector:	Automotive
Listing:	Premium Segment of the LSE Main Market
Ticker:	BCA-LN
Website:	www.bcamarketplaceplc.com
Marwyn Fund % ownership:	4.6% (as at 30-Jun-19)
Share classes attributable to:	Ordinary and Realisation
% of NAV - ordinary shares at 30-Jun-19:	50.8%
% of NAV - realisation shares at 30-Jun-19:	42.2%

BCA is a group formed alongside Avril Palmer-Baunack (Executive Chairman), with the platform asset acquired from Clayton, Dubilier & Rice in April 2015 for an enterprise value of £1.3 billion. BCA's shares are listed on the Premium Segment on the Official List of the FCA.

BCA is a managed services provider to the UK and European automotive sector, delivering a range of services throughout the life cycle of a vehicle. The company owns and operates Europe's largest automotive exchange network, providing vehicle remarketing and buying services across the UK and Europe, with over 51 auction centres and over 200 WeBuyAnyCar locations in the UK. Through BCA's online platforms, European auctions bring together buyers from 55 countries. The BCA directors consider that this provides the business with a unique physical infrastructure and market position in the automotive services sector.

BCA's management team has considerable experience and extensive relationships within the European automotive market.

Marwyn principals Mark Brangstrup Watts and James Corsellis served on the board of BCA up to December 2017.

BCA strategy:

BCA's strategy is to create value for shareholders through both acquisitions and organic growth in the automotive sector in the UK and Europe. To achieve this goal, BCA is focused on achieving volume growth, increasing the range and penetration of its services across the value-chain and improving efficiency. BCA operates across the post-factory automotive value chain, providing physical and digital solutions at scale to its customers. BCA continues to work with all major market participants to develop and adapt integrated solutions to solve and meet the needs of an evolving sector, maximising value for all stakeholders.

Progress over the period:

BCA reached an agreement with TDR on the terms of an all cash offer for the entire issued share capital of BCA at approximately £1.9 billion (being 243p per share). TDR's cash offer will be effected by way of a scheme of arrangement which was approved by BCA shareholders on 29 July 2019 and unanimously recommended by the board of BCA.

The offer represents an implied enterprise value multiple of 12.5x adjusted EBITDA for the year ended 31 March 2019, while the offer price represents a premium of approximately 25% to BCA's share price immediately prior to the offer announcement.

Following the approval of BCA shareholders on 29 July 2019 and the Financial Conduct Authority (announced 3 September 2019), the scheme remains subject to the satisfaction of various conditions, including regulatory approval from the European Commission. Subject to the scheme being sanctioned by the Court following satisfaction of these conditions, it is expected to become effective and settle in Q4 2019.

In June 2019, BCA released its preliminary results for the year ended 31 March 2019, reporting more record results with a further increase in vehicle volumes across all divisions and significant growth in revenue of £3,028 million, representing a 24.5% increase from the prior year and adjusted EBITDA increase of 7.8% to £172 million, both of which exceeded market expectations.

BCA declared a final dividend of 6.65p per share, to be paid on 30 September 2019 (representing a full year dividend of 9.65p, up 12.9% on the previous year).

Performance:

During the six months to 30 June 2019, BCA's share price increased from 220.0p at 31 December 2018 to 243.0p, an increase of 10.45%.

Outlook

We are in favour of TDR's offer for BCA which justifies our continued support for the business and belief that it has been consistently undervalued and which is demonstrated by the significant premium of the offer price to the prevailing share price. The proceeds of the offer will generate a good return for the Company and provide significant capital for us to deploy in the rest of the portfolio.

MARWYN VALUE INVESTORS LIMITED

REPORT OF THE MANAGER

Company:	Zegona Communications plc ("Zegona")
Sector:	TMT
Listing:	Standard Segment of the LSE Main Market
Ticker:	ZEG-LN
Website:	www.zegona.com
Marwyn Fund % ownership:	19.0% (as at 30-Jun-19)
Share classes attributable to:	Ordinary and Realisation
% of NAV - ordinary shares at 30-Jun-19:	26.0%
% of NAV - realisation shares at 30-Jun-19:	36.0%

Zegona is led by Eamonn O'Hare (Chairman and CEO) and Robert Samuelson (COO) and owns over 20% of Euskaltel.

Marwyn principal Mark Brangstrup Watts is a non-executive director of Zegona as well as being a non-executive director of the Manager and a managing partner of the Investment Adviser.

Zegona strategy:

Zegona was established in the European TMT sector with a "buy-fix-sell" strategy focused on network-based communications and entertainment opportunities. Zegona targets strategically sound businesses that require active change to realise value, creating significant long-term returns through fundamental business improvements.

Having recently increased its stake in Euskaltel, Zegona's strategy is to drive meaningful performance improvements in the business.

Progress over the period:

In February 2019, Zegona completed an equity placing at a price of 105p per share, raising gross proceeds of approximately £100.5 million. Of this, £10 million was invested by the Marwyn Funds (£7.3 million of which is attributable to the Company's ordinary shares and £1.1 million of which is attributable to the Company's realisation shares), maintaining our position as Zegona's largest shareholder with a post-placing ownership of 18.9%. Members of the Zegona management team also participated in the placing, demonstrating their support of the fundraise and the future potential of Euskaltel. Zegona subsequently increased its shareholding in Euskaltel to over 20% becoming Euskaltel's largest shareholder.

Zegona's results for the year ended 31 December 2018 reported total comprehensive income for the year, net of tax, of £7.4 million (compared to £0.6 million for prior year). The gain predominately resulted from an increase in the market value of its investment in Euskaltel.

