Marwyn Value Investors Limited

Report and Audited financial statements
for the year ended 31 December 2014

Contents

Investment objective

The investment objective of Marwyn Value Investors Limited (LSE: MVI) (the "Company") is to maximise total returns on its capital primarily through the capital appreciation of its investments.

The Company is traded on the Specialist Fund Market of the London Stock Exchange.

Investment policy

The Company seeks to achieve its investment objective by investing up to 100% of its available capital into Marwyn Value Investors LP (the "Master Fund" or the "Fund") through the acquisition of limited partnership interests in the Master Fund. The capital of the Company's Ordinary share class is invested in Class F partnership interests of the Master Fund and up to its redemption on 21 November 2014 the capital of the Company's B Ordinary share class was invested in Class B1 partnership interests of the Master Fund.

The Master Fund's investment strategy is to identify, support, invest in and work alongside experienced operational managers with strong and demonstrable track records for building and managing small and mid-cap UK, European and North American businesses.

The Master Fund focuses on private equity style investment in listed and unlisted companies where it acquires equity stakes typically as a cornerstone investor, with a "Buy-and-Build" strategy executed primarily via publicly-listed, sector-specific acquisition vehicles focused on industries or sectors where there is significant opportunity for growth, created by structural change and/or dislocation.

Co-investor capital is strategically important and historically the investments have attracted a high calibre universe of co-investors which enhances the Master Fund's influence on portfolio companies, augments purchasing power when pursuing new deals and is a validation of the investment thesis.

In so far as it relates to the Ordinary shares, the Master Fund is permitted to make investments in new portfolio companies. The Class B1 Interests were issued in 2009 with a fixed investment period and a mandatory liquidation period, the latter of which expired on 30 November 2014; accordingly, the Class B1 interests and corresponding B Ordinary shares in the Company were redeemed in full on 21 November 2014.

The Manager

Marwyn Asset Management Limited (the "Manager"), the manager of the Master Fund, also acts as manager to the Company. The Manager is advised by Marwyn Investment Management LLP (the "Investment Adviser") in respect of both the Company and the Master Fund.

The Management Agreement between the Manager and the Master Fund allows for the investment strategies that the Manager may employ on behalf of the Master Fund to be in any securities, instruments, obligations, guarantees, derivative instruments or property of whatsoever nature including follow on investment in existing portfolio companies and new portfolio companies in which the Master Fund is empowered to invest and as contemplated by the investment policy.

The Company does not pay a management fee or performance fee 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 and performance fee payable by the Master Fund that is applicable to the class of partnership interests in which the Company invests.

Performance summary

Key performance features for the 12 months ended 31 December 2014 are as follows:

Ordinary shares

The Net Asset Value ("NAV") of the Ordinary shares increased by 14.51% during the year. The NAV has increased by 282.02% since inception in March 2006, compared with an increase in value of the FTSE All-Share Index (ex Investment Trusts) of 18.96% over the same period.

B Ordinary shares

The NAV of the B Ordinary shares decreased by 14.06% during the year up until the point the shares were redeemed in full. The NAV had decreased by 56.89% since inception in November 2009.

I am pleased to present to the shareholders the audited Annual Report and Financial Statements of the Company for the year ended 31 December 2014.

Ordinary shares

The operations of the Master Fund's underlying portfolio companies continued to perform well during 2014 and this has been reflected in the overall performance of the NAV, as detailed later in my report.

In 2013, the Company adopted a distribution policy for holders of Ordinary shares where a minimum return of capital is made in January of each year. The first return of capital completed in January 2014 was equal to 8 pence per Ordinary share, effected by way of a partial cash redemption of the Ordinary shares. Further information regarding the annual return of capital is contained in Notes 11 and 18 to these Financial Statements.

A detailed review of the performance of the portfolio companies is set out in the Report of the Manager.

B Ordinary shares

The assets attributable to the B Ordinary shares were Class B1 interests ("Class B1 Interests") in Marwyn Value Investors L.P. (the "Master Fund"). The Class B1 Interests were issued in 2009 with a fixed investment period and a mandatory liquidation period, the latter of which expired on 30 November 2014. Accordingly the Class B1 Interests and corresponding B Ordinary shares in the Company were redeemed on 21 November 2014.

A detailed review of the performance of the portfolio companies is set out in the Report of the Manager.

Discount

The Manager, together with the Board and the Investment Adviser, continues to monitor the discount of the share price to the Company's NAV on a regular basis as we are committed to exploring, and where appropriate pursuing, every avenue in order to reduce the discount.

As at 31 December 2014, the discount to NAV of the Ordinary shares was 28.29%.

Applicable legislation

Certain disclosures are required to be made to investors on an annual basis pursuant to the Codes of Practice for Alternative Investment Funds and AIF Services Business (the "Codes") as required under the licence held by the Manager. The Company's audited Financial Statements for the twelve months ended 31 December 2014 include all relevant disclosures that would constitute an annual report in accordance with the Codes.

The Board has considered the requirements of the Foreign Account Tax Compliance Act ("FATCA") and associated jurisdictional requirements and has appointed the Manager as its Sponsor in this regard. The Manager will be responsible for ensuring ongoing compliance.

Master Fund facility

As previously announced in June 2014, the Master Fund has entered into a £45 million secured revolving credit facility with Credit Suisse (the "Facility") to refinance its previous facility which was due to expire on 16 February 2015. The Facility is not allocated to any particular class of interests in the Master Fund and may be used to make investments for any class open for investment and for general corporate purposes. It has a three year term and is repayable in full at final maturity. Drawdown under the Facility is subject to certain covenants and other conditions precedent. Pursuant to the Facility, a commitment fee of 0.5 per cent. is payable on all undrawn amounts and interest at a rate of 3 month LIBOR plus 2 per cent. is payable on all drawn amounts.

Outlook

The Board believes that there is potential for further growth in the NAV of the Ordinary shares. The Board also believes that the Company offers a unique and attractive proposition for investing in actively managed investment opportunities and acquisition-led growth strategies in selected industries as has recently been demonstrated through the Master Fund's investments in BCA Marketplace Plc (formerly Haversham Holdings plc) in November 2014 and April 2015 and more recently in Zegona Communications Plc in March 2015. Accordingly, the Board further believes that the Company is well placed to continue to deliver significant investment returns to shareholders.

Performance of Ordinary shares

The NAV per Ordinary share of the Company increased during the year by 37.6p to £2.9669, an increase of 14.5%. As at 31 December 2014, the discount of the share price to NAV per share was 28.29%, a decrease over the year from 29.56% as at 31 December 2013.

	NAV	FTSE All-Share (ex -IT)	FTSE Small Cap	MSCI Europe Net (€)
Year (to 31/12/2014)	+14.51%	-2.37%	-1.47%	+4.10%
Since inception [1] (1/3/2006 to 31/12/2014)	+282.03%	+18.96%	+22.27%	-12.61%

Performance of B Ordinary shares

The NAV per B Ordinary share of the Company decreased during the period to 7 November 2014 (being the last published NAV) by 10.2p to £0.3589, a decrease of 22.1%. As at 7 November 2014, the discount of the share price to the NAV was 22.69%, a decrease from the discount of 33.85% as at 31 December 2013.

	NAV	FTSE All-Share (ex -IT)	FTSE Small Cap	MSCI Europe Net (€)
Period (to 31/10/2014)	-14.06%	-2.26%	-1.20%	+4.53%
Since inception[2] (30/11/2009 to 31/10/2014)	-56.89%	+32.99%	+61.09%	+7.93%

Robert Ware
Chairman
28 April 2015

[1] Illustrative performance excludes issue costs and takes into account the performance of the respective share classes of Marwyn Value Investors I, II and B shares prior to their amalgamation to form the Ordinary share class of the Company and the impact of the amalgamation. If issue costs are taken into consideration the equivalent performance would be 212.7%.

[2] The calculation is based on capital raised before issue costs. If issue costs are taken into consideration the equivalent performance would be -58.8%.

DISCLAIMER

The report of the Manager ("Manager's Report") is issued by Marwyn Asset Management Limited (the "Manager") 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 Marwyn Value Investors L.P. (the "Master Fund"), a limited partnership with one or more feeder vehicles at any time, including the listed feeder Marwyn Value Investors Limited (the "Company") whose shares are traded on the Specialist Fund Market of the London Stock Exchange. 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 Master Fund or the Company, 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 Master Fund or the Company (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, the Master Fund or the Company (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 Master Fund's and the Company's control that could cause the actual results, performance or achievements of the Master Fund or the Company 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 Master Fund's and the Company's present and future business strategies and the environment in which the Master Fund or the Company 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 admission document published by the Company at the time of admission of its shares to trading on the Specialist Fund Market of the London Stock Exchange.

The Manager is pleased to present its 2014 annual report to the shareholders of the Company.

We manage both the Company and the Master Fund into which the Company invests all of its available capital. The review that follows refers to the portfolio companies of the Master Fund, in which the Company is invested, except where noted.

We have engaged Marwyn Investment Management LLP as the Investor Adviser to the Manager in relation to the Master Fund and the Company. We work very closely with the Investment Adviser in executing the investment strategy of the Fund.

What the Master Fund invests in

One of the founding principles of the Master Fund's investment strategy is to identify, support, invest in and work alongside experienced operational management teams to manage, build and grow small and mid cap UK, European and North American businesses with a target enterprise value of £150 million to £1.5 billion. The Investment Adviser actively engages with the portfolio companies and has day-to-day collaborative involvement with management which significantly enhances strategic alignment.

The Master Fund is permitted to make both follow-on investments in existing portfolio companies and investments in new portfolio companies.

The investment strategy

The investment philosophy of the Master Fund involves private equity style investment in listed and unlisted companies where equity stakes are acquired typically as a cornerstone investor. Following a "Buy-and-Build" strategy executed primarily via publicly-listed sector specific acquisition vehicles the investment philosophy focuses on industries or sectors where there is significant opportunity for growth, created by structural and/or regulatory change.

Co-investor capital is strategically important and historically investments have attracted a high caliber universe of co-investors which enhances the influence of the Investment Adviser on portfolio companies, augments purchasing power when pursuing new deals and is a validation of the investment thesis.

The Manager believes this provides significant benefits to the portfolio companies and forms an integral part of the Manager's risk management process.

Summary of the year

The Manager remains committed to identifying new investment opportunities in-line with the Fund's investment strategy. As detailed further below, to provide the funds for new investments, during 2014 the Master Fund entered into a new £45 million revolving credit facility and exited its position in Breedon Aggregates Limited, generating £51.3 million in cash proceeds (of which £43.5 million was attributable to the Company). During the period to date, the Master Fund has invested into Haversham Holdings plc on its IPO and subsequently as part of its acquisition of the BCA group of companies (on 30 March 2015 Haversham was renamed as BCA Marketplace plc) and has invested into Zegona Communications plc as part of its IPO placing in March 2015. The Manager and Investment Adviser continue to investigate and consider further investment opportunities.

Information on each of the Master Fund's investments can be found on pages 7 to 10.

Developments during the year

On 12 June 2014, the £10 million loan facility with Royal Bank of Scotland was repaid and replaced with a £45m revolving credit facility with Credit Suisse. As of 31 December 2014, £28 million of the loan facility has been drawn down. The loan facility is secured against the Master Fund's holdings in specific portfolio companies.

Also in June 2014, the Master Fund agreed with the Board of Marwyn Management Partners plc ("MMP") to swap the total outstanding debt provided by the Master Fund, amounting to approximately £12.0 million, for Ordinary shares in MMP, at a price of 4.25 pence per Ordinary share, following which MMP moved its trading of its Ordinary shares from the London Stock Exchange's main market to AIM. The Master Fund agreed to participate in MMP's simultaneous placing of Ordinary shares of £5 million which completed on 11 July 2014.

On 10 November 2014, BCA Marketplace plc (launched as Haversham Holdings plc) ("BCAM plc") was admitted to trading on AIM with the ticker code HAV-LON. The intention was to acquire controlling stakes in one or more quoted or unquoted businesses or companies in the UK and European automotive, support services, leasing, engineering or manufacturing sectors, creating a platform for further acquisitions in sectors where the opportunity exists to create significant shareholder value through a well-executed consolidation strategy. As detailed below, in March 2015 Haversham completed its platform acquisition.

On 1 December 2014, the Company announced the disposal of the Master Fund's final interest in Breedon Aggregates Limited. Following a partial disposal in July 2014, this final disposal generated net aggregate proceeds of £51.3 million (of which £43.5 million was attributable to the Company), delivering 3.7x cash return in aggregate for the Company over the life of the investment. This results in an IRR of 29.73% in respect of the Company's indirect investment in Breedon.

Post year end activity

Since 31 December 2014 the Company has made a partial cash redemption of 1,782,526 ordinary shares (on 19 January 2015), equal to a distribution of 8.255 pence per Ordinary share in accordance with its distribution policy. Further detail of this redemption is provided in Note 18 of these Financial Statements.

On 3 March 2015 the Master Fund subscribed for £11 million of new Ordinary shares in MMP in order to finance the management business plan of Le Chameau (further detail of this is provided on page 11 of this report).

On 19 March 2015 the Master Fund subscribed for £12 million of new Ordinary shares in Zegona Communications plc ("Zegona"). Zegona is a company formed by Eamonn O'Hare (Chairman and

CEO) and Robert Samuelson (COO) with the support of the Master Fund and other leading investors to acquire businesses with an enterprise value of between £1 billion and £3 billion in the European TMT sector.

On 26 March 2015, the Master Fund committed to subscribe for a further £10 million of new Ordinary shares in Haversham as part of the placing to fund the £1.3 billion acquisition of the BCA Group of companies. Haversham moved its listing to the standard listing segment of the Official List and was renamed BCA Marketplace plc, noting its intention to move to a premium listing as soon as possible.

Investment performance

To 31 December 2014, the Master Fund's current investee companies have together delivered an aggregate cash multiple on the Master Fund's equity of 2.3x and IRR of 19.6%.

Ordinary shares

We are pleased with the performance of the Master Fund during the period. The performance has again demonstrated the resilience of an investment model that concentrates on working closely with management and adding operational value to our investee companies.

B Ordinary shares

The assets that were attributable to the B Ordinary shares were Class B1 interests in the Master Fund. The Class B1 Interests were issued in 2009 with a fixed investment period and a mandatory liquidation period, the latter of which expired on 30 November 2014. Accordingly the Class B1 interests and corresponding B Ordinary shares in the Company were redeemed in full on 21 November 2014 by way of an in specie distribution of the Class B1 interests in Fulcrum Utility Services Limited and Paragon Entertainment Limited, plus a small amount of cash.

Outlook

We very much look forward to continuing to support the management teams of the Master Fund's portfolio companies as they execute their strategy in sectors with the potential to deliver significant shareholder value. We believe it is an exciting time for the portfolio companies and we will to continue the Master Fund's strategy to diversify the portfolio through supporting high quality management teams in sectors we believe have the potential to deliver significant shareholder value.

Allocation of Marwyn Value Investors Limited NAV by company

Based upon the Company's investments in the Master Fund, the Company's total NAV is broken down across the following companies in the following percentages as at 31 December 2014:

Ordinary Shares

Company	**Ticker**	**Sector**	**% of NAV**
Entertainment One Limited	ETO LN	Entertainment Rights	97.84%
Marwyn Management Partners plc	MMP LN	Financial Services	8.06%
Haversham Holdings plc	HAV LN	Financial Services	4.34%
Other assets of the Master Fund			24.05%
Liabilities of the Master Fund			-34.29%
Net assets			**100.00%**

INVESTMENTS – ORDINARY SHARES

Company: **Entertainment One Limited ("ETO")**
Sector: **Entertainment Rights**
Ticker: **ETO LN**
% ownership: **31 December 2014: 26.99%**

ETO is a leading international entertainment group incorporating international film distribution and independent television content production. ETO's international footprint covers Canada, the US, the UK, Australia, Benelux and Spain. Its global network is further extended with partnerships in France, Germany, Scandinavia, South Africa and South Korea.

Today, ETO has a market capitalisation close to £1.0 billion and is a member of the FTSE 250. The business is still run by the same executive management team who led the business following the Master Fund's original investment in 2007 and the Master Fund remains the company's largest shareholder.

Allan Leighton was appointed a non-executive director and Chairman of ETO on 31 March 2014 with James Corsellis, a director of the Manager and a managing partner of the Investment Adviser, standing down as Chairman but remaining as a non-executive director of ETO.

Management biographies:

Darren Throop (CEO) has over 20 years of executive management experience in the entertainment industry. Darren has been CEO of ETO since July 2003 and has been in the Group since 1999.

Giles Willits (CFO) joined the board of ETO in May 2007. He was formerly director of Group Finance at J Sainsbury plc from 2005 to 2007 and group corporate development director and interim group finance director at Woolworths Group plc.

Progress over the period:

On 20 May 2014 ETO announced its results for the financial year ended 31 March 2014. Revenue growth of 30% to £819.6 million and underlying EBITDA growth of 48% to £92.3 million reflected a strong overall performance of the Group including the impact of the first full year of the Alliance acquisition. The directors of ETO announced an inaugural dividend of 1p per share.

In June 2014 ETO acquired Phase 4 Films, a leading independent film and TV distributor based across Canada and the United States for C$27 million (71% cash, 29% shares). Phase 4 generated unaudited revenues of C$51.7 million (c.£28m) and profit before tax of C$4.1 million (£2.3m) in the year to March 2014.

On 1 August 2014 ETO announced its acquisition of Paperny Entertainment, a leading independent television producer operating across Canada and the US. Paperny generated C$17.6 million (c.£9.5m) of revenue and C$5.1 million (c.£2.8m) of profit before tax in the year to December 13. The consideration for the acquisition was C$29.2 million (c.£15.8m), comprising of C$14.5 million (c.£7.9m) of cash, with the remainder satisfied through the issue of ETO common stock to the vendors.

On 29 August 2014 ETO also announced the acquisition of Force Four Productions, a Canadian television producer based in Vancouver. Details of the total consideration were not disclosed although it was noted that the deal was funded through a combination of cash and stock, with the stock element being worth c. £3 million. The deal is expected to drive Force Four's international sales, with Force Four leveraging ETO's international distribution network to sell its content.

In ETO's announcement of its interim results for the six months ended 30 September 2014, Darren Throop, CEO, commented on the launch of new strategic initiatives with the aim to double the size of the Group in the next 5 years. ETO aims to attract content partners to create leading TV content, drive unrivalled scale in independent film distribution and nurture the Peppa Pig brand into the leading pre-school property while also developing a balanced family portfolio. ETO reported that JP Morgan and Goldman Sachs had been appointed to assist them in exploring debt financing options to support the execution of this strategy.

On 27 January 2015 ETO released its interim trading statement for the nine months to 31 December 2014. Full year earnings were reported as expected to be ahead of ETO's management expectations with improved EBITDA margin across both film and television in the period and a strong Christmas performance ahead of expectations, while lower film revenues were driven by fewer ETO releases and a weaker theatrical market in comparison to the prior period. The acquisition of a 51% stake in the Mark Gordon Company gives ETO access to US television and film content with new projects exclusively distributed by ETO globally.

Investment performance:

During the twelve month period to 31 December 2014, ETO's share price increased from 259.2p to 322.4p, an increase of 24.38%.

Company: **Marwyn Management Partners plc ("MMP")**
Sector: **Financial Services**
Ticker: **MMP LN**
% ownership: **31 December 2014: 87.70%**

MMP is a holding company traded on AIM, a market of the London Stock Exchange, established to acquire interests in one or more operating companies or businesses. The Master Fund is MMP's largest shareholder with an 87.7% stake as at the year end (currently 89.9%) following the debt for equity swap and placing in July, as detailed below.

MMP is the majority shareholder in Le Chameau, the French premium rubber boot company. Le Chameau represents an opportunity to develop a global footwear brand, built upon its unique 85 year heritage and handmade products. The business continues to make considerable progress across key components in line with its strategy with respect to product development, distribution, marketing and also the UK market which is a key immediate priority for the business.

During 2014 MMP restructured its operations following the evaluation of strategic and financing options for the group. The aim of this restructuring was to recapitalise the group and enable MMP to focus on the development opportunities for its Le Chameau business which the board of MMP believes can generate long-term value for all of its shareholders. As part of the restructuring, MMP sold its investment in Metropolitan European Transport ("MET"), cancelled the listing of MMP's Ordinary shares on the standard segment of the Official List and has had its Ordinary shares admitted to trading on AIM on 14 July 2014. Further information regarding these transactions are contained below.

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

Debt for equity swap and placing:
During the period MMP reached an agreement with the Master Fund to swap the total outstanding debt provided by the Master Fund, amounting to approximately £12.0 million, for Ordinary shares in MMP, at a price of 4.25 pence per Ordinary share (the ''Debt for Equity Swap''). The MMP board proposed a placing of at least £5 million of Ordinary shares also at 4.25 pence per Ordinary share to provide additional working capital to the group (the ''Placing'').

The Debt for Equity Swap, the Placing and the admission of MMP's Ordinary shares to trading on AIM completed on 12 July 2014.

MMP strategy:
While the current focus of the MMP group is on developing Le Chameau, MMP will continue to assess new acquisition opportunities where the MMP board believes that the opportunity exists to increase shareholder value and if it is able to identify experienced management teams with proven sector experience.

Sale of MET:
In June 2014 MMP sold its stake in MET to a consortium led by the management team. The terms of the sale included nominal initial consideration followed by an earn-out of up to €3.25 million based on receipt of additional investment into the MET group or material disposals within 24 months from the date of the sale of MET by MMP. In addition, MMP agreed to provide a 24 month €0.4 million vendor loan note to finance short term working capital.

Le Chameau:
On 12 February 2015 MMP provided investors with a trading update in respect of Le Chameau and a proposal regarding an issue of equity.

Following the appointment of Beverley Williams as president/CEO, the team at Le Chameau was further enhanced by the appointment of Cecile Williot (CFO), and Stephane Ziegler (Operations Director), both of whom made an instant impact on the business. Both bring over 20 years' business experience in their respective fields, including international retail experience, which is expected to be a critical factor in the future growth of the business.

The Le Chameau management team have developed a cohesive five year plan for which MMP planned to raise additional funding. On 3 March 2015 the Master Fund subscribed for £11 million of new ordinary shares in MMP (of a total issue of £11.65 million) in order to provide MMP with capital to support the Le Chameau business plan.

Performance:
During the twelve month period to 31 December 2014, MMP's share price fell from 8.75p to 4.25p, a decrease of 51.43%.

NEW INVESTMENTS

Company: **BCA Marketplace plc ("BCAM plc")**
Sector: **Automotive**
Ticker: **BCA-LN**
% ownership: **31 December 2014: 30.00%**

BCAM plc (formerly Haversham Holdings plc) is a group formed by Avril Palmer–Baunack (Executive Chairman) and Marwyn to create value for its investors through the acquisition and subsequent development of target businesses. The intention is to acquire controlling stakes in one or more quoted or unquoted businesses or companies (in whole or in part), creating a platform for further acquisitions in sectors where the opportunity exists to create significant shareholder value through a well-executed consolidation strategy.

Mark Brangstrup Watts and James Corsellis are directors of BCAM plc as well as being non-executive directors of the Manager and partners in the Investment Adviser.

BCAM plc strategy:
BCAM plc was formed with the objective of creating significant value for Shareholders through a properly executed, acquisition-led growth strategy. At the time of BCAM plc's admission to trading on AIM the directors stated the company's intention to invest in businesses or companies conducting their activities wholly or mainly in the UK and Europe in the automotive, support services, leasing, engineering or manufacturing sectors. Following the completion of any acquisitions, the directors will work in conjunction with incumbent management teams to develop and deliver a strategy for performance improvement and/or acquisition-led strategic and operational enhancements.

Following the acquisition of the BCA Group, the enlarged Group will seek to maintain and strengthen its position as the operator of Europe's largest used vehicle marketplace. To achieve this goal, the enlarged Group will focus on achieving volume growth, increasing the range and penetration of its value-added services and improving efficiency.

Progress over the period:
Haversham Holdings plc's shares were admitted to trading on AIM on 10 November 2014 (ticker code HAV-LON) with the support of leading institutional investors.

In March 2015, the proposed acquisition of the BCA Group was announced and following the approval of the company's shareholders the company was renamed BCA Marketplace plc. On 2 April 2015 the acquisition was completed and trading of the company's shares moved from AIM to the standard listing segment of the Official List.

The BCA Group owns and operates Europe's largest used vehicle marketplace, providing vehicle remarketing and/or vehicle buying services across 12 countries in Europe. The BCAM plc directors consider that this provides the BCA Group with an extremely robust position in a market forecast to grow strongly in the coming few years, as recent growth in new car sales translates into increased volumes of used car transactions. Furthermore, the BCAM plc directors expect changes in the European automotive market, in particular trends towards consumers purchasing cars on personal contract purchases ("PCPs"), to drive greater volume through the auction channel, increasing demand for the BCA Group's services.

BCAM plc's management team has considerable experience and extensive relationships within the European automotive market and believes that it will complement the existing BCA management team, creating an enlarged team capable of taking full advantage of the opportunities that they expect will be created by the changes in the marketplace.

The BCAM plc directors consider the BCA Group to be a very well-managed, high quality business providing essential liquidity function to buyers and sellers of vehicles in its chosen markets. They believe that the strength of this position, coupled with its ability to capture a significant part of the growth that the directors expect the auction market in Europe to experience, made it a very attractive acquisition opportunity for the company.

Performance:
During the period to 31 December 2014, BCAM plc's share price increased from 120.0p at IPO to 126.5p, an increase of 5.4%.

Company: **Zegona Communications plc ("Zegona")**
Sector: **TMT**
Ticker: **ZEG LN**
% ownership: **2015: 40.00%**

Zegona is an acquisition vehicle formed by Eamonn O'Hare (Chairman and CEO) and Robert Samuelson (COO) with the support of the Master Fund and other leading investors to acquire businesses with an enterprise value of between £1 billion and £3 billion in the European TMT sector with an expected average investment cycle of three to five years.

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

ZEG strategy:
Zegona has been established to execute a 'Buy-Fix-Sell' strategy in the European TMT sector, focusing on network-based communications and entertainment opportunities. Investments will target strategically sound businesses that require active change to realise full value, creating significant long-term returns through fundamental business improvements. The objective is to create a concentrated portfolio of sizeable assets with enterprise values in the range of £1 billion to £3 billion. The Zegona directors believe the current dynamics of the European TMT sector, with the rapid growth of data consumption, convergence of services and consolidation of operators, create multiple investment opportunities and the potential to realise attractive returns with Zegona's 'Buy-Fix-Sell' strategy.

Progress over the period:
ZEG shares were admitted to trading on AIM on 19 March 2015 (ticker code ZEG-LON) with the support of leading institutional investors raising £30 million to provide due diligence and operating capital prior to a subsequent acquisition.

EXITED INVESTMENTS:

ORDINARY SHARES

Company: **Breedon Aggregates Limited ("BREE")**
Sector: **Building Materials**
Ticker: **BREE LN**

BREE is now the largest independent aggregates business in the UK. The business operates across Central England, East Anglia, Eastern England and Scotland, supplying a wide range of products and services to the construction sector.

BREE is still led by the same Chairman and CEO with whom the Investment Adviser launched the company in 2008.

On 1 December 2014 the Master Fund successfully sold its remaining holding in BREE following a partial disposal in July 2014. This final disposal generated net aggregate proceeds of £51.3 million (of which £43.5 million was attributable to the Company), delivering 3.7x cash return in aggregate for the Company over the life of the investment. This results in an IRR of 29.73% in respect of the Company's indirect investment in BREE.

B ORDINARY SHARES

The assets that were attributable to the B Ordinary shares were Class B1 interests in the Master Fund. The Class B1 interests were issued in 2009 with a fixed investment period and a mandatory liquidation period, the latter of which expired on 30 November 2014. Accordingly the Class B1 interests and corresponding B Ordinary shares in the Company were redeemed in full on 21 November 2014 by way of an in specie distribution of the Class B1 interests in Fulcrum Utility Services Limited and Paragon Entertainment Limited, plus a small amount of cash.

The Directors have pleasure in submitting their Annual Report and the audited Financial Statements for the year ended 31 December 2014.

Status and activities

Marwyn Value Investors Limited (the "Company") is a closed-ended investment company registered by way of continuation in the Cayman Islands (registered number MC-228005). The rights of shareholders are governed by Cayman Law and may differ from the rights and duties owed to shareholders in a UK incorporated company.

The Company was admitted to trading as a closed-ended investment company on the Specialist Fund Market of the London Stock Exchange on 8th December 2008, a fully regulated market servicing professional, institutional and sophisticated investors.

The investment objective is to maximise total returns, primarily through the capital appreciation of its investment in the Master Fund. The Master Fund was launched in March 2006. It is an open-ended fund domiciled in the Cayman Islands.

The Master Fund specialises in the acquisition and development of growth businesses, often taking a significant stake in its portfolio companies.

The investment policy of the Master Fund in so far as it relates to the Ordinary Shares, permits the Master Fund to make investments in new portfolio companies. As detailed in the Report of the Manager, during the year and after the year end the Master Fund has made investments and follow on investments in Haversham, Zegona and MMP.

The Class B1 Interests were issued in 2009 with a fixed investment period and a mandatory liquidation period, the latter of which expired on 30 November 2014, accordingly the Class B1 interests and corresponding B Ordinary shares in the Company were redeemed in full on 21 November 2014.

The Master Fund liquidated the Class B1 Interests by means of an in specie distribution of its investments and a small cash balance attributable to those interests to the Company, after retaining sufficient assets to settle the liabilities attributable to the Class B1 Interests. The B Ordinary shares in the Company were then also redeemed by way of an in specie distribution consisting of depository interests representing shares issued by Fulcrum Utility Services Limited and Paragon Entertainment Limited (together, the "Investments"), being all of the investments in the Master Fund attributable to the Class B1 Interests, and a small amount of cash attributable to the B Ordinary shares.

A review of the performance of, and the outlook for, the Master Fund is provided in the Report of the Manager.

An analysis of the Company's exposure to financial risk and the policies adopted in its efforts to mitigate such risks are disclosed in note 13 to the financial statements.

Results

The results attributable to the shareholders for the year are shown in the Statement of Comprehensive Income.

Share capital

As at 31 December 2014 the Company had 64,065,256 Ordinary shares in issue (31 December 2013: 66,106,473) and no B Ordinary shares in issue (31 December 2013: 5,008,870).

January return

As detailed in the Report of the Chairman, during December 2013 the Company announced its first return of capital pursuant to the progressive distribution policy for holders of Ordinary shares which, in January 2014 was equal to 8 pence per Ordinary share and was effected by way of a partial cash redemption of the Ordinary shares.

On 19 January 2015 the Company has made a partial cash redemption of 1,782,526 ordinary shares, equal to a distribution of 8.255 pence per Ordinary share. Further detail is provided in Note 18 of these financial statements.

Directors and their interests

The Directors of the Company who served during the year and subsequent to the date of this report, unless otherwise stated were:

Robert Ware
Paul Everitt
Paul Cookson (resigned 2 January 2014)
Ronald Hobbs (appointed 2 January 2014)
Louisa Bonney (appointed 2 January 2014)

Robert Ware (Non-Executive Chairman)

Committee membership: Nomination, Remuneration and Audit Committee.

Length of service: 9 years
Date of appointment: 2 October 2006
Last re-elected to the Board: 19 November 2013 at the Annual General Meeting

Robert served first as corporate development director and then as deputy chief executive of MEPC between June 1997 and June 2003. MEPC was the fourth largest property company quoted on the London Stock Exchange until September 2000, when Leconport Estates, a company jointly owned by clients of Hermes Pensions Management Limited and GE Real Estate, took the company private. During his tenure at MEPC, Robert and the team realised over £6 billion of international properties and invested over £2 billion, mainly in the UK. Prior to joining MEPC, Robert served as a director of Development Securities plc between 1988 and 1994.

Robert is currently chief executive officer of the Conygar Investment Company PLC, an AIM quoted property investment and development company formed in 2003 by Robert and members of the ex-MEPC team. Robert is also the Chairman of the Terra Catalyst Fund, Marwyn Management Partners plc and Chalkstream Investment Company plc and a non-executive director at Tarsus Group plc.

Paul Everitt (Non-Executive Director)

Committee membership: Chairman of the Audit Committee, Nomination Committee and Remuneration Committee.

Length of service: 6 years
Date of appointment: 3 April 2009
Last re-elected to the Board: 17 September 2014 at the Annual General Meeting

Paul Everitt is European CEO of the Providence Group, a multi-disciplinary financial services group headquartered in London and Guernsey. He is also Chairman of a Providence Group company, Lumiere Fund Services Limited, a Guernsey-based administration firm which specialises in providing outsourced investment administration services with a particular focus on the more alternative asset classes, such as private equity and property. Paul originally qualified as a chartered accountant with BDO in London, then spent two years in corporate finance for PricewaterhouseCoopers before moving to Guernsey in 1998, where he initially specialised in fund administration.

Paul has worked on a wide range of fund structures: private equity, property, debt, hedge, fund of funds, as well as direct equity, in both closed-ended and open-ended vehicles. He has acted on numerous fund boards, including for Permira, EQT and Rutley Capital Partners and Kingswalk Investments Limited. Paul is also a non-executive director of Marwyn Value Investors (Unlisted Feeder) Limited and Marwyn Value Investors (Pte) Limited.

Ronald Hobbs (Non-Executive Director)

Committee membership: Deputy Chairman of the Audit Committee, Nomination Committee and Remuneration Committee.
Length of service: 1 year
Date of appointment: 2 January 2014
Last re-elected to the Board: 17 September 2014 at the Annual General Meeting

Ronald Hobbs, a qualified accountant, is resident in South Africa and has over 25 years of private equity experience, having been managing director and senior partner with UBS AG, London and Paris in their Private Equity – Europe Division as well as Vice President at Citicorp Venture Capital, London. Since 2009, Ronald has been a partner in Monceau Capital, a privately owned turn-around fund focused on under-performing activities in France.

Louisa Bonney (Non-Executive Director)

Committee membership: Nomination, Remuneration and Audit Committee

Length of service: 1 year
Date of appointment: 2 January 2014
Last re-elected to the Board: 17 September 2014 at the Annual General Meeting

Louisa Bonney qualified as a chartered accountant with Ernst & Young and has worked in the finance industry in Jersey for over 16 years. Her experience includes working with large multi-jurisdictional structures with private equity, real estate and private wealth. Louisa is currently the managing director of Axio Capital Solutions Limited, a provider of fund and corporate administration services in Jersey, which is the Administrator of MVIL.

Louisa is also an executive director of the Company's manager, Marwyn Asset Management Limited, as well as a non-executive director of Marwyn Capital Limited, Marwyn Capital Management Limited (the previous manager), Marwyn General Partner Limited (the general partner of the Master Fund), Marwyn Investment Management Limited, Marwyn Value Investors (Unlisted Feeder) Limited, Marwyn Value Investors (pte) Limited and Marwyn Management General Partner Limited.

Directors' interests

The Directors' interests in the Ordinary shares of the Company were as follows as at 31 December 2014 and 31 December 2013 and to the date of approval of these financial statements.

	Ordinary shares
Robert Ware	432,180
Paul Everitt	Nil
Ronald Hobbs	Nil
Louisa Bonney	Nil

Directors’ remuneration

The emoluments of the individual Directors for the year were as follows:

	2014	2013
	£	£
Robert Ware	26,250	20,000
Paul Everitt	40,000	30,000
Ronald Hobbs	40,000	-
Louisa Bonney	40,000	-
	146,250	**50,000**

Directors’ fees are paid directly from the Master Fund. The above fees do not include reimbursed expenditure.

Fund Manager

Marwyn Asset Management Limited (the “Manager”) is entitled to a management fee, payable by the Company in arrears, equal to 1/12th of 2.0% per month of the NAV from the Company where such investment is not in the Master Fund. As the Company’s sole investment is in the Master Fund the Company does not pay a management fee to the Manager.

The Manager is also the manager of the Master Fund and is entitled to a management fee, payable by the Master Fund in arrears, equal to 1/12th of 2.0% per month of the NAV in respect of Class F of the Master Fund into which the Company invests.

The Manager may, at its discretion, pay from the management fee to any person to which it has delegated any of the functions it is permitted to delegate such as the Investment Adviser. UBS Fund Services (Ireland) Limited, the administrator to the Master Fund, calculates the management fee payable to the Manager by the Master Fund. The Manager is also entitled to reimbursement of certain expenses incurred by it in connection with its duties.

As detailed in Note 14 to the Financial Statements incentive fees are payable by the Master Fund in respect of Class F into which the Company invests.

As required by Article 16.3.5 of the Codes, the remuneration paid by the Manager ('MAML') to its staff during the year is set out below. The existing Manager was incorporated on 13 June 2013 and was appointed to the Company on 29 November 2013.

The Directors of the Manager perform their duties in respect of three Alternative Investment Funds ("AIF"), Marwyn Value Investors LP, Marwyn Value Investors (Unlisted Feeder) Limited and the Company.

Total remuneration paid to staff:	For the year ended 31 December 2014 £	From incorporation to 31 December 2013 £
Fixed remuneration of entire staff of MAML	157,500	37,889
Number of beneficiaries	6	6

Total remuneration of staff involved in activities of the Company:	For the year ended 31 December 2014 £	From inception to 31 December 2013 £
Fixed remuneration of staff involved in the activities of the Company	157,500	37,889
Number of beneficiaries	6	6

The amount paid in fixed remuneration relates to directors fees and the cost of time spent by staff on compliance, portfolio and risk management and marketing services. These are contractually agreed payments and are paid regardless of the Company's performance.

Proportion of time spent on the Company:	For the year ended 31 December 2014 %	From incorporation to 31 December 2013 %
Proportion of time spent by the Manager specifically relating to the Company	30	30
Number of beneficiaries	6	6

The estimated allocation of time has been derived by considering the total number of hours spent by all six directors of the Manager and estimating, by director, the number of hours spent specifically in relation to the Company of the total time spent across all 3 AIFs managed. An overall percentage has been calculated based on hours spent on the Company divided by total hours worked.

Incentive allocation

The incentive fee is payable on returns generated by the Master Fund and is deducted from the Gross Asset Value of the Master Fund in deriving the Net Asset Value. The Net Asset Value is used to calculate the value of the Company's holding in the Master Fund.

Any incentive allocation to be borne by the Class Interests will only be payable on "Returns" being made, however there are provisions allowing for the acceleration of Incentive fee payments due to retired partners (subject to performance criteria being met). For the purposes of Class F Interests, "Returns" shall mean any distribution, dividend or return of capital by the Master Fund to holders of the Class F Interests (either directly or indirectly through the Listed Fund) and purchases of Ordinary Shares by the Master Fund (which are subsequently cancelled through the Exchange Procedure or otherwise).

The incentive allocation attributable to the Ordinary shares during the year was £6,023,104 (2013: £12,738,894). The total incentive fee accrued as at 31 December 2014 amounted to £40,470,970 (2013: £34,447,866).

Two of the directors of the Manager are incentivised through the incentive fee and investment advisory fee payable by the Master Fund.

Investors can assess remuneration and incentives by reference to the disclosure of the basis of calculation of the incentive fee which was made in the circular to shareholders dated 1 November 2013 (the "Circular") in relation to the Company's investment in Class F, a summary is available on the Company's website. Disclosure of the amount of investment advisory fee is contained in note 14.

Substantial shareholdings

At 31 December 2014 the following interests in 3% or more of the issued Ordinary shares had been notified to the Company.

	Number of Ordinary shares	Percentage of share capital
Asset Value Investors Limited	12,198,987	19.04
Gramercy Funds Management LLC	9,043,087	14.12
Fidelity International Limited (FIL)	5,359,762	8.37
Tortin Limited	4,845,610	7.56
James Sharp & Co	2,967,788	4.63
Hargreave Hale & Co	2,875,405	4.49
Wells Capital Management Inc	2,360,069	3.68

Future prospects

The Board continues to believe that there is long-term value in the Master Fund and that the majority of underlying investments will continue to see increases in their market value. Additional details regarding the investments of the Master Fund are contained in the Report of the Manager.

Auditors

The Audit Committee does not have any reason to believe that PricewaterhouseCoopers did not conduct an effective audit. PricewaterhouseCoopers has expressed its willingness to continue to act as auditor to the Company and a resolution for its re-appointment will be proposed at the forthcoming Annual General Meeting.

Annual General Meeting

The notice of the Annual General Meeting will be forwarded to shareholders under separate cover.

Corporate governance

As a Cayman company and under the Specialist Fund Market (SFM) rules for companies, the Company is not required to comply with the UK Corporate Governance Code published by the Financial Reporting Council. The Directors however recognise the importance of maintaining sound corporate governance and so seek to ensure that the Company adopts policies and procedures which reflect those principles of good corporate governance as are appropriate to the Company's size.

The Board has considered the principles and recommendations of the AIC Code of Corporate Governance ("AIC Code") by reference to the AIC Corporate Governance Guide for Investment Companies ("AIC Guide"). The AIC Code, as explained by the AIC Guide, addresses all the principles set out in the UK Corporate Governance Code, as well as setting out additional principles and recommendations that are of specific relevance to the Company. The AIC Code together with the AIC Guide are available on the AIC's website (**http://www.theaic.co.uk/**).

The Board considers that reporting against the principles and recommendations of the AIC Code, and by reference to the AIC Guide (which incorporates the UK Corporate Governance Code), will provide better information to shareholders.

The Company has complied with the recommendations of the AIC Code and the relevant provisions of the UK Corporate Governance Code, except as set out below in this report.

The UK Corporate Governance Code includes provisions relating to:

- the role of the chief executive
- executive directors' remuneration
- the need for an internal audit function

For the reasons set out in the AIC Guide, and as explained in the UK Corporate Governance Code, the Board considers these provisions are not relevant to the position of the Company being an externally managed investment company. In particular, all of the Company's day-to-day management and administrative functions are outsourced to third parties. As a result, the Company has no executive directors, employees or internal operations. The Company has therefore not reported further in respect of these provisions.

The Board

The Chairman, Robert Ware, is not considered to be independent due to his having interests in, and having other directorships within, the Marwyn Group. The Board does not consider it necessary to have an independent Chairman as it believes that Robert's high level and range of business knowledge, financial experience and integrity enables him to provide clear and effective leadership and, in conjunction with his fellow directors, proper stewardship of the Company.

Louisa Bonney is not considered to be independent as detailed earlier in the Directors' Report. Notwithstanding such interests, the Board believes Louisa's skills and her position within Marwyn are of benefit to the Board, and as such do not consider that it is necessary for her to be independent.

Paul Everitt and Ronald Hobbs are both considered to be independent as detailed earlier in the Directors' Report.

Given the size and composition of the Board it is not currently felt necessary to appoint a Senior

Independent Director however this position will be reviewed on an annual basis by the nomination committee.

The Board has adopted a policy on tenure which requires the Nomination Committee to annually consider the appropriateness of the tenure of the Chairman and each director. One-third, or the nearest number to one-third, of the Directors shall retire and offer themselves for re-appointment at each annual general meeting in accordance with the Company's Articles of Association. Each Director is required to offer themselves for re-election at least every three years.

The Chairman regularly meets with representatives of the Manager and is in regular communication with his fellow Directors. In addition, the Board maintains open and frequent communication with the Manager and the administrator throughout the year so that any ad hoc items for the Board's consideration are able to be considered in a timely manner by all members of the Board.

The Chairman does not regularly review and agree with each Director their training and development needs as all of the Directors are professionally qualified or regulated and are required by their relevant governing professional bodies or regulators to undertake continuing professional development.

The Board has engaged external companies to undertake the investment management and administrative activities of the Company. These services are undertaken in accordance with clear documented contractual arrangements between the Company and the relevant firm, and also define the areas where the Board has delegated responsibility to them. These relationships are reviewed on a regular basis to ensure their continued competitiveness and effectiveness.

The Board will normally meet on a quarterly basis to consider amongst other things, the investment performance and associated matters such as marketing and investor relations, risk and portfolio management, the suitability of the investment policy, performance of the share price as well as NAV performance and any discount between the share price and the NAV, the shareholder profile of the Company and the performance and cost of service providers, to ensure control is maintained over the Company's affairs.

During the financial year ended 31 December 2014, the Board met a total of six times during the year, of which two meetings were ad hoc with four formal quarterly meetings held. In addition, the Audit Committee met twice, the Nomination Committee met twice and the Remuneration Committee met twice.

Attendance record:

	Formal Board Meetings	Audit Committee	Nomination Committee	Remuneration Committee
Director:				
Robert Ware	4(4)	1(2)	1(2)	2(2)
Louisa Bonney	4(4)	2(2)	2(2)	2(2)
Paul Everitt	3(4)	1(2)	1(2)	1(2)
Ronald Hobbs	4(4)	2(2)	2(2)	2(2)

Board committees

The Company uses a number of committees to control its operations. Each committee has formal written terms of reference, which clearly define their responsibilities. The terms of reference are available to access on the Company's website www.marwynvalue.com.

Audit Committee

The Audit Committee comprises all the Directors of the Company and meets at least twice a year, Ronald Hobbs and Louisa Bonney were appointed members of the Audit Committee on 27 March 2014. Paul Everitt is Chairman of the Audit Committee and Ronald Hobbs is Deputy Chairman of the Audit Committee. The terms of reference of the Audit Committee are reviewed and reassessed for their adequacy on an annual basis. The Audit Committee provides a forum through which the Company's auditor has access to and can report to the Board.

The Company's auditors do provide certain tax services to the Company however audit independence regulations do not currently restrict the services which are provided under the terms of the separate engagement entered into.

Compliance with auditor independence is monitored on a regular basis and the Company's auditor is required to confirm their independence on an annual basis.

Following discussion with the auditors the Board have reviewed the accounting policy for recording the fair value of the investments which previously included an adjustment for a liquidity discount. The Board has made the decision to remove the liquidity discount adjustment from the fair value calculation, thereby presenting a valuation based on the fair value of the underlying attributable investments held by the Master Fund less attributable liabilities at fair value. This change also ensures that the fair value of investments is more relevant to investors, who can now more easily reconcile the fair value of investments reported in the financial statements to the published Net Asset Value of the Company.

The changes to the financial statements resulting from this change in policy are further detailed in Note 4 to these financial statements.

Nomination Committee
The Nomination Committee comprises all the Directors of the Company and meets at least twice a year. Ronald Hobbs and Louisa Bonney were appointed members of the Nomination Committee on 27 March 2014. Paul Everitt is Chairman of the Nomination Committee and Ronald Hobbs is Deputy Chairman of the Nomination Committee. The terms of reference of the Nomination Committee are reviewed and reassessed for their adequacy on an annual basis. Members of the Nomination Committee do not participate in the review of their own position.

The function of the Nomination Committee is to consider the appointment and re-appointment of Directors. When considering the appointment and re-appointment of Directors, the Nomination Committee and the Board consider whether the Board and its committees have a balance of skills, experience, length of service, knowledge of the Company, its diversity, how the Board works together and any other factors relevant to the effectiveness of the Board including if the Director or candidate being reviewed has sufficient time to devote to the Company to carry out their duties effectively. The Board and the Nomination Committee does not take into account the gender of a director or candidate as they do not believe it affects a Director's performance.

No external search consultancy nor open advertising was used in the appointment of Ronald Hobbs and Louisa Bonney. Ronald Hobbs was not known to either the Chairman or Paul Everitt prior to his appointment to the Board. The Board also believes that due to the specialist nature of the Company it is not appropriate at this time to use an external search consultancy or open advertising. This position is reviewed by the Board prior to any new appointments.

Formal induction training is not given to new Directors however all new directors meet with the Chairman, and any members of the nomination committee as applicable, prior to appointment in order to discuss the Company, its manager, the responsibilities of a Director of the Company and investment company industry matters.

Any new Directors will meet with the full Board at the earliest opportunity following their appointment. In addition, all Directors have full access to the administrator and the Manager.

All Directors are re-elected at the next Annual General Meeting following their appointment and thereafter retire by rotation (with one third of the Directors being required to retire by rotation each year) subject also to the requirement that all Directors are required to offer themselves for re-election at least every three years.

Remuneration Committee
The Remuneration Committee comprises all the Directors of the Company and meets at least once a year, Ronald Hobbs and Louisa Bonney were appointed members of the Remuneration Committee on 27 March 2014. Paul Everitt is Chairman of the Remuneration Committee and Ronald Hobbs is Deputy Chairman of the Remuneration Committee. The terms of reference of the Remuneration Committee are reviewed and reassessed for their adequacy on an annual basis. Members of the Remuneration Committee do not participate in the review of their own remuneration.

The Company's remuneration policy is to set remuneration at a level to attract individuals of a calibre appropriate to the Company's future development.

Management Engagement Committee
The Board considers its size to be such that it would be unnecessarily burdensome to establish a separate management engagement committee. The review of the performance of, and contractual arrangements with, the Manager is undertaken by the Board however only directors independent of the Manager are involved with this review.

Relations with Shareholders
The Directors are always available for communication with Shareholders and all Shareholders have the opportunity, and are encouraged, to attend and vote at the Annual General Meetings of the Company during which the Board and the Manager will be available to discuss issues affecting the Company. The Board stays informed of Shareholders' views via regular updates from the Manager and Broker as to meetings and other communications they may have had with Shareholders.

Statement of going concern
Due to the Master Fund meeting the Company's expenses, the Directors consider that there is no mismatch