



# Unaudited Interim Results

**MARWYN VALUE INVESTORS LIMITED**

FOR THE SIX MONTHS ENDED 30 JUNE 2022



# 2022





## Contents

---

04	Financial and Performance Summary
06	Report of the Chairman
08	Report of the Manager
19	Capital Distributions, NAV and Discount Management
22	Allocation of Net Asset Value
26	Directors' Responsibilities
28	Condensed Statement of Comprehensive Income
29	Condensed Statement of Financial Position
30	Condensed Statement of Cash Flows
31	Condensed Statement of Changes in Equity
32	Notes to the Financial Statements
38	Advisers
40	Defined terms
41	Disclaimer

Defined terms used throughout the Unaudited Interim Results are as described on page 40

---



# 2022

---

**MARWYN VALUE INVESTORS LIMITED  
UNAUDITED INTERIM RESULTS  
FOR THE SIX MONTHS ENDED 30 JUNE 2022**

# Financial and Performance Summary

## PERFORMANCE FOR 6 MONTHS TO / AS AT 30 JUNE 2022

### Ordinary Shares

NAV Total Return <sup>1</sup>  
**-4.5%**

Share Price Performance <sup>2</sup>  
**+0.5%**

NAV Per Share  
**171.0p**

Net Assets  
**£94.9m**

Share Price  
**115.0p**

Market Capitalisation  
**£63.8m**

Dividends in H1 2022  
**4.53p**

Implied Dividend Yield  
**7.9%**  
assuming full year dividend of 9.06p  
and 30 June 2022 share price of 115.0p

Inception to date NAV Total Return  
**+166.4%**

### Look-through NAV Breakdown as at 30 June 2022

Company	% of NAV	NAV/share Contribution (£)
Le Chateau	20.0%	0.34
AdvancedAdvT Limited	12.7%	0.22
Marwyn Acquisition Company II Limited	10.0%	0.17
Marwyn Acquisition Company III Limited	10.0%	0.17
Marwyn Acquisition Company plc	5.2%	0.09
Zegona Communications plc	0.5%	0.01
MAC Alpha Limited	0.5%	0.01
Cash	46.2%	0.79
Other assets / liabilities	(5.1)%	(0.09)
<b>Net assets</b>	<b>100.0%</b>	<b>1.71</b>

Assets are held indirectly, as described in the 'Fund structure and investment policy' section of the Company's 2021 Annual Report

<sup>1</sup> For the ordinary shares, 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.

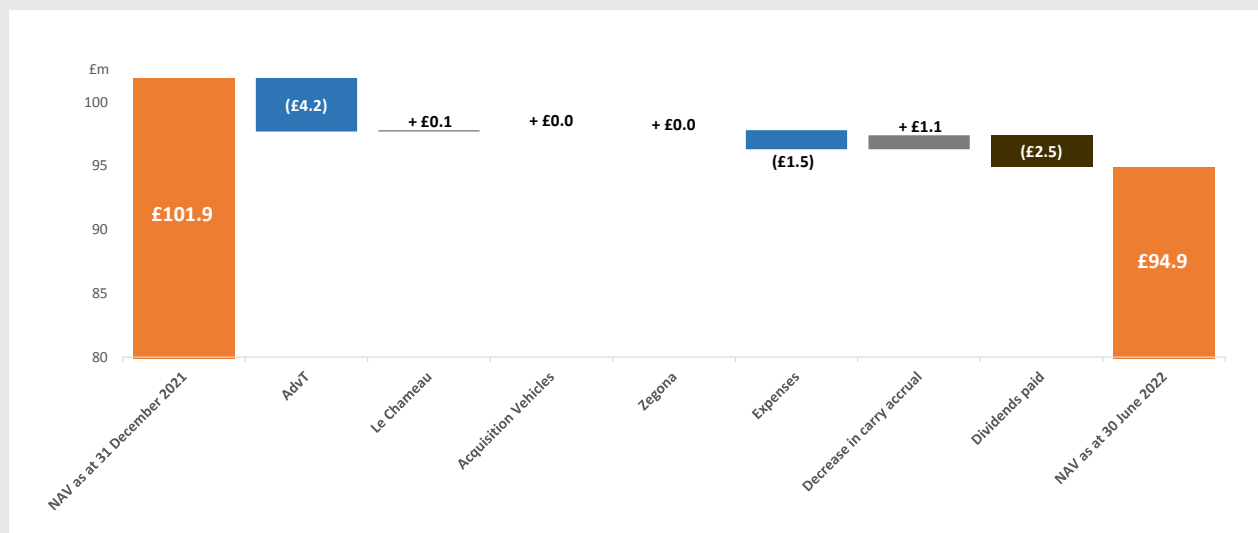
NAV total return assumes the reinvestment of dividends paid to shareholders into the Company at NAV and is calculated on a cum-income basis.

<sup>2</sup> Share price performance assumes the reinvestment of dividends paid to shareholders into the Company at the ex-div share price on the ex-div date.



# Financial and Performance Summary

## 6 months to 30 June 2022 Ordinary Share Total NAV Movement (£m)



## Capital Returns & Distributions

The Company distributes capital back to shareholders through a range of methods, which are discussed further in the section 'Capital Distributions, NAV and Discount Management'.

### Realisation Shares

Realisation Class	Ticker	Shareholder Total Return <sup>3</sup>	Nav Per share	Net Assets	NAV Distributed SINCE INCEPTION <sup>4</sup>
2016	MVIR	-1.0%	283.0p	£2.6m	84.6%
2021	MVR2	-4.6%	175.3p	£0.6m	0.0%

## Total Capital Returns & Distributions

### Since Inception

Ordinary Shares			Realisation Classes	Combined		
Dividends and Buybacks <sup>5</sup>	Capital Returns	Total Distributions	Total Capital Returns	Dividends and Buybacks	Capital Returns	Total since inception
£55.7m	£25.9m	£81.6m	£15.6m	£55.7m	£41.5m	£97.2m

<sup>3</sup> For the 2016 realisation shares and 2021 realisation shares, shareholder total return is calculated as the movement in total shareholder value, including all distributions made to realisation shareholders over the relevant period.

<sup>4</sup> Calculated as total distributions as a percentage of Net Assets on creation of each class.

<sup>5</sup> Includes the dividend paid to ordinary shareholders in August 2022.

# Report of the Chairman

I present to shareholders the unaudited interim results of Marwyn Value Investors Limited (the “Company”) (LSE: MVI, MVIR and MVR2) for the six months ended 30 June 2022.

## Investment Performance:

Against a backdrop of continued macro challenges, the Board believes the positioning of the fund has been positive for investors and puts the Company in a very advantageous position to deploy capital over the coming periods.

The performance of Le Chateau remains positive despite the challenging economic environment and the Manager has been closely involved in the ongoing AdvancedAdvT takeover offer of M&C Saatchi. The recent appointment of Mark Hodges as Chairman of MAC II brings another industry-leading executive into the fund portfolio and we anticipate announcing further management partners, of a similar high-calibre, to the other investment vehicles in the coming period. In addition, we have seen the first VAT claims, relating to our previous investment in Praesepe, paid by HMRC and remain positive about the outcome of the remaining claims being settled and subsequently enhancing the Company’s NAV per share.

## Governance & Oversight of the Manager

The Board have an ongoing active relationship and continuous dialogue with the Manager which ensures we understand its perspectives on the portfolio and the wider market. My fellow non-executives and I bring a combination of listed fund and corporate experience at both operational and board level that allows us to actively oversee and challenge the Manager’s activities on behalf of shareholders. My role is complemented by my Non-Executive Chairmanship of the Marwyn Group and the oversight that role gives me of the broader Marwyn operations.

## Shareholder Composition and Communication

Over the course of 2022, we have continued to have positive engagement with the Company’s shareholders and encourage and welcome any direct contact with myself, the rest of the Board or the Manager.

 MARWYN

# Report of the Chairman

---

## Shareholder Returns and Distributions

The Company aims to deliver long-term growth in its NAV, alongside a consistent and predictable quarterly dividend programme and a policy to distribute capital gains on portfolio investments as and when they are realised.

## Wider Impact

The Board and the Manager have always been conscious of the impact we can have beyond the Company's aims to generate shareholder returns. I am pleased and proud of the efforts of both the wider Marwyn group and of our underlying Portfolio Companies to promote equality and diversity and improve the world we live in.

Through the Marwyn Trust, Marwyn has supported charitable projects including: Cash & Rocket, a united community of like-minded, powerful women whose goal is to strive for equality through education; Sumbandila, which provides merit-based scholarships to exceptional children in rural areas in South Africa; the Helen Bamber Foundation, a pioneering human rights charity supporting refugees and asylum seekers who are the survivors of extreme human cruelty and the Spanish Red Cross, which promotes social welfare and support through their many projects, from humanitarian aid, social inclusion and environmental protection to focusing on accessibility to education and personal health.

## Outlook

Against what is clearly a very challenging backdrop, I believe that the Manager's investment strategy as a result of the patience and discipline shown in maintaining investible cash, means that the Company is very well positioned to take advantage of attractive market opportunities which may arise through the remainder of 2022 and into 2023.

## Robert Ware

Chairman

26 September 2022



# Report of the Manager

---

The Manager presents its 2022 interim report to the shareholders of the Company.

## **Marwyn strategy**

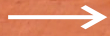
Marwyn's strategy is to identify, support, invest in and work alongside high-calibre, sector-leading, experienced, operational management teams to acquire, manage, build, and grow businesses headquartered in the UK, Europe, or the Americas.

MARWYN



# Report of the Manager

---



**17 year track record of successful acquisition companies** across a range of sectors



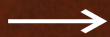
**Proven origination model** based on accessing proprietary deal flow



**Management partnership** model delivering deep sector experience and operational expertise



Long track record of raising **institutional equity** from and **delivering returns** to UK institutional investors



**Flexible acquisition vehicle structure**, which we believe is highly attractive to management and investors alike and which provides significant executional advantages and long-term alignment between stakeholders



# Report of the Manager

## How we invest

Over the last 17 years, we have gained extensive experience in executing successful investment strategies in the public markets. Throughout this time, we have invested across a broad range of sectors in conjunction with leading executives or management teams (our "Management Partners").

Our Management Partners have added value through the origination of investment opportunities, the assessment and due diligence process and by playing a long-term role in the hands-on execution of the strategy, commonly taking the role of Chairman or Chief Executive Officer. The success of our previous vehicles has been based on a number of factors including our ability to identify and partner with these industry-leading Management Partners whilst drawing on our transactional and corporate finance expertise in developing and structuring a range of acquisition vehicles that aim to meet the needs of all stakeholders.

## Market opportunity

Over the last 20 years, the London Stock Exchange has been the venue for numerous highly successful acquisition companies. We believe there remains significant interest from both companies and industry executives in using well-structured acquisition companies on the public markets to execute growth strategies across a range of sectors.

Building on our long experience of investing through listed acquisition companies to execute buy and build growth strategies alongside experienced Management Partners, and reflecting on the much-criticised US SPAC model, we believe the Marwyn Acquisition Company structure (the 'MAC' structure) is uniquely designed to be attractive to institutional investors, business owners and management teams. The principal enhancements being:

- **Ensuring long term alignment:** management and sponsor incentives aligned to long term equity performance and no discounted shares/warrants or upfront promoter fees
- **Increasing flexibility in raising capital:** the addition of innovative mechanisms to raise equity capital from institutional investors
- **Improving transactional efficiency:** a new transaction process allowing the execution of a reverse acquisition on a timetable that is comparable with investment from private equity providers

## Portfolio activity

### Operating company

#### Le Chameau

Le Chameau has continued to perform well, recording June YTD revenue ahead of budget and prior year.

Le Chameau has been successful in enhancing its brand, reach and engagement, with initiatives such as the recent launch of brand partnerships with Fairfax & Favor and LVMH-owned, Patou and wide-spread coverage of the brand in international media on a regular basis.

Le Chameau continues to invest in selected strategic initiatives, including technology and data platforms as well as opportunities to further scale its production capabilities in Morocco, that will be key drivers of the long-term growth of which we believe the company is capable.

### Acquisition companies

#### AdvancedAdvT

AdvancedAdvT's offer for M&C Saatchi reflects the significant potential that the AdvancedAdvT board sees for the post-acquisition group, should the offer complete. AdvancedAdvT remains extremely well capitalised with currently over £100m of investible cash, which given both Vin Murria's track record and the current market environment, should afford the company significant opportunities.





# Report of the Manager

## Marwyn Acquisition Company II

In June 2022 we were delighted to announce the appointment of Mark Hodges as Chairman of MAC II. Mark Hodges has over 30 years' experience across the financial services and consumer sectors, including extensive FTSE 100 PLC board experience with Centrica plc and Aviva plc and is currently non-executive Chairman of RSA. Previously the CEO of ReAssure, Mark led the business through the £425m acquisition of Quilter's UK Heritage business and oversaw the sale of ReAssure to Phoenix Group Holdings in 2020 for £3.25bn. At the time of the sale, ReAssure had approximately £80bn of assets under administration, 4 million customers and approximately 2,500 employees.

The company's investment strategy is to focus on opportunities generated through the interrelated themes of (i) the changing profile and age composition of the UK population, (ii) the transfer of generational wealth within families and dependents, (iii) the extent of both financial and non-financial support provided by families and (iv) the complexities arising from the concentration of family wealth and retirement assets in selected asset classes.

## VAT Reclaims

As announced by the Company in August 2022, the first of the Praesepe VAT reclaims in which the Master Fund has an interest has been agreed and paid by HMRC. For this agreed claim, a gross value attributable to the Master Fund of £1.350 million was claimed from HMRC. Including interest due and after deducting all applicable fees, taxes and other expenses, the total cash amount in relation to this reclaim received by the Master Fund was £1.061 million, of which approximately £0.915 million was attributable to the Company's ordinary shareholders, £0.112 million was attributable to the Company's 2016 realisation shareholders and £0.006 million was attributable to the Company's 2021 realisation shareholders.

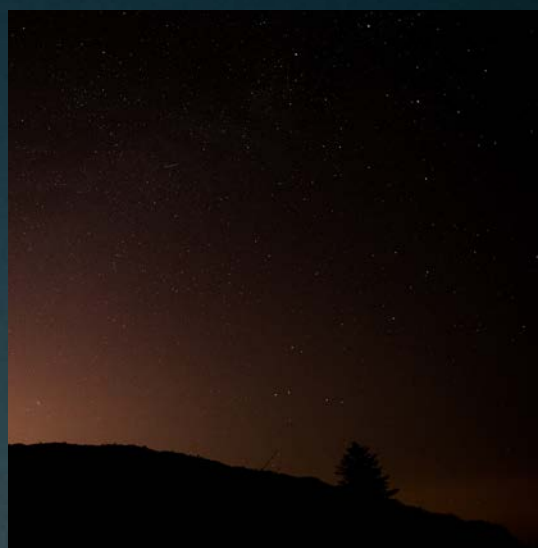
Of the Praesepe VAT reclaims in which the Master Fund has an interest, the agreed claim represents approximately 10% of the estimated gross value attributable to the Master Fund, with the potential gross value of the remaining claims being in excess of £10 million. However, there remains significant uncertainty over both the amount of these remaining VAT reclaims that may be repaid by HMRC and the timing of receipt of any cash, net of fees, taxes and other expenses by the Master Fund and consequently, no amounts relating to the remaining claims are included in the Company's Net Asset Value.

## Investment outlook

We have maintained a significant cash weighting in the fund over the last few years and despite reviewing numerous investment opportunities, often for many months, our acquisition companies and Management Partners have resisted the temptation to invest capital at what we feel have been unacceptable valuations. We now have material investible capital, both in the fund structure and in the underlying portfolio vehicles and are now seeing more opportunities than ever.

The key for us investing going forward is simple. We look for experienced Management Partners and broader team, the durability of the business model and businesses we buy, the structural tailwinds supporting the sector and our specific strategy and our visibility of how the business is going to capitalise on that opportunity and translate that into sustainable investment returns.

The coming period is without doubt going to be volatile and challenging but we feel well positioned with material investible capital, a portfolio of exceptional Management Partners and a pipeline of similarly capable prospective ones.



# Report of the Manager

## Current Portfolio

Le Chameau  Luxury Goods

[www.lechameau.com](http://www.lechameau.com)

Valuation at 30 June 2022

£21.3m

Valuation at 31 December 2021

£21.2m

*Value as at 30 June 2022 and 31 December 2021 is the aggregated value attributable to all of the Company's share classes*

### Management Partner

#### Corry Cavell-Taylor

Corry Cavell-Taylor is CEO of Le Chameau Holdings Limited, MD of Bradshaw Taylor Limited and creator of Schöffel Countrywear. Corry has over two decades of experience in the country sports market worldwide and is a director of The Outdoor Industries Association of GB.

Corry started distributing outdoor and country brands over 25 years ago, having taken over Bradshaw Taylor from his father who was the third generation of the family to run the business which was started in 1895 by Corry's Great-Grandfather. Bradshaw Taylor distributes leading brands in outdoor and country clothing and equipment, connecting these brands with retailers and consumers throughout the UK, Europe & USA.

Corry has a BSc from Birmingham University and an MBA from Cranfield School of Management.



### Value creation opportunity

- To build a leading luxury goods business, capable of scaling sales across the UK, Europe and North America
- Further expand the direct-to-consumer e-commerce channel





# Report of the Manager

---

## Overview

Founded in 1927, Le Chameau is an iconic technical footwear brand with over 90 years of heritage, a leader in the premium rubber boot market with a passionately loyal consumer base, brand ambassadors and a growing addressable market. We too are passionate about the product and are excited about the launch of brand partnerships, product development and expansion of production capacity.

The business continues to perform well; in the six months ended 30 June 2022 both revenue and adjusted profit are ahead of both budget and the prior year.

Alongside growing e-commerce custom through the website, B2B sales have been particularly strong with the increased production capacity in the factory enabling the business to satisfy more of the pent up demand for the product. The continual focus on operational excellence and expansion of production capacity has seen 167,000 pairs of rubber boots produced in 2021 and plans to scale further in the coming years.

Recent marketing initiatives have included the exciting and successful launch of brand partnerships with Patou and Fairfax & Favor. These initiatives, as part of a broader marketing strategy, have contributed to progressing the brand's consumer profile, reach and engagement in the period, with clear potential for further growth ahead.


We believe in the product and the team. The business is well-placed to deliver on its potential to continue to scale in both its core and nascent markets, further building its brand, consumer profile and engagement, and firmly positioning it amongst other more established luxury apparel companies.





# Report of the Manager

## Current Portfolio

**AdvancedAdvT Limited**  Digital, Software & Services [www.advancedadvt.com](http://www.advancedadvt.com)

AdvancedAdvT acquired a minority stake in M&C Saatchi in January 2022

% voting rights held by the Marwyn Funds

15.4%

### Management Partner

#### Vin Murria

Vin was the founder and CEO of Advanced Computer Software Group plc (2008 to 2015), one of Marwyn's previous vehicles which generated equity returns of 477% and was acquired by Vista Equity Partners in 2015, and the CEO of Computer Software Group plc (2002 to 2007) acquired by Hellman Friedman in 2007. She has more than 25 years of experience in the software sector and is currently a non-executive director of Softcat plc and Bunzl plc.

Previous directorships have included serving as a non-executive director at M&C Saatchi plc, Sophos Group plc, Zoopla Property Group plc, Chime plc, DWF plc and COO of Kewill Systems plc (now Blujay). Vin holds a bachelor's degree in Computer Science, an MBA and a Doctorate in Business Administration (Hon). Vin became an Officer of the Most Excellent Order of the British Empire in 2018 for her services to Technology and the empowerment of women in the sector.

Vin is the founder of the PS Foundation, a charity set up to support the education of women and children in poverty in India and the UK.



### Value creation opportunity

- Experienced and highly credible management team
- Focused on opportunities in the digital, software and services sector likely to benefit from structural changes brought about by the current macro environment, driving digitalisation effecting the way people live, work and consume and the way that businesses operate, engage and sell to customers

### Overview

AdvancedAdvT was launched in 2020 and subsequently raised £130 million in March 2021, including a £17.5 million subscription from Vin Murria, to support the company's strategy.

AdvancedAdvT acquired a minority stake in M&C Saatchi plc in January 2022 and has announced the terms of an offer for the remaining M&C Saatchi plc shares, whereby M&C shareholders would receive either 2,043 AdvancedAdvT Shares and 40 pence in cash or 2,530 AdvancedAdvT shares. Next Fifteen Communications plc have made a competing offer for M&C Saatchi. The deadline for M&C shareholders to accept the AdvancedAdvT offer is 30 September 2022.

The AdvancedAdvT Board believes that acquiring M&C Saatchi plc would provide the opportunity to create significant value for both AdvancedAdvT and M&C Saatchi shareholders through building a data, analytics and digitally focussed creative marketing business, with available funding to execute M&A at a faster pace and with additional expertise than the standalone M&C business is able to achieve.

As at 31 August 2022 AdvancedAdvT's net assets of an estimated £121.4 million consisted of £104 million cash, 12,000,000 shares in M&C Saatchi plc valued at £19 million (based on a 10 day VWAP price of 158.05p) and estimated net current liabilities of £1.6 million (including accrued project costs up to 31 August 2022 in relation to the offer for M&C Saatchi plc).



# Report of the Manager

## Current Portfolio

### Marwyn Acquisition Company II Limited



Financial Services, Consumer, Technology

[www.marwynac2.com](http://www.marwynac2.com)

Capital raised	£12.7m
Acquisition target size	Generally expected to be greater than £100m
Listing	LSE Main Market

#### Management Partner

##### Mark Hodges

Mark Hodges has over 30 years' experience across the financial services and consumer sectors, including extensive FTSE 100 PLC board experience with Centrica plc and Aviva plc. As former CEO of ReAssure, Mark led the business through the £425m acquisition of Quilter's UK Heritage business and oversaw the sale of Reassure to Phoenix Group Holdings in 2020 for £3.25bn. At the time of the sale, ReAssure had approximately £80bn of assets under administration, 4 million customers and approximately 2,500 employees.



#### Value creation opportunity

- Newly established vehicle, led by a highly experienced and well-regarded chairman
- Seeking acquisition opportunities in the financial services, consumer and technology sectors set to benefit from social and macroeconomic trends brought about by changing demographics, the concentration and intergenerational transfer of wealth and increasing needs for social and non-financial family support

#### Overview

In connection with the appointment of Mark Hodges as Chairman in June 2022, the strategy of MAC II has been refined such that it will now focus on pursuing acquisition opportunities in the financial services, consumer and technology sectors.

The MAC II directors believe that the current market backdrop has amongst a range of drivers, four notable interrelated themes which the MAC II directors believe are shaping a clear customer need that remains largely unmet:

**1. Changing population and demographics** - An increasingly ageing population is likely to have a significant impact on economies, social care systems and household finances. The MAC II directors believe future financial solutions will need to reflect an increasing level of intergenerational financial and social dependencies.

**2. Wealth transfer and the role of families** - The role played by families in providing future financial solutions is of increasing importance, with parents, other family members and friends providing progressively more support to new homeowners and adult dependents.

**3. Social and non-financial family support** - Vast numbers of people across the UK and the US provide unpaid care for a friend or family member.

**4. Concentration of wealth** - Across the UK and US, wealth is principally concentrated in property, pension assets and equities.

With the combination of these social and macroeconomic conditions and trends, the MAC II directors believe all generations are facing increasingly challenging financial situations which are creating several problems to be solved.

The MAC II directors believe there is a well-defined need and opportunity, now more than ever, for clear and impartial support and solutions to be provided to, and shared amongst, friends, family and peers.

MAC II intends to execute its strategy through a combination of selective M&A of platform and bolt-on businesses, potential strategic partnerships with established financial services operators as well as ongoing operational improvements. Target company market segments, principally expected to be in the UK and US, may include, but are not limited to fintech digital platforms; digital content platforms; life and pensions; life-insurance assets; lifetime mortgages and equity release; wealth managers and advisers; brokerage and associated services; mortgage advisory; healthcare related services; estate planning and associated legal and tax services; later life planning and assisted care services.



# Report of the Manager

## Current Portfolio

Zegona Communications plc  TMT

[www.zegona.com](http://www.zegona.com)

### Management team

Zegona was listed in March 2015 as an acquisition vehicle led by Eamonn O'Hare and Robert Samuelson, previously part of the Virgin Media team responsible for the \$24bn sale of that business to Liberty Global. Zegona was established to pursue a 'buy-fix-sell' strategy in the European telecommunication sector.

### Investment history

Zegona acquired its platform asset, Telecable, for €640 million later in 2015, subsequently selling this business to Euskaltel in 2017, receiving €186.5 million cash consideration and a 15% stake in the resulting enlarged Euskaltel group. Surplus cash of £140 million was returned to shareholders in October 2017. Zegona subsequently increased its stake in Euskaltel to over 21% in early 2019.

In March 2021, MasMovil launched a tender offer to acquire Euskatel, following which Zegona returned £335 million of the sale proceeds to its shareholders in cash.

### Developments post-Euskaltel

Following the disposal of Zegona's investment in Euskaltel, Zegona continue to actively pursue its next investment opportunity in the European TMT industry where they believe that their skills and capabilities can add significant value.

Zegona's management have reviewed multiple opportunities and have participated in a number of transaction processes, but remain patient and disciplined in applying their strict financial criteria in assessing opportunities.





# Report of the Manager

## Current Portfolio

Marwyn Acquisition Company plc  
Marwyn Acquisition Company III Limited  
MAC Alpha Limited

	MAC plc	MAC III	MAC ALPHA
Capital raised	£4.8m	£12.7m	£0.7m
Acquisition target size	Up to £500m	Greater than £100m	Greater than £100m
Target sectors	Industrials Manufacturing Engineering Construction Building Products Support Services	Various	Various
Listing	LSE AIM	LSE Main Market	LSE Main Market

*As at 30 June 2022.*

*For MAC plc, capital raised is represented by the cash balance held by the company as at 30 June 2022*

### Overview

MAC plc is an AIM quoted vehicle with a focus on smaller opportunities where the company's AIM listing and seed capital provide a compelling opportunity to secure an industry-leading executive team to pursue a buy and build strategy in the current market, particularly for those opportunities considered most suited to an AIM quotation. MAC plc appointed Sanjeev Gandhi as independent non-executive director in May 2022.

The Manager launched MAC III in December 2020 as an LSE Main Market listed acquisition company. £12.5 million has been invested by the Marwyn Funds into MAC III.

MAC III has published a prospectus in relation to a 12 month placing programme for a C redeemable share class. It is expected that the ability to issue redeemable shares where appropriate, alongside the existing flexibility of the MAC structure to utilise the issuance of either listed Ordinary shares or unlisted B shares provides MAC III with a competitive advantage in securing attractive acquisition opportunities and bringing the best executive management back to the UK public markets.

MAC Alpha, launched in December 2021, is an LSE Main Market listed acquisition company which is expected to focus on investment opportunities where a combination of management expertise, improving operating performance, freeing up cashflow for investment and implementation of a focused buy and build strategy can unlock growth in core markets and often into new territories and adjacent sectors. MAC Alpha is currently not proposing to issue redeemable shares and is seeking Management Partners and transactions which can utilise its Main Market listing on the London Stock Exchange.







# Capital Distributions, NAV and Discount Management

As is common to many investment companies, the Company's shares trade at a discount to the underlying NAV. The average discount to NAV of the Company's ordinary shares during the six-month period was 34.7%, equal to the equivalent 34.7% average in the six months to 30 June 2021. The discount range was 32.6% to 37.4%. Alongside marketing the Company's shares to new investors and seeking to enhance the trading of the Company's shares with a view to narrowing the discount, the Company has a range of features and policies that we believe act as a mitigant to the discount:

**Dividend Policy:** the Company currently pays an annual 9.06p per ordinary share dividend in equal quarterly installments, which equates to a dividend yield of 7.9% based on the Company's ordinary share price of 115p as at 30 June 2022.

**Profit Distribution Policy:** the Company currently distributes 50% of investment profits as and when realised to ordinary shareholders, to the extent this has not been returned already through dividends or buy-backs.

**Realisation Classes:** every 5 years the Company allows ordinary shareholders to convert their shares into a new series of realisation shares. On disposal of an investment, save for reasonable working capital requirements, all proceeds are returned directly to shareholders allowing them to ultimately receive 100% of the underlying NAV.

These policies are explained in more detail below.

The Board believes that the combination of these measures provides a substantial mitigant to a persistent discount to NAV and ultimately provides shareholders with potentially substantial returns of capital as demonstrated by the data below.

## Realisation Shares

For the six months ended 30 June 2022

Realisation Class	Ticker	Shareholder Total Return <sup>6</sup>	Nav Per share	Net Assets	NAV Distributed SINCE INCEPTION <sup>7</sup>
2016	MVIR	-1.0%	283.0p	£2.6m	84.6%
2021	MVR2	-4.6%	175.3p	£0.6m	0.0%

## Capital Returns & Distributions Since Inception

Ordinary Shares			Realisation Classes	Combined		
Dividends and Buybacks <sup>8</sup>	Capital Returns	Total Distributions	Total Capital Returns	Dividends and Buybacks	Capital Returns	Total since inception
£55.7m	£25.9m	£81.6m	£15.6m	£55.7m	£41.5m	£97.2m

<sup>6</sup> Shareholder total return is calculated as the movement in total shareholder value, including all distributions made to realisation shareholders over the relevant period.

<sup>7</sup> Calculated as total distributions as a percentage of Net Assets on creation of each class.

<sup>8</sup> Includes the dividend paid to ordinary shareholders in August 2022.

# Capital Distributions, NAV and Discount Management

---

## Ordinary Share Distribution Policy

The Company's Ordinary Share Distribution Policy is comprised of two parts:

### 1. Minimum annual return

#### *Policy*

The Company will deliver a minimum annual return to Shareholders by making distributions in each quarter. Pursuant to the Ordinary Share Distribution Policy, in each year the Minimum Annual Distribution will be maintained or grown on a pence per share basis.

In circumstances where the Board decides to make a dividend payment which cannot be funded by income received by the Master Fund or MVI II LP, the Master Fund may make distributions from the capital attributable to Ordinary Share Interests to enable the Company to meet its obligations.

Any distribution of the minimum annual return may be made by way of:

- (i) repurchases of ordinary shares;
- (ii) by payment of dividends; or
- (iii) a combination of both.

#### *Implementation*

Following consultations with the Company's significant shareholders on the implementation of this policy, the Board determined that, from the start of 2021, the most suitable method to satisfy the minimum distribution was through the payment of dividends rather than through the Company's share repurchase programme which had commenced on 1 October 2018 (the "Buyback Programme"). Interim dividends of 2.265p per ordinary share were paid in February, May, and August 2022, with a further quarterly dividend expected to be paid in November 2022, each being a total payment of £1,265,022.

### 2. Returns following Net Capital Gains

#### *Policy*

Where the Master Fund or MVI II LP disposes of an asset for a Net Capital Gain and the Company has not already returned to ordinary shareholders an aggregate amount since 19 November 2013 in excess of 50 per cent of that gain and any previous such gains pursuant to the Ordinary Share Distribution Policy (Minimum Annual Distribution payments referred to above are treated as if they had been returns of gains for this purpose), the Master Fund will distribute the difference to the Company. The Company will, in turn, make a corresponding distribution to ordinary shareholders by way of tender offers, share repurchases or other returns of capital and distributions. Any share repurchases may alternatively be made by the Master Fund and cancelled using the Exchange Procedure described in the Company's prospectus dated 19 October 2016. Returns following a Net Capital Gain may also be made by way of an extraordinary distribution, where applicable, by adding such amount to the next proposed quarterly dividend (if any), where doing so would not result in a delay as compared to declaring an extraordinary distribution.

The balance of any Profitable Realisation, after the payment of any incentive allocation, will be retained in the Master Fund and available for new and follow-on investments and to meet the Master Fund's reasonable working capital requirements, although all or part of the balance may be used to augment distributions under the Ordinary Share Distribution Policy. There is no adjustment, or offset, of any Net Capital Gains for any investments realised at a loss.



# Capital Distributions, NAV and Discount Management

---

## *Implementation*

Since the last distribution of Net Capital Gains made under this section 2 of the Ordinary Share Distribution Policy following the disposal of the investment in Entertainment One, a total of over £44.0 million has been returned to ordinary shareholders (including the August 2022 dividend) compared to realised gains attributable to ordinary shareholders totaling £34.2 million (50% of which is £17.1 million). Accordingly, the Company has, to date, distributed £26.9 million in excess of what would be required under this policy, and realised gains attributable to ordinary shareholders in excess of £54.8 million will be needed before any return on a Profitable Realisation is made.

Since implementation in November 2013, over £71.0 million has been returned to shareholders under the Ordinary Share Distribution Policy.

For the avoidance of doubt, the Company's Ordinary Share Distribution Policy applies only to the ordinary shares. The 2016 realisation shares and 2021 realisation shares carry no rights to participate in the Company's Ordinary Share Distribution Policy.

# Allocation of Net Asset Value

## ORDINARY SHARES

### Allocation of NAV by company at 30 June 2022

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 as at 30 June 2022 is broken down as follows:

COMPANY	TICKER	FOCUS	% OF NAV	NAV/SHARE CONTRIBUTION (£)	HELD BY
Le Chateau <sup>9</sup>	Unlisted	Luxury Goods	20.0%	0.34	Master Fund
AdvancedAdvT Limited	ADVT	Software	12.7%	0.22	MVI II LP
Marwyn Acquisition Company II Limited	MAC2	Various	10.0%	0.17	MVI II LP
Marwyn Acquisition Company III Limited	MAC3	Various	10.0%	0.17	MVI II LP
Marwyn Acquisition Company plc	MACP	Various	5.2%	0.09	MVI II LP
Zegona Communications plc	ZEG	TMT	0.5%	0.01	MVI II LP
MAC Alpha Limited	MACA	Various	0.5%	0.01	MVI II LP
Cash			46.2%	0.79	Various <sup>10</sup>
Other assets / liabilities			(5.1)%	(0.09)	Various
<b>Net assets</b>			<b>100.0%</b>	<b>1.71</b>	

<sup>9</sup> The investment in Le Chateau is held through Silvercloud Holdings Limited

<sup>10</sup> Cash is primarily held by the Master Fund

### Allocation of NAV by company at 31 August 2022

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 as at 31 August 2022 is broken down as follows:

COMPANY	TICKER	FOCUS	% OF NAV	NAV/SHARE CONTRIBUTION (£)	HELD BY
Le Chateau	Unlisted	Luxury Goods	20.3%	0.34	Master Fund
AdvancedAdvT Limited	ADVT	Software	12.4%	0.21	MVI II LP
Marwyn Acquisition Company II Limited	MAC2	Various	10.1%	0.17	MVI II LP
Marwyn Acquisition Company III Limited	MAC3	Various	10.1%	0.17	MVI II LP
Marwyn Acquisition Company plc	MACP	Various	5.3%	0.09	MVI II LP
Zegona Communications plc	ZEG	TMT	0.5%	0.01	MVI II LP
MAC Alpha Limited	MACA	Various	0.5%	0.01	MVI II LP
Cash			46.0%	0.78	Various
Other assets / liabilities			(5.2)%	(0.09)	Various
<b>Net assets</b>			<b>100.0%</b>	<b>1.69</b>	



# Allocation of Net Asset Value

---

The allocations of NAV as at 30 June 2022 for the ordinary shares, 2016 realisation share and 2021 realisation shares do not include any amounts related to the potential settlement of VAT reclaims arising from a historic investment in Praesepe plc which operates in the gaming industry (announced by the Company on 7 September 2021) due to the significant uncertainty of the amount and timing of any such settlement at that date. Any amounts received in relation to these reclaims will be in cash, directly to the Master Fund.

As announced by the Company on 10 August 2022, the first of the Praesepe VAT reclaims in which the Master Fund has an interest has now been agreed by HMRC. For this agreed claim, a gross value attributable to the Master Fund of £1.350 million was claimed from HMRC. Including interest due and after deducting all applicable fees, taxes and other expenses, the total cash amount received by the Master Fund in relation to this reclaim was £1.061 million, of which approximately £0.915 million was attributable to the Company's ordinary shareholders, £0.112 million was attributable to the Company's 2016 realisation shareholders and £0.006 million was attributable to the Company's 2021 realisation shareholders. These amounts are reflected in NAV allocations as at 31 August 2022.

Of the Praesepe VAT reclaims in which the Master Fund has an interest, the agreed claim represents approximately 10% of the estimated gross value attributable to the Master Fund. There remains significant uncertainty over both the amount of these remaining VAT reclaims that may be repaid by HMRC and the timing of receipt of any cash, net of fees, taxes and other expenses by the Master Fund. Accordingly, no amount relating to the remaining claims is included in the NAV allocations as at 31 August 2022.

All portfolio assets are held at fair value by the Marwyn Funds which hold them in accordance with International Financial Reporting Standards. Where there is no active market for a listed investment, or where the investment is unlisted, the valuation methodologies applied are fully compliant with International Private Equity and Venture Capital valuation guidelines as updated.

# Allocation of Net Asset Value

## 2016 REALISATION SHARES

### Allocation of NAV by company at 30 June 2022

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 2016 realisation shareholders as at 30 June 2022 is broken down as follows:

COMPANY	TICKER	FOCUS	% OF NAV	NAV/SHARE CONTRIBUTION (£)	HELD BY
Le Chateau	Unlisted	Luxury Goods	83.3%	2.36	Master Fund
Zegona Communications plc	ZEG	TMT	2.6%	0.07	Master Fund
Cash			32.9%	0.93	Various
Other assets / liabilities			(18.8)%	(0.53)	Various
<b>Net assets</b>			<b>100.0%</b>	<b>2.83</b>	

### Allocation of NAV by company at 31 August 2022

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 2016 realisation shareholders as at 31 August 2022 is broken down as follows:

COMPANY	TICKER	FOCUS	% OF NAV	NAV/SHARE CONTRIBUTION (£)	HELD BY
Le Chateau	Unlisted	Luxury Goods	80.8%	2.36	Master Fund
Zegona Communications plc	ZEG	TMT	2.5%	0.07	Master Fund
Cash			35.5%	1.04	Various
Other assets / liabilities			(18.8)%	(0.55)	Various
<b>Net assets</b>			<b>100.0%</b>	<b>2.92</b>	



# Allocation of Net Asset Value

## 2021 REALISATION SHARES

### Allocation of NAV by company at 30 June 2022

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 2021 realisation shareholders as at 30 June 2022 is broken down as follows:

COMPANY	TICKER	FOCUS	% OF NAV	NAV/SHARE CONTRIBUTION (£)	HELD BY
Le Chateau	Unlisted	Luxury Goods	19.5%	0.34	Master Fund
AdvancedAdvT Limited	ADVT	Software	12.4%	0.22	Master Fund
Marwyn Acquisition Company II Limited	MAC2	Various	9.8%	0.17	Master Fund
Marwyn Acquisition Company III Limited	MAC3	Various	9.8%	0.17	Master Fund
Marwyn Acquisition Company plc	MACP	Various	5.1%	0.09	Master Fund
Zegona Communications plc	ZEG	TMT	0.5%	0.01	Master Fund
Cash			47.8%	0.84	Various
Other assets / liabilities			(4.9)%	(0.09)	Various
<b>Net assets</b>			<b>100.0%</b>	<b>1.75</b>	

### Allocation of NAV by company at 31 August 2022

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 2021 realisation shareholders as at 31 August 2022 is broken down as follows:

COMPANY	TICKER	FOCUS	% OF NAV	NAV/SHARE CONTRIBUTION (£)	HELD BY
Le Chateau	Unlisted	Luxury Goods	19.5%	0.34	Master Fund
AdvancedAdvT Limited	ADVT	Software	11.9%	0.21	Master Fund
Marwyn Acquisition Company II Limited	MAC2	Various	9.8%	0.17	Master Fund
Marwyn Acquisition Company III Limited	MAC3	Various	9.8%	0.17	Master Fund
Marwyn Acquisition Company plc	MACP	Various	5.1%	0.09	Master Fund
Zegona Communications plc	ZEG	TMT	0.5%	0.01	Master Fund
Cash			48.3%	0.85	Various
Other assets / liabilities			(4.9)%	(0.09)	Various
<b>Net assets</b>			<b>100.0%</b>	<b>1.75</b>	

# 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 2022 and total comprehensive loss 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 2022







# Condensed Statement of Comprehensive Income

## For the six months ended 30 June 2022 (unaudited)

	Notes	For the six month period ended 30 June 2022 £			For the six month period ended 30 June 2021 £		
<b>INCOME</b>		Revenue	Capital	Total	Revenue	Capital	Total
Finance income		150	-	150	50	-	50
Distribution income		2,513,713	-	2,513,713	2,530,043	-	2,530,043
Net gain / (loss) on financial assets measured at fair value through profit or loss	5	-	(7,135,206)	(7,135,206)	-	13,531,314	13,531,314
<b>TOTAL NET (LOSS) / INCOME</b>		<b>2,513,863</b>	<b>(7,135,206)</b>	<b>(4,621,343)</b>	<b>2,530,093</b>	<b>13,531,314</b>	<b>16,061,407</b>
<b>EXPENSES</b>							
Finance cost and bank charges		(150)	-	(150)	(50)	-	(50)
<b>TOTAL OPERATING EXPENSES</b>		<b>(150)</b>	<b>-</b>	<b>(150)</b>	<b>(50)</b>	<b>-</b>	<b>(50)</b>
<b>(LOSS) / PROFIT FOR THE PERIOD</b>		<b>2,513,713</b>	<b>(7,135,206)</b>	<b>(4,621,493)</b>	<b>2,530,043</b>	<b>13,531,314</b>	<b>16,061,357</b>
<b>TOTAL COMPREHENSIVE (EXPENSE) / INCOME</b>		<b>2,513,713</b>	<b>(7,135,206)</b>	<b>(4,621,493)</b>	<b>2,530,043</b>	<b>13,531,314</b>	<b>16,061,357</b>
<b>RETURNS PER SHARE</b>							
Attributable to holders of ordinary shares		2,513,713	(7,077,084)	(4,563,371)	2,530,043	11,729,775	14,259,818
Weighted average ordinary shares in issue for the period ended 30 June	8	55,490,360	55,490,360	55,490,360	55,850,842	55,850,842	55,850,842
Return per ordinary share - basic and diluted		4.5p	(12.8)p	(8.2)p	4.5p	21.0p	25.5p
Attributable to holders of 2016 realisation shares		-	(27,905)	(27,905)	-	1,801,539	1,801,539
Weighted average 2016 realisation shares in issue for the period ended 30 June	8	-	933,070	933,070	-	3,684,055	3,684,055
Return per 2016 realisation share - basic and diluted		-	(3.0)p	(3.0)p	-	48.9p	48.9p
Attributable to holders of 2021 realisation shares		-	(30,217)	(30,217)	-	-	-
Weighted average 2021 realisation shares in issue period ended 30 June	8	-	360,482	360,482	-	-	-
Return per 2021 realisation share – basic and diluted		-	(8.4)p	(8.4)p	-	-	-

These condensed interim results are unaudited and have been prepared consistent with 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 14 form an integral part of these unaudited interim results.



# Condensed Statement of Financial Position

## As at 30 June 2022 (unaudited)

	Notes	30 June 2022 (unaudited) £	31 December 2021 (audited) £
<b>NON CURRENT ASSETS</b>			
Financial assets measured at fair value through profit or loss	5	98,133,395	105,268,601
<b>CURRENT ASSETS</b>			
Cash and cash equivalents		128,535	128,554
<b>TOTAL ASSETS</b>		98,261,930	105,397,155
<b>CURRENT LIABILITIES</b>			
Loan payable	6	(125,000)	(125,000)
Accruals		(3,535)	(3,554)
<b>TOTAL LIABILITIES</b>		(128,535)	(128,554)
<b>NET ASSETS ATTRIBUTABLE TO EQUITY HOLDERS</b>		98,133,395	105,268,601
<b>CAPITAL AND RESERVES ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY</b>			
Share capital		88	88
Share premium		61,455,770	61,455,770
Special distributable reserve		26,346,979	26,346,979
Exchange reserve		54,386	54,386
Capital reserve		3,159,948	3,159,948
Revenue reserve		7,116,224	14,251,430
<b>TOTAL EQUITY</b>		98,133,395	105,268,601
Net assets attributable to ordinary shares		94,860,608	101,937,692
Ordinary shares in issue at 30 June/31 December		55,490,360	55,490,360
Net assets per ordinary share		170.95p	183.70p
Net assets attributable to 2016 realisation shares		2,640,710	2,668,615
2016 realisation shares in issue at 30 June/31 December		933,070	933,070
Net assets per 2016 realisation share		283.01p	286.00p
Net assets attributable to 2021 realisation shares		632,077	662,294
2021 realisation shares in issue at 30 June/31 December		360,482	360,482
Net assets per 2021 realisation share		175.34p	183.72p

These condensed interim results are unaudited and are not the Company's statutory financial statements.  
Notes 1 to 14 form an integral part of these unaudited interim results.

# Condensed Statement of Cash Flow

## For the six months ended 30 June 2022 (unaudited)

	For the six month period to 30 June 2022 £	For the six month period to 30 June 2021 £
<b>Cash flows from operating activities</b>		
Total comprehensive (expense)/income	(7,135,206)	13,531,314
Loss/(gain) on financial assets held at fair value through profit or loss	7,135,206	(13,531,314)
Interest received	150	50
Distributions received on Class F interests in MVI LP	2,513,713	2,530,043
Bank charges paid	(150)	(50)
Decrease in accruals	(19)	(50)
Net cash inflow from operating activities	2,513,694	2,529,993
<b>Cash flows used in capital transactions</b>		
Dividends paid to ordinary shareholders	(2,513,713)	(2,530,043)
Net cash flow used in capital transactions	(2,513,713)	(2,530,043)
<b>Net decrease in cash and cash equivalents</b>	(19)	(50)
Cash and cash equivalents at the beginning of the period	128,554	128,614
Cash and cash equivalents at the end of the period	128,535	128,564

These condensed interim results are unaudited and are not the Company's statutory financial statements.  
Notes 1 to 14 form an integral part of these unaudited interim results.



# Condensed Statement of Changes in Equity

## For the six months ended 30 June 2022

	Share capital	Share premium	Special distributable reserve	Exchange reserve	Capital reserve	Revenue reserve	Total
	£	£	£	£	£	£	£
Opening balance	88	61,455,770	26,346,979	54,386	3,159,948	14,251,430	105,268,601
Dividends paid to ordinary shareholders	-	-	-	-	-	(2,513,713)	(2,513,713)
Total comprehensive income for the period	-	-	-	-	-	(4,621,493)	(4,621,493)
Closing balance	<b>88</b>	<b>61,455,770</b>	<b>26,346,979</b>	<b>54,386</b>	<b>3,159,948</b>	<b>7,116,224</b>	<b>98,133,395</b>

## For the six months ended 30 June 2021

	Share capital	Share premium	Special distributable reserve	Exchange reserve	Capital reserve	Revenue reserve	Total
	£	£	£	£	£	£	£
Opening balance	91	64,436,254	26,346,979	54,386	(4,976,238)	11,736,316	97,597,788
Dividends paid to ordinary shareholders	-	-	-	-	-	(2,530,043)	(2,530,043)
Total comprehensive income for the period	-	-	-	-	13,531,314	2,530,043	16,061,357
Closing balance	<b>91</b>	<b>64,436,254</b>	<b>26,346,979</b>	<b>54,386</b>	<b>8,555,076</b>	<b>11,736,316</b>	<b>111,129,102</b>

These condensed interim results are unaudited and are not the Company's statutory financial statements. Notes 1 to 14 form an integral part of these unaudited interim results.

# 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 London Stock Exchange. The rights of the shareholders are governed by Cayman law and may differ from the rights and duties owed to shareholders in a company incorporated in England and Wales. The address of its registered office is PO Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands.

The Company is a feeder fund which has invested all of its available capital into limited partnership interests in Marwyn Value Investors LP (the “Master Fund”). The Company has no redemption rights for its investment in the Master Fund.

The Master Fund has invested in a second master fund, Marwyn Value Investors 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 are held directly by the Master Fund.

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 2021.

The unaudited interim results for 2022 were authorised for issue by the Board of Directors on 26 September 2022.

## 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 2021 which are available on the Company’s website. The auditor’s report on the financial statements for the year ended 31 December 2021 was unqualified.

### New standards, amendments and interpretations

A number of new standards, amendments and interpretations are effective for periods beginning on or after 1 January 2022. None of these have had 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 the Manager, 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 Marwyn Value Investors LP is determined by the Directors on the basis of the NAV of the Master Fund as determined by the Administrator 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, level 2, 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 is determined by the Administrator and is also primarily based on the fair value of its underlying investments, which comprise level 1, level 2, and level 3 fair value hierarchy equities.

## 5. Financial assets measured at fair value through profit or loss

As at 30 June 2022 100% (2021: 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.

References to Class F interests, Class R(F)1 interests, Class R(G)1 interests and Class R(F)2 interests correspond to the respective classes of interests in the Master Fund.



# Notes to the Financial Statements

## Net Asset Value – investment movements

	30 June 2022 £	31 December 2021 £
<b>Master Fund</b>		
Opening cost	85,190,009	89,036,108
Redemption of Class R(F)1 and Class R(G)1 interests	-	(3,846,099)
Closing cost	85,190,009	89,036,108
Unrealised gain brought forward	20,078,592	8,561,680
Movement in unrealised (loss)/gain	(7,135,206)	11,516,912
Unrealised gain carried forward	12,943,386	20,078,592
<b>At fair value in accordance with IFRS 13</b>	<b>98,133,395</b>	<b>105,268,601</b>
Class F interests	94,860,608	101,937,692
<b>Total attributable to ordinary shareholders</b>	<b>94,860,608</b>	<b>101,937,692</b>
Class R(F)1 interests	2,014,769	2,035,681
Class R(G)1 interests	625,941	632,934
<b>Total attributable to 2016 realisation shareholders</b>	<b>2,640,710</b>	<b>2,668,615</b>
Class R(G)2 interests	632,077	662,294
<b>Total attributable to 2021 realisation shareholders</b>	<b>632,077</b>	<b>662,294</b>
<b>At fair value in accordance with IFRS 13</b>	<b>98,133,395</b>	<b>105,268,601</b>
Realised gain on redemption of Class R(F) and Class R(G) interests	-	2,515,114
<b>Total net realised gain on redemptions</b>	<b>-</b>	<b>2,515,114</b>
Unrealised (loss)/gain recognised in the period/year	(7,135,206)	11,516,912
<b>Net (loss)/gain recognised in the Statement of Comprehensive Income</b>	<b>(7,135,206)</b>	<b>14,032,026</b>

The net gain/(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/(loss) and the net realised gain/(loss) on redemptions. Realised gain/(loss) is subsequently transferred from the capital reserve to the revenue reserve.

The Company holds 100% of the Class F interests which represents 93.94% (31 December 2021: 94.17%) of the NAV of the Master Fund, 100% (2021: 100%) of the Class R(F)1 interests which represent 2.00% (2021: 1.88%) of the NAV of the Master Fund, 100% (2021: 100%) of the Class R(G)1 interests which represent 0.62% (2021: 0.58%) of the Master Fund and 100% (2021: 100%) of the Class R(F)2 interests which represent 0.63% (2021: 0.61%) of the Master Fund.

As the Company has no legal, operating or management control over the activities of the Master Fund 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 (2021: £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 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 to accruals, the effect of discounting is not material to the cash flows or balance sheet position.

# Notes to the Financial Statements

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

	30 June 2022 £	30 June 2021 £
(Loss)/gain for the period	(4,621,493)	16,061,357
Loss/(gain) on investments held at fair value through profit or loss	7,135,206	(13,531,314)
Decrease in accruals	(19)	(50)
Net cash inflow from operating activities	<u>2,513,694</u>	<u>2,529,993</u>

## 8. Share capital and distributions

### Share capital

As at 30 June 2022 and 31 December 2021 the authorised share capital was as follows:

Ordinary shares of 0.0001p each	10,893,258,506,473
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 2021	56,783,912	30,970,984	87,751,896
Redemption	-	-	-
Exchange	-	-	-
As at 30 June 2022	56,783,912	30,970,984	87,751,896
<b>Share capital (£)</b>	<b>57</b>	<b>31</b>	<b>88</b>

\*Includes ordinary, 2016 realisation and 2021 realisation shares, which constitute a single class of share for the purpose of the Company's Articles and Cayman law.

The surplus capital and assets of the Company will, on a winding-up or on a return of capital (otherwise than on a purchase by the Company of any of its shares) be paid to the holders of ordinary shares and realisation shares pro rata to their holding of such shares out of the proceeds of the corresponding class of interests in the Master Fund.

### Distributions in 2022

#### Ordinary shares

Quarterly interim dividends of 2.265p per ordinary share were paid in February, May and (subsequent to the reporting period end) August 2022. A fourth quarterly dividend of the same amount is expected to be paid in November 2022.

### Distributions in 2021

#### Ordinary shares

Quarterly interim dividends of 2.265p per ordinary share were paid in February, May, August and November 2021.

#### Realisation shares

In October 2021, the Company announced that funds attributable to realisation shareholders received from the completion of Zegona's tender offer, along with cash held by the Master Fund attributable to realisation shareholders not required to be held for reasonable working capital purposes 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 £6.4 million, the distribution to realisation shareholders was effected by way of a redemption of 2,750,985 realisation shares which were subsequently cancelled.

As the Class R(F) reference amount, preferred return and preferred return catch-up (as described in Note 10(a)) have been fully returned, an incentive allocation payment in respect of Class R(F) of £1,225,609 was paid alongside the redemption of the realisation shares.

## **9. Instruments and associated risks**

The Company invests substantially all of its assets in the Master Fund, which is exposed to market risk (including The Company invests substantially all of 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 holds.

As the Class R(F) reference amount, preferred return and preferred return catch-up (as described in Note 10(a)) have been fully returned, an incentive allocation payment in respect of Class R(F) of £1,225,609 was paid alongside the redemption of the realisation shares.

## **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 fee, investment advisory fee and incentive allocation**

#### ***Management fee***

Under a management agreement dated 1 April 2021, Marwyn Investment Management LLP was appointed Manager to the Company. Prior to this date, under a management agreement dated 29 November 2013, Marwyn Asset Management Limited was appointed as Manager to the Company, who in turn engaged Marwyn Investment Management LLP as Investment Adviser. The commercial terms, including as to fees, were the same for both managers.

Under both management agreements, the Company does and did not pay any fees to the extent that it invests its assets solely 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 year and, as such, no fees were paid by the Company or payable at the period end (2021: £ 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. From 30 November 2018, being 2 years after the creation of the 2016 realisation pool, the management fee on the 2016 realisation share interests is calculated by reference to NAV before management fees and incentive allocation less the aggregate value of cash and near cash investments attributable to the 2016 realisation share interests. The total management fee expense, borne by the Master Fund in respect of the interests invested in by the Company for the period ended 30 June 2022 was £1,061,105 (30 June 2021: £1,079,927).

#### ***Investment advisory fee***

Investment advisory fees, where applicable, are paid by the Manager. From 1 April 2021 no investment advisory fees were payable as MIM LLP became the Manager.

#### ***Incentive allocation***

Incentive allocations borne by the Class F, Class R(F)1, Class R(G)1 and Class R(F)2 interests in the Master Fund are only payable on returns being made to shareholders as disclosed in Part II, section 6 of the Company's most recent prospectus published on 19 October 2021. This prospectus is available on the Company's website and described in detail in the Company's annual accounts for the year ended 31 December 2021.

# Notes to the Financial Statements

## **Incentive allocation attributable to ordinary shareholders**

As at 30 June 2022, the outstanding Class F reference amount was £76,669,422 and the preferred return due to investors was £13,040,681. The Class F gross asset value of £99,408,377, being in excess of the sum of these, resulted in an incentive allocation accrual at the balance sheet date of £4,547,791 (31 December 2021: £5,688,639). The income relating to the decrease in total incentive allocation for Class F for the period was £1,140,848 (31 December 2021: expense of £4,137,197).

## **Incentive allocation attributable to realisation shareholders**

As at 30 June 2022, the Class R(F)1 reference amount, initial incentive amount, preferred return and preferred return catch-up had all been paid in full. The Class R(F)1 gross asset value of £2,518,461 resulted in an incentive allocation accrual at the balance sheet date is £503,692 (31 December 2021: £508,920). The outstanding Class R(G)1 reference amount was £1,370,875 and the preferred return due was £1,871,099. The Class R(G)1 gross asset value of £626,004 is all allocated against the outstanding reference amount and accordingly there is no incentive allocation accrual at the balance sheet date (31 December 2021: Nil). The income relating to the decrease in total incentive allocation for Classes R(F)1 and R(G)1 was £5,228 (31 December 2021: expense of £463,722).

As at 30 June 2022, the outstanding Class R(F)2 reference amount was £514,397 and the preferred return due to investors was £84,983. The Class R(F)2 gross asset value of £661,497, being in excess of the sum of these, resulted in an incentive allocation accrual at the balance sheet date of £29,420 (31 December 2021: £36,974). The income relating to the decrease in total incentive allocation for Class R(F)2 was £7,554 (31 December 2021: expense of £5,355).

The Company does not bear any management fee or incentive allocation in relation to the Master Fund's investment into MVI II LP.

## **(b) Administration fee**

On 22 January 2021, Aztec Financial Services (Jersey) Limited was appointed as the administrator of the Company and the appointment of Axio Capital Solutions Limited was terminated accordingly.

Aztec's fees for administration of the Company were £149,500 per annum up to 31 March 2022, adjusted to £162,955 per annum from 1 April 2022. These are paid by the Master Fund. Aztec is not considered to be a related party.

## **(c) Board of Directors' remuneration**

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

	Annual fee	Payable from 1 January 2022 to 30 June 2022
Robert Ware	£50,000	£25,000
Martin Adams	£45,000	£22,000
Peter Rioda	£35,000	£17,500
Victoria Webster	£35,000	£17,500

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.

## **(d) Secondment services**

Effective from 1 December 2020, Marwyn Jersey Limited, an entity forming part of the Marwyn group, has seconded certain individuals to the Company. Marwyn Jersey Limited charged £45,000 for these services for the period to 30 June 2022 (30 June 2021: £54,824). These are paid by the Master Fund.



# Notes to the Financial Statements

---

## 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 and in response to the COVID 19 pandemic, the policies and procedures have been considered in the context of the recent market uncertainty and volatility. An assessment has been performed of the impact on the underlying portfolio, day-to-day operations, current cash levels, and the cash flow forecasts for the next 12 months. The Manager and Administrator have robust business continuity plans in place and continue business as usual throughout the pandemic. The Company's objectives, policies and processes for managing capital therefore 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 2022 or 31 December 2021 that require disclosure or adjustment in these interim financial statements.

The Master Fund has an undrawn commitment to MVI II LP of £79.5 million as at 30 June 2022. The Manager is comfortable, based on financial, capital deployment and investment realisation projections, that the Master Fund will be able to meet all calls on the commitment as they fall due.

## 13. Potential Settlement of VAT Reclaim

As announced on 10 August 2022 on the Company's website, the first of the Praesepe VAT reclaims in which the Master Fund has an interest, has now been agreed by HMRC. For this agreed claim, a gross value attributable to the Master Fund of £1.350 million was claimed from HMRC. Including interest due and after deducting all applicable fees, taxes and other expenses, the total cash amount received by the Master Fund in relation to this reclaim was £1.061 million.

Of the Praesepe VAT reclaims in which the Master Fund has an interest, the agreed claim represents approximately 10% of the estimated gross value attributable to the Master Fund. There remains significant uncertainty over both the amount of these remaining VAT reclaims that may be repaid by HMRC and the timing of receipt of any cash, net of fees, taxes and other expenses by the Master Fund. Accordingly, no amount relating to the remaining claims has been recognised by the Master Fund.

## 14. Subsequent events

Under the Company's Ordinary Share Distribution Policy, an interim dividend was paid to ordinary shareholders on 26 August 2022 of 2.265p per ordinary share.

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

**Auditor**

Baker Tilly Channel Islands Limited  
1st Floor Kensington Chambers  
46/50 Kensington Place  
St Helier  
Jersey, JE4 0ZE  
Channel Islands, British Isles

**Registrar**

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

**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**

Aztec Financial Services (Jersey) Limited  
Aztec Group House  
11-15 Seaton Place  
St Helier  
Jersey  
JE4 0QH  
Channel Islands, British Isles

**Corporate Broker**

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





# Defined Terms

The following terms have the following meanings in this annual report and financial statements.

Administrator	the administrator of the Company from time to time, being Aztec Financial Services (Jersey) Limited from 22 January 2021 and Axio Capital Solutions Limited prior to this
AdvancedAdvT	AdvancedAdvT Limited (formerly Marwyn Acquisition Company I Limited)
Articles	the articles of association of the Company
Aztec	Aztec Financial Services (Jersey) Limited
Bradshaw Taylor	Bradshaw Taylor Limited
Buyback Programme	the Company's buyback programme, used to satisfy the Company's Ordinary Share Distribution Policy, which operated between October 2018 and December 2020
CEO	Chief Executive Officer
Company	Marwyn Value Investors Limited
COO	Chief Operating Officer
Directors or Board	Board of Directors of the Company
Exchange Procedure	has the meaning given to it in the prospectus published by the Company on 19 October 2016
IAS	International Accounting Standards
IFRS	International Financial Reporting Standards as adopted by the European Union
Investment	securities in any of the Marwyn Funds
IPO	Initial Public Offering
Le Chameau	The Le Chameau operating group, the Master Fund's investment in which is held through Silvercloud Holdings Limited
LSE	London Stock Exchange plc
MAC II	Marwyn Acquisition Company II Limited
MAC III	Marwyn Acquisition Company III Limited
MAC plc	Marwyn Acquisition Company plc (formerly Wilmcote Holdings plc)
Management Partner	has the meaning given to it in the Report of the Manager
Manager	Marwyn Investment Management LLP or, prior to 1 April 2021, Marwyn Asset Management Limited
Manager's Report	Report of the Manager
Market Abuse Regulation/MAR	The UK version of EU Regulation 596/2014 which forms part of UK law by virtue of the European Union (Withdrawal) Act 2018, as amended
Marwyn	The Manager and any other Marwyn entities with the same ultimate beneficial owners
Marwyn Funds	The Company, the Master Fund, MVI II LP and any other funds managed by the Manager
Master Fund	Marwyn Value Investors LP
MIM LLP	Marwyn Investment Management LLP
Minimum Annual Distribution	has the meaning given to it in the Ordinary Share Distribution Policy
MVI II LP	Marwyn Value Investors II LP
NAV	Net Asset Value
Ordinary Share Distribution Policy	The Company's policy on distributions to ordinary shareholders as described in the Company's circular published on 14 August 2018 circular, included in the 'Documents' section of the Company's website, <a href="http://www.marwynvalue.com">www.marwynvalue.com</a>
Portfolio Companies	the entities into which the Company indirectly invests through the Master Fund and/or MVI II LP as relevant
Realisation Class	Ordinary shares that are redesignated as realisation shares following receipt of valid elections to redesignate such ordinary shares as realisation shares, in accordance with the Articles
Realisation Pool	Assets attributable to the realisation shareholders
Relevant Entities	the Manager or any member of the Marwyn group or any of their respective advisers or affiliates or the Marwyn Funds
RNS	Regulated News Service
SPAC	special purpose acquisition vehicle
Specialist Fund Segment	the specialist fund segment of the main market of London Stock Exchange plc
Zegona	Zegona Communications plc

# Disclaimer

---

The report of the Manager ("Manager's Report") is issued by Marwyn Investment Management LLP, a Firm authorised and regulated by the Financial Conduct Authority, in connection with the Company, the Master Fund, MVI II LP and any other funds managed by the Manager (collectively, the Marwyn Funds).

The 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 the 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 the Manager's Report. No reliance may be placed, for any purposes whatsoever, on the information contained in the Manager's Report or on its completeness and the Manager's Report should not be considered a recommendation by 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 the Manager's Report and none of the information contained in the 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.

The 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 the 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 2021.





MARWYN VALUE INVESTORS LIMITED