Following its increased shareholding, Zegona has worked constructively with the board of Euskaltel and now has three Zegona-led appointments on Euskaltel's board – in June, Zegona announced Jose Miguel Garcia (former CEO of Jazztel) as new CEO at Euskaltel, along with the appointment of Eamonn O'Hare and the re-appointment of Robert Samuelson as proprietary directors, providing further evidence of Zegona's strengthened position and progress towards Zegona's strategy of returning Euskaltel to growth.

Euskaltel released its Q2 results in line with broker consensus. KPIs evidenced the progress made under the newly appointed Jose Miguel Garcia, with net adds positive across products. Under this new leadership, Euskaltel has also simplified its reporting structure and communicated a new roadmap broadly comprising three stages; (i) simplify the business and consolidate its operations across the three regions where it currently operates; (ii) stabilise performance of the home core regions; and (iii) expand nationally outside Euskaltel's current regions.

Performance:

During the six months to 30 June 2019, Zegona's share price decreased from 119.0p at 31 December 2018 to 104.5p, a decrease of 12.18%.

Outlook

Zegona's strengthened position at Euskaltel has been evident with significant changes to the board and strategy, of which we are highly supportive.

We consider Euskaltel to be a defensive and strategically attractive asset within the Spanish telecommunications market. Zegona's experience of the Spanish telco market and Euskaltel provides high visibility over various material areas of business performance improvement. The opportunity to expand Euskaltel nationally, outside of its existing regions, provides scope for meaningful additional upside beyond this.

MARWYN VALUE INVESTORS LIMITED

REPORT OF THE MANAGER

Company:	Wilmcote Holdings plc ("Wilmcote")
Sector:	Downstream and Specialty Chemicals
Listing:	LSE AIM
Ticker:	WCH LN
Website:	www.wilmcoteplc.com
Marwyn Fund % ownership:	60.4% (as at 30-Jun-19)
Share classes attributable to:	Ordinary
% of NAV - ordinary shares at 30-Jun-19:	7.7%
% of NAV - realisation shares at 30-Jun-19:	N/A

The company is led by Adrian Whitfield in his role as CEO. Adrian was previously CEO of Synthomer plc (the FTSE-250 listed specialty polymer operator formerly known as Yule Catto).

Wilmcote was established in March 2017 and admitted to trading on the AIM Market of the London Stock Exchange on 17 August 2017. On admission, Wilmcote raised £15 million with backing from institutional investors in addition to the initial £10 million invested by the Marwyn Funds.

Mark Brangstrup Watts and James Corsellis are executive directors of Wilmcote, as well as being non-executive directors of the Manager and managing partners of the Investment Adviser.

With effect from 24 September 2018, James Corsellis was appointed Chairman of Wilmcote.

Wilmcote strategy:

Wilmcote was established with the objective of creating value for its investors through the acquisition and subsequent development of target businesses in the downstream and specialty chemicals sector. Wilmcote intends to acquire a controlling stake in a company or group of companies with an enterprise value in the region of £500 million to £2 billion and expects the acquired target to act as a platform for follow-on acquisitions that complement the initial business.

Strong opportunities for growth have been identified in this sector, which is expected to be driven primarily by the demands of the end-markets it serves. The Manager believes an opportunity exists to create significant shareholder value through a well-executed buy-and-build strategy. This is supported by, among other things: (i) a large and mature addressable market; (ii) economies of scale; (iii) high levels of fragmentation; and (iv) a constantly evolving customer preference and regulatory environment.

Within this sector, Wilmcote intends to acquire an established operator of scale that leads or is in a position to become a leader in specific attractive niches, headquartered in the UK, Europe or North America. In addition, Wilmcote may subsequently invest in businesses located in global emerging markets in light of geographical shifts in the industry.

Progress over the period:

Wilmcote announced the appointment of Kevin Dangerfield as Chief Financial Officer and Executive Director, effective 1 July 2019.

Kevin joined Wilmcote from Laird, the leading UK electronic components maker, where he was CFO from October 2016, continuing in the role following Laird's acquisition by Advent International in 2018. During his tenure at Laird, Kevin successfully led the group through a re-organisation and strategic re-focus, significantly improving margins and cash flow, and subsequently negotiating the sale to Advent.

Prior to Laird plc, Kevin served as CFO of Morgan Advanced Materials plc from 2006 to 2016, following six years as Group Controller.

Wilmcote announced that it is engaged in discussions with Arclin, Inc, regarding a potential acquisition. The dialogue with Arclin is ongoing and as such there is no certainty the transaction will complete. Wilmcote's shares have been suspended from trading since June 2019 and continue to be suspended pending an update on discussions with Arclin regarding a potential transaction.

Performance:

During the six months to 30 June 2019, Wilmcote's share price decreased from 102.5p at 31 December 2018 to 97.5p, a decrease of 4.88%.

MARWYN VALUE INVESTORS LIMITED REPORT OF THE MANAGER

Company:	Safe Harbour Holdings plc ("Safe Harbour")
Sector:	B2B Distribution & Business Services
Listing:	LSE AIM
Ticker:	SHH LN
Website:	www.safeharbourplc.com
Marwyn Fund % ownership:	30.6% (as at 30-Jun-19)
Share classes attributable to:	Ordinary and Realisation
% of NAV - ordinary shares at 30-Jun-19:	6.5%
% of NAV - realisation shares at 30-Jun-19:	9.1%

Safe Harbour is led by Rodrigo Mascarenhas who joined the Company from his role as Business Area Head and Managing Director for LATAM (Latin America, Spain & Israel) of Bunzl plc, the FTSE-100 UK distribution conglomerate. Rodrigo is supported by James Brotherton as Chief Financial Officer, Avril Palmer-Baunack as a Non-Executive Chairman (alongside her role as Executive Chairman of BCA) and Chris Cole as independent Non-Executive Director.

Safe Harbour is an AIM-listed company established with the objective of creating value for its investors through the acquisition and subsequent development of assets engaged in B2B distribution and/or business services.

Mark Brangstrup Watts and James Corsellis are executive directors of Safe Harbour, as well as being non-executive directors of the Manager and managing partners of the Investment Adviser.

Safe Harbour strategy:

Safe Harbour aims to become a global leader in B2B distribution and/or business services through a well-executed buy-and-build strategy. Leveraging Rodrigo's track record of successful buy-and-build strategies, the board intends to draw upon its managerial and operational experience in consolidation and integration to drive business transformation to achieve attractive, long-term compounding returns for shareholders.

Safe Harbour intends to initially acquire a controlling stake in a platform asset of scale, which operates in a sector demonstrating a large addressable market opportunity, a steady growth outlook, and a high level of fragmentation allowing the deployment of a meaningful buy-and-build strategy to capitalise on economies of scale. The location of operations of the platform asset is expected to be in the UK, Europe or North America. Safe Harbour will prioritise assets outside competitive auction processes and situations where Safe Harbour has a distinct advantage in acquiring the assets at attractive valuations.

Progress over the period:

Safe Harbour announced the appointment of James Brotherton as Chief Financial Officer and an Executive Director of the Company with effect from 12 June 2019. James joins Safe Harbour from Tyman plc, where he was CFO from 2010. Tyman is a leading international supplier of engineered components to the door and window industry and has more than doubled in size and profitability during James' tenure as CFO.

Safe Harbour published its interim results for the six months ended 30 June 2019, reporting a loss after tax of £1.2 million reflecting due diligence costs incurred with its investment strategy. Safe Harbour had £26.6 million in cash aggregation reserves at 30 June 2019.

Safe Harbour continue to assess a wide universe of assets across a number of sectors that they believe are commercially attractive. Safe Harbour remain committed to securing a compelling platform asset which meets its investment criteria and disciplined approach to valuation.

Performance:

During the six months to 30 June 2019, Safe Harbour's share price was unchanged at 132.5p.

MARWYN VALUE INVESTORS LIMITED

REPORT OF THE MANAGER

Company:	Le Chameau Group plc ("LCG")
Sector:	Luxury Goods
Listing:	Unquoted
Marwyn Fund % ownership:	93.5% (as at 30-Jun-19)
Share classes attributable to:	Ordinary and Realisation
% of NAV - ordinary shares at 30-Jun-19:	11.1% (written down to nil as at 30-Aug-19)
% of NAV - realisation shares at 30-Jun-19:	12.7% (written down to nil as at 30-Aug-19)

LCG indirectly owns the operating business Le Chameau, the premium rubber boot and luxury goods company.

The Master Fund is LCG's largest shareholder with almost 100% economic interest.

Mark Brangstrup Watts and James Corsellis are non-executive directors of LCG, as well as being non-executive directors of the Manager and managing partners of the Investment Adviser. Robert Ware, the Chairman of the Company, is also the Chairman of LCG.

Performance:

Whilst investments to-date have positioned the business for growth over the coming years, LCG has continued to require funding. This investment has been made by increasing the existing debt facility from the Master Fund. Unfortunately, difficult trading conditions and slower progress than anticipated has resulted in an impairment in the value of the loan as at 30 June 2019 to £15.5 million which reflected an increase in the loan from the Master Fund of £3.9 million and an increased provision against debt of £6.1 million.

Subsequent Events:

Subsequent to 30 June 2019, the business required additional working capital funding of £1.7 million, provided as a further extension of the debt facility by the Master Fund in July 2019.

Difficult trading conditions across the retail sector have continued to deteriorate, impacting the business's core channel to market. Management has further reduced its outlook to reflect expected soft trading of core products and a slower uptake of new products. As a result, we have adopted a prudent approach to the Master Fund's investment in LCG and wrote down its combined position in the debt and equity of LCG to nil on 30 August 2019.

LCG Strategy:

LCG has a unique heritage and a strong brand associated with its premium rubber boots. To fully leverage this, and on the back of external research undertaken to further understand its customers, LCG has embarked on a strategy to become a premium country lifestyle brand, selling more products to its core country customers, and expanding into new markets and via new sales channels.

Progress over the period:

LCG has developed and launched a broader product range, invested in building out its ecommerce channel and implemented a detailed marketing plan aimed at positioning the business for growth.

LCG has now launched its new technical apparel range. This new category, alongside new leather boots, children's boots and accessory products, is a key element of this strategy, allowing LCG to sell more product to existing customers, appeal to new customers and to access new markets.

Despite the investment in new products and growth through new online channels, LCG remains dependent on its traditional retail channel. Year-to-date trading conditions in this channel have been particularly difficult across the sector. Many retailers are overstocked, resulting in lower than expected replenishment orders and lower forward order commitments. LCG's year-to-date trading has been behind expectations, particularly over the summer months. Uncertain economic conditions are likely to continue in the medium term, creating a difficult headwind for the core business.

Financo, a boutique investment bank, remains engaged to review the strategic options for LCG. While negotiations have taken place with potential acquirers and strategic partners, no transaction has yet materialised. This process is ongoing.

In response to difficult trading conditions and the resulting high cash consumption of the business, LCG has appointed an operational consultant to review LCG's strategy and operations, to undertake an in-depth cost review of LCG and to implement a cost saving programme. Significant cost saving initiatives have already been identified and are in the process of being implemented.

Subsequent to 30 June 2019, the incumbent CEO, David Robinson, tendered his resignation. David will be replaced in due course once a suitable candidate has been identified.

Outlook:

Despite difficult trading conditions in the core business, the optimism around potential growth from the technical apparel range, coupled with the implementation of cost-saving measures should improve financial results and cash-flow over the medium term. Meanwhile, we continue to assess strategic options for LCG.

MARWYN VALUE INVESTORS LIMITED DIRECTORS' RESPONSIBILITIES

Directors' Responsibilities

The directors are responsible for preparing the unaudited interim results in accordance with applicable law and IAS 34 'Interim Financial Reporting'.

We confirm to the best of our knowledge that:

- the interim report gives a true and fair view of the assets, liabilities and financial position at 30 June 2018 and total comprehensive expense for the period then ended; and
- the information contained in the interim report includes:
 - a fair review of important events that have occurred during the period and their impact on the unaudited interim results as required by DTR4.2.7; and

- a fair review of related party transactions that have taken place during the period that have had a material effect on the financial position or performance of the Company, together with disclosure of any changes in related party transactions in the last annual financial statements that have had a material effect on the financial position or performance of the Company in the current period as required by DTR4.2.8.

By order of the Board

Robert Ware
Chairman
26 September 2019

MARWYN VALUE INVESTORS LIMITED

CONDENSED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 June 2019 (unaudited)

	Notes	For the six month period ended 30 June 2019 £			For the six month period ended 30 June 2018 £		
INCOME		Revenue	Capital	Total	Revenue	Capital	Total
Finance income		284	-	284	109	-	109
Distribution income		-	-	-	2,921,461	-	2,921,461
Net (loss)/gain on financial assets at fair value through profit or loss	5	-	(4,229,877)	(4,229,877)	-	(8,324,382)	(8,324,382)
TOTAL NET INCOME / (EXPENSE)		284	(4,229,877)	(4,229,593)	2,921,570	(8,324,382)	(5,402,812)
EXPENSES							
Finance cost and bank charges		(284)	-	(284)	(109)	-	(109)
TOTAL OPERATING EXPENSES		(284)	-	(284)	(109)	-	(109)
PROFIT / (LOSS) FOR THE PERIOD		-	(4,229,877)	(4,229,877)	2,921,461	(8,324,382)	(5,402,921)
TOTAL COMPREHENSIVE INCOME / (LOSS)		-	(4,229,877)	(4,229,877)	2,921,461	(8,324,382)	(5,402,921)

RETURNS PER SHARE

Attributable to holders of ordinary shares		-	(3,679,794)	(3,679,794)	2,921,461	(7,712,785)	(4,791,324)
Weighted average ordinary shares in issue for the period ended 30 June		68,811,842	68,811,842	68,811,842	70,771,826	70,771,826	70,771,826
Return per ordinary share - Basic and diluted		-	(5.35)p	(5.35)p	4.13p	(10.90)p	(6.77)p
Attributable to holders of realisation shares		-	(550,083)	(550,083)	-	(611,597)	(611,597)
Weighted average realisation shares in issue for the period ended 30 June	8	6,720,731	6,720,731	6,720,731	-	6,931,793	6,931,793
Return per realisation share - Basic and diluted		-	(8.18)p	(8.18)p	-	(8.82)p	(8.82)p

These condensed interim results are unaudited and are not the Company's statutory financial statements.

All items in the above statement derive from continuing operations. There was no other comprehensive income in the period.

Notes 1 to 13 form an integral part of these unaudited interim results.

MARWYN VALUE INVESTORS LIMITED

CONDENSED STATEMENT OF FINANCIAL POSITION

At 30 June 2019 (unaudited)

		30 June 2019 (unaudited) £	31 December 2018 (audited) £
NON CURRENT ASSETS	Note		
Financial assets at fair value through profit or loss	5	139,994,129	147,145,808
CURRENT ASSETS			
Cash and cash equivalents		128,086	127,827
TOTAL ASSETS		140,122,215	147,273,635
CURRENT LIABILITIES			
Loan payable	6	(125,000)	(125,000)
Accruals		(3,086)	(2,827)
TOTAL LIABILITIES		(128,086)	(127,827)
NET ASSETS ATTRIBUTABLE TO EQUITY HOLDERS		139,994,129	147,145,808
CAPITAL AND RESERVES ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY			
Share capital		94	94
Share premium		80,171,459	82,671,859
Special distributable reserve		26,346,979	26,346,979
Exchange reserve		54,386	54,386
Capital reserve		24,643,734	28,568,828
Revenue reserve		8,777,477	9,503,662
TOTAL EQUITY		139,994,129	147,145,808
Net assets attributable to ordinary shares		127,121,682	133,723,278
Ordinary shares in issue at 30 June / 31 December		67,277,490	69,585,358
Net assets per ordinary share		188.95	192.17p
Net assets attributable to realisation shares		12,872,447	13,422,530
Realisation shares in issue at 30 June / 31 December		6,720,731	6,720,731
Net assets per realisation share		191.53p	199.72p

These condensed interim results are unaudited and are not the Company's statutory financial statements.

Notes 1 to 13 form an integral part of these unaudited interim results.

MARWYN VALUE INVESTORS LIMITED

CONDENSED STATEMENT OF CASH FLOWS

For the six months ended June 2019 (unaudited)

	For the six month period to 30 June 2019 £	For the six month period to 30 June 2018 £
Cash flows from operating activities		
Interest received	284	109
Bank charges paid	(25)	(25)
Distributions received on Class F and Class G interests in MVI LP	-	2,921,461
Net cash inflow from operating activities	<u>259</u>	<u>2,921,545</u>
Cash flows used in financing activities		
Dividends paid to ordinary shareholders	-	(2,921,461)
Net cash flow used in financing activities	<u>-</u>	<u>(2,921,461)</u>
Net increase / (decrease) in cash and cash equivalents	259	84
Cash and cash equivalents at the beginning of the period	<u>127,827</u>	<u>127,557</u>
Cash and cash equivalents at the end of the period	<u><u>128,086</u></u>	<u><u>127,641</u></u>

These condensed interim results are unaudited and are not the Company's statutory financial statements.

Notes 1 to 13 form an integral part of these unaudited interim results.

MARWYN VALUE INVESTORS LIMITED

CONDENSED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2019

	Notes	Share capital £	Share premium £	Special distributable reserve £	Exchange reserve £	Capital reserve £	Revenue reserve £	Total £
Opening balance		94	82,671,859	26,346,979	54,386	28,568,828	9,503,662	147,145,808
Dividends paid to ordinary shareholders	9	-	-	-	-	-	-	-
Ordinary share re-purchases and exchange	11	-	(2,500,400)	-	(421,402)	-	-	(2,921,802)
Transfer of realised losses and exchange to revenue reserve		-	-	-	421,402	304,783	(726,185)	-
Total comprehensive expense for the period	6	-	-	-	-	(4,229,877)	-	(4,229,877)
Closing balance		<u>94</u>	<u>80,171,459</u>	<u>26,346,979</u>	<u>54,386</u>	<u>24,643,734</u>	<u>8,777,477</u>	<u>139,994,129</u>

For the six months ended 30 June 2018

		Share capital £	Share premium £	Special distributable reserve £	Exchange reserve £	Capital reserve £	Revenue reserve £	Total £
Opening balance		94	84,185,977	26,346,979	54,386	47,148,102	9,729,094	167,464,632
Dividends paid to ordinary shareholders		-	-	-	-	-	(2,921,461)	(2,921,461)
Total comprehensive expense for the period		-	-	-	-	(8,324,382)	2,921,461	(5,402,921)
Closing balance		<u>94</u>	<u>84,185,977</u>	<u>26,346,979</u>	<u>54,386</u>	<u>38,823,720</u>	<u>9,729,094</u>	<u>159,140,250</u>

These condensed interim results are unaudited and are not the Company's statutory financial statements.

Notes 1 to 13 form an integral part of these unaudited interim results.

MARWYN VALUE INVESTORS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

1. General information

Marwyn Value Investors Limited (the "Company") is a closed-ended investment fund registered by way of continuation in the Cayman Islands (registered number MC-228005) and is traded on the Specialist Fund Segment of the Main Market of the London Stock Exchange. The rights of the shareholders are governed by Cayman Islands law and may differ from the rights and duties owed to shareholders in a UK incorporated company. The address of its registered office is PO Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands.

These unaudited interim results, which have not been reviewed by an independent auditor, have been prepared in accordance with International Accounting Standard 34: *Interim Financial Reporting* and are presented on a condensed basis. They do not include all the required information for full financial statements and should be read in conjunction with the Company's financial statements for the year ended 31 December 2018.

The unaudited interim results for 2019 were authorised for issue by the Board of Directors (the "Board") on 26 September 2019.

2. Accounting policies

The accounting policies applied in these unaudited interim results are the same as those applied in the Company's financial statements for the year ended 31 December 2018 which are available on the Company's website. The auditor's report on the financial statements for the year ended 31 December 2018 was unqualified.

New standards, amendments and interpretations

A number of new standards, amendments and interpretations are effective for periods beginning after 1 January 2019. None of these have had a significant effect on the financial statements of the Company.

3. Segment reporting

The Company is organised and operates as one segment by allocating its assets to investment funds managed by managers, which are not actively traded.

4. Critical accounting estimates and judgements

The Company makes estimates, judgements and assumptions that affect the reported amounts of assets and liabilities. Estimates and underlying assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The fair value of the investment held in the Master Fund is determined by the Directors on the basis of the NAV of the Master Fund as determined by the administrator of the Master Fund at the period end. In turn, the NAV of the Master Fund is primarily determined by the fair value of its underlying investments which comprise fair value hierarchy level 1 and level 3 investments. Due to their unobservable nature, level 3 investments are inherently subject to a higher degree of judgement and uncertainty. The fair value of the investment held by the Master Fund in Marwyn Value Investors II LP ("MVI II LP") (also a fund), is determined by the MVI II LP administrator and is also primarily based on the fair value of its underlying investments, which comprise level 1 and level 3 fair value hierarchy equities.

5. Financial assets at fair value through profit or loss

As at 30 June 2019 100% (2018: 100%) of the financial assets at fair value through profit or loss relate to the Company's investment in the Master Fund. The fair value of the investment in the Master Fund is based on the latest available NAV reported by the administrator of the Master Fund. The limited partnership interests in the Master Fund are not publicly traded.

As a result, the carrying value of the Master Fund may not be indicative of the value ultimately realised on redemption. In addition, the Company may be materially affected by the actions of other investors who have invested in the Portfolio Companies in which the Master Fund has directly or indirectly invested.

MARWYN VALUE INVESTORS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Net Asset Value – investment movements

	30 June 2019 £	31 December 2018 £
Marwyn Value Investors LP		
Opening cost	106,682,063	108,635,923
Redemption of Class F and Class G interests	(3,226,585)	(1,658,778)
Redemption of Class R(F) and Class R(G) interests	-	(295,082)
Closing cost	103,455,478	106,682,063
Unrealised gain brought forward	40,463,745	58,828,709
Movement in unrealised gain	(3,925,094)	(18,364,964)
Unrealised gain carried forward	36,538,651	40,463,745
At fair value in accordance with IFRS 13	139,994,129	147,145,808
Class F interests	96,920,664	101,803,224
Class G interests	30,201,018	31,920,054
Total attributable to ordinary shareholders	127,121,682	133,723,278
Class R(F)1 interests	9,797,618	10,193,011
Class R(G)1 interests	3,074,829	3,229,519
Total attributable to realisation shareholders	12,872,447	13,422,530
At fair value in accordance with IFRS 13	139,994,129	147,145,808
Realised loss on redemption of Class F and Class G interests	(304,783)	(198,048)
Realised gain on redemption of Class R(F) and Class R(G) interests	-	147,897
Total net realised loss on redemptions	(304,783)	(50,151)
Unrealised loss recognised in the period / year	(3,925,094)	(18,364,965)
Net loss recognised in the Statement of Comprehensive Income	(4,229,877)	(18,415,116)

The net gain or loss recognised on financial assets measured at fair value through profit or loss reported in the Statement of Comprehensive Income consists of the movement in the unrealised gain or loss and the net realised gains or losses on redemptions. Realised gains or losses are subsequently transferred from the capital reserve to the revenue reserve.

The Company holds 100% of the Class F interests which represent 69.23% (31 December 2018: 67.79%) of the NAV of the Master Fund and 100% of the Class G interests which represent 21.57% (31 December 2018: 21.26%) of the NAV of the Master Fund.

The Company holds 100% of the Class R(F)1 interests which represent 7.00% (31 December 2018: 6.78%) of the NAV of the Master Fund and 100% of the Class R(G)1 interests which represent 2.20% (31 December 2018: 2.15%) of the NAV of the Master Fund.

As the Company has no control over the Master Fund's activities or MVI II LP and has no voting power in either of their affairs, neither the Master Fund nor MVI II LP are considered to be subsidiaries.

6. Loan payable

The Master Fund has made a loan to the Company of £125,000 (2018: £125,000) for which the Company pays interest received on the corresponding cash amount held. The loan will be repaid by set-off on the date that all of the Company's interests in the Master Fund are redeemed. As a cash balance is held to the value of the loan payable and all interest earned on the cash balance is added accruals, the effect of discounting is not material to the cash flows or balance sheet position.

MARWYN VALUE INVESTORS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

7. Reconciliation of net profit for the period to net cash outflow from operating activities

	30 June 2019 £	30 June 2018 £
Loss for the period	(4,229,877)	(5,402,921)
Loss on investments held at fair value through profit or loss	4,229,877	8,324,382
Increase in accruals	259	84
Net cash inflow from operating activities	259	2,921,545

8. Share capital and distributions

Distributions in 2019

In January 2019, the Master Fund, under instruction from the Manager made a partial offer to institutional shareholders for ordinary shares in the Company (the "Partial Offer"), conducted by way of a reverse bookbuild. Pursuant to this offer, the Master Fund acquired 4,030,625 ordinary shares at a price of 130p per share for a total consideration of £5.2 million. Following approval by shareholders at the Company's September 2019 Annual General Meeting, these shares have been converted to exchange shares and the corresponding limited partnership interests cancelled.

In the first quarter of 2019 (being January – March), the Master Fund purchased 1,133,645 ordinary shares in the Company for a total of £1,461,073 pursuant to the Company's buy-back scheme as announced on 14 September 2018. In March 2019, these ordinary shares were converted into exchange shares under the Company's Exchange Procedure (as defined and described in the Company's prospectus dated 19 October 2016) and the corresponding limited partnership interests cancelled.

In the second quarter of 2019 (being April – June), the Master Fund purchased 1,174,223 ordinary shares in the Company for a total of £1,460,729. In June 2019, these ordinary shares were converted into exchange shares under the Company's Exchange Procedure and the corresponding limited partnership interests cancelled.

In April 2019, the Company received a final distribution from the liquidation of Gloop, of which, £29,643 was attributable to the Company's realisation shareholders. Due to the fixed costs associated with share redemptions, these proceeds will be distributed to realisation shareholders by way of redemption of realisation shares alongside proceeds received from the Company's next divestment.

Distributions in 2018

Three quarterly interim dividends of 2.064p per ordinary share were paid in January, April and July, totalling £4,382,191. In the fourth quarter of 2018 (being October – December), the Master Fund purchased 1,186,468 ordinary shares in the Company for a total of £1,460,730. In December 2018, these ordinary shares were converted into exchange shares under the Company's Exchange Procedure and the corresponding Master Fund interests cancelled.

In September 2018, the Company announced that, following the receipt of funds from the liquidation of Gloop, the funds attributable to realisation shareholders would be returned to realisation shareholders by way of a redemption of realisation shares. Following a redemption of the Company's interests in Class R(F) and Class R(G) of the Master Fund to the value of £442,978, the distribution to realisation shareholders was effected by way of a redemption of 211,062 realisation shares which were subsequently cancelled. As required by IAS 32, this has been reflected through the Statement of Changes in Equity.

Share capital

As at 31 December 2018 and 30 June 2019 the authorised share capital was as follows:

Ordinary shares of 0.0001p each	10,892,258,506,473
Exchange shares of 0.0001p each	10,892,176,350,000
Deferred shares of 9.9999p each	82,156,473

The ordinary share capital of the Company with a par value of 0.0001p may be issued or redesignated in classes, and includes realisation shares.

Shares in issue

	Ordinary*	Exchange	Total
As at 31 December 2018	76,306,089	17,236,468	93,542,557
Exchange	(2,307,868)	2,307,868	-
As at 30 June 2019	73,998,221	19,544,336	93,542,557
Share capital (£)	74	20	94

MARWYN VALUE INVESTORS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

*Includes both ordinary and realisation shares, which constitute a single class of share for the purpose of the Company's Articles and Cayman Islands law. As at 30 June 2019, the ordinary share total includes 6,720,731 (31 December 2018: 6,720,731) shares redesignated as realisation shares and 67,277,490 (31 December 2018: 69,585,358) with no shares not designated with a class demarcation.

9. Financial instruments and associated risks

The Company invests substantially all its assets in the Master Fund, which is exposed to market risk (including currency risk, interest risk and price risk), credit risk and liquidity risk arising from financial instruments it directly or indirectly holds.

As at 30 June 2019, the Company owned 97.72% (31 December 2018: 97.98%) of the net assets of the Master Fund. There has been no significant change in the risks associated with the Company's investment.

10. Material contracts and related party transactions

In the opinion of the Directors, on the basis of shareholdings advised to them, the Company has no ultimate controlling party.

The Company, the Master Fund and MVI II LP are each managed by the Manager.

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party, or the parties are under common control or influence, in making financial or operational decisions.

(a) Management, investment advisory and incentive fees

Under the management agreement dated 29 November 2013, the Manager does not receive any fees from the Company to the extent that it invests its assets only in the Master Fund. In respect of any assets of the Company not invested in the Master Fund, the Manager is entitled to receive aggregate performance and management fees on the same basis as those to which it would have been entitled if such assets had been those of the Master Fund.

The Company has not made any such investments during the six months to 30 June 2019 and, as such, no fees were paid by the Company or were payable at the period end (2018: nil).

Under the Master Fund management agreement, the Manager receives monthly management fees from the Master Fund not exceeding 2% of the NAV before incentive allocations of each class of interests in the Master Fund, payable monthly in arrears. Since 30 November 2018, being 2 years after the creation of the realisation pool, the management fee on the realisation share interests has been calculated by reference to NAV before management fees and incentive allocation less the aggregate value of cash and near cash investments attributable to the realisation share interests. The total management fee expense, borne by the Master Fund for the period ended 30 June 2019, was £1,513,968 (30 June 2018: £1,810,611).

The Company does not incur any management fee or carried interest charge as a result of its indirect investment in MVI II LP through the Master Fund.

Incentive allocations borne by the Class F, Class R(F)1, Class G and Class R(G)1 interests in the Master Fund are only payable on returns being made to shareholders as disclosed in Part II, section 9 of the Company's prospectus published on 19 October 2016. Following settlement of the Partial Offer in January 2019 the 'initial incentive allocation' in respect of Class F of £2,460,579 was crystallised and distributed.

During the six months ended 30 June 2019, the total uncrystallised incentive allocations relating to the Company's shares decreased by £3,207,035 due to a decrease in value of £746,456 and the settlement of the 'initial incentive allocation' (for the equivalent period to 30 June 2018, these incentive allocations decreased by £969,541). The total incentive allocation accrued as at 30 June 2019 amounted to £19,711,129 (31 December 2018: £22,918,164).

Investors can assess remuneration and incentives by reference to the disclosure of the basis of calculation of the incentive allocations which was made in the Company's circular and prospectus published on 19 October 2016. These documents are available on the Company's website.

(b) Administration fee

Axio Capital Solutions Limited ("Axio") is appointed as the administrator to the Company and is considered to be a related party as it has the same parent as the Manager.

Axio receives an annual fee of £140,000 (2018: £120,000) for the administration of the ordinary and realisation shares, including the Company's buy-back scheme, paid monthly in arrears. Axio is entitled to reimbursement of certain expenses incurred by it in connection with its duties. These fees are paid by the Master Fund.

MARWYN VALUE INVESTORS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

(c) Board of Directors' remuneration

Directors' fees are paid by the Master Fund. The Directors received the following annual fees:

	Annual Fee	Payable from 1 January 2019 to 30 June 2019
Robert Ware	£45,000	£22,500
Ronald Hobbs	£40,000	£20,000
Martin Adams	£40,000	£20,000
Louisa Bonney*	£40,000	£20,000

*Paid to Axio

These fees are unchanged from 2018.

As at 30 June 2019, Robert Ware owned 500,000 ordinary shares, Ronald Hobbs owned 200,000 ordinary shares and Martin Adams owned 40,000 ordinary shares in the Company.

All Directors are entitled to receive reimbursement for all travel and other costs incurred as a direct result of carrying out their duties as Directors.

11. Capital management policies and procedures

The Company's capital management objectives are to ensure that it will be able to continue as a going concern and to maximise capital return to its equity shareholders.

The Board, with the assistance of the Manager, monitors and reviews the broad structure of the Company's capital on an ongoing basis. The Company's objectives, policies and processes for managing capital remain unchanged from the previous year.

12. Commitments and contingent liabilities

There were no commitments or contingent liabilities of the Company outstanding at 30 June 2019 or 31 December 2018 that require disclosure or adjustment in these interim financial statements.

13. Subsequent events

On 13 September 2019, the Company announced that its indirect investment in Le Chateau Group plc had been fully written down. Prior to the write down, this investment had a carrying value of £15.0 million and £1.8 million for the Company's ordinary and realisation share classes respectively.

MARWYN VALUE INVESTORS LIMITED

INVESTMENT POLICY AND PERFORMANCE SUMMARY

Fund Structure

The Company is a feeder fund which has invested all of its available capital into limited partnership interests in Master Fund.

The Master Fund has invested in a second master fund, MVI II LP, a private equity fund structure through which the majority of the Master Fund's investments attributable to ordinary shareholders are made. Assets attributable to the realisation shareholders (the "realisation pool") are held directly by the Master Fund. A look-through breakdown of the NAV attributable to the ordinary and realisation shareholders along with ownership of the assets is detailed in the Report of the Manager on page 6.

The Company is traded on the Specialist Fund Segment of the Main Market of the London Stock Exchange (the "SFS").

Investment objective

The investment objective of the Company is to maximise total returns primarily through the capital appreciation of its investments.

Investment strategy

Overview

Marwyn's strategy is to identify, support, invest in and work alongside experienced operational management teams in businesses headquartered in the UK, Europe or the Americas, often with global operations with a target enterprise value of at least £500 million.

Marwyn's approach brings private equity-style investment principles to bear in primarily public equity environments. Marwyn acquires equity stakes typically as a cornerstone investor and draws upon capital from a high calibre universe of co-investors which augments purchasing power when pursuing acquisitions and provides an independent validation of Marwyn's investment thesis.

Management

Marwyn seeks experienced corporate managers with strong track records of creating shareholder value and frequently works closely with them on-site for up to 24 months prior to an initial acquisition. The managers leverage their extensive industry networks and expertise in the identification of proprietary acquisition opportunities and in assembling a preeminent management team around them. Working together with management, Marwyn refines the strategy, identifies targets and conducts due diligence.

Marwyn's relatively long term investment horizon and day-to-day collaborative involvement with management both before and after the initial acquisition significantly enhances strategic alignment.

Marwyn has an established track record in being able to source and incentivise market leading, proven management teams. Building strong relationships with leading management teams increases the likelihood of high quality deal flow and a successful "buy-and-build" strategy within the sector in which the relevant management team is

operating. In order to develop relationships with management teams, Marwyn provides them with a support base within Marwyn's offices, access to Marwyn's infrastructure, investor, advisory and commercial relationships and Marwyn's capital markets expertise. In Marwyn's experience, management teams are frequently attracted to working in the public markets with support from experienced investors.

Sector focus

Marwyn has a sector-agnostic approach to investing, typically targeting sectors where structural and/or regulatory change are driving a shift in value that may be exploited. Frequently, returns and speed of execution are amplified through deploying acquisitive "buy-and-build" growth strategies in fragmented markets, where potential exists for revenue and/or cost synergy.

Public markets

Marwyn believes that one of the key advantages of operating in the public markets is access to a quick and efficient source of capital at all stages of an investment's life cycle. The enhanced liquidity also facilitates both smooth changes in ownership and Marwyn's "buy-and-build" strategy as asset vendors are able to participate in future upside through rolling their stake into tradable securities.

Additionally, Marwyn believes listed platforms hold greater appeal for distinguished portfolio executives than traditional private equity structures. This is because public structures provide access to blue-chip institutional relationships and access to pools of equity and debt capital without investment horizon constraints.

Investment policy

There are no investment restrictions applicable to the Company or the Master Fund.

MVI II LP has the following investment restrictions:

- no investment can exceed 30% of the partners' aggregate commitments at the time of investment;
- it cannot engage in derivative trading except to hedge or enhance an investment in an existing or prospective Portfolio Company;
- it cannot invest in any blind-pool investment fund; and
- it may recycle distributed capital, up to an amount equal to 100% of the partners' aggregate commitments, which may only be used to acquire assets, and not pay fees.

The Master Fund and MVI II LP invest either directly or indirectly into the Portfolio Companies. The Master Fund (with the exception of the classes attributable to realisation shareholders) and MVI II LP are permitted to make follow-on investments into the current Portfolio Companies and invest in new portfolio companies (in the case of MVI II LP, investment in new portfolio companies is only permitted during its 'Investment Period', being five years from final close).

MARWYN VALUE INVESTORS LIMITED INVESTMENT POLICY AND FUND STRUCTURE

The Master Fund also has an express power to use cash to acquire the Company's shares at a discount to their NAV for cancellation. Any such acquisitions and cancellations will be NAV enhancing for the continuing holders of ordinary shares. The use of such power is reviewed by the Manager and the Board.

The assets attributable to the realisation pool are managed with a view to maximising investment returns, realising investments and making distributions to the holders of realisation shares as realisations are made. The realisation pool is permitted to invest cash allocated to it upon its creation in follow-on investments into existing Portfolio Companies made within three years of the creation of the realisation pool. Unlike the investment policy in respect of the assets relating to ordinary shareholders, cash generated on the sale of an investment in the realisation pool may not be re-invested and are, subject to amounts held back for reasonable working capital requirements, distributed to realisation shareholders.

The Manager

Marwyn Asset Management Limited is the manager of all entities within the Marwyn fund group, including the Company, the Master Fund, MVI II LP, its stapled co-investment vehicle, MVI II Co-Invest LP and MVI II DCI I LP, a discretionary co-investment vehicle. The Manager is advised by Marwyn Investment Management LLP.

The management agreement governing the Company's investments allows for the investment strategies that the Manager may employ to be in any securities, instruments, obligations, guarantees, derivative instrument or property of any nature in which the relevant vehicle is empowered to invest and as contemplated by its investment policy.

The Company does not pay a management fee or incentive allocation to the Manager in respect of the Company's investment in the Master Fund. The valuation of the Company's investment in the Master Fund takes into account the management fee payable by, and incentive allocation due from, the Master Fund that is applicable to the classes of partnership interests in which the Company invests. Furthermore, the Company does not pay any management fee or make any incentive allocation in relation to the Master Fund's investment into MVI II LP.

MARWYN VALUE INVESTORS LIMITED ADVISERS

Registered office

PO Box 309
Ugland House
Grand Cayman KY1 – 1104
Cayman Islands

Manager of the Company, the Master Fund, MVI II LP and MVI II Co-Invest LP and MVI II DCI I LP

Marwyn Asset Management Limited
One Waverley Place
Union Street
St Helier
Jersey, JE1 1AX
Channel Islands, British Isles

Investment Adviser to the Manager in respect of the Company, the Master Fund, MVI II LP and MVI II Co-Invest LP and MVI II DCI I LP

Marwyn Investment Management LLP
11 Buckingham Street
London WC2N 6DF
United Kingdom

Registrar

Link Asset Services
Mont Crevelt House
St. Sampson
Guernsey GY2 4JN
Channel Islands, British Isles

Auditor

PricewaterhouseCoopers LLP
7 More London Riverside
London SE1 2RT
United Kingdom

Legal Advisers to the Company as to English law

Travers Smith LLP
10 Snow Hill
London EC1A 2AL
United Kingdom

Legal Advisers to the Company as to Cayman Law

Maples and Calder
PO Box 309
Ugland House
Grand Cayman KY1-1104
Cayman Islands

Administrator to the Company

Axio Capital Solutions Limited
One Waverley Place
Union Street
St Helier
Jersey JE1 1AX
Channel Islands, British Isles

Corporate Broker

Liberum Capital Limited
Ropemaker Place, Level 12
25 Ropemaker Street
London EC2Y 9LY
United Kingdom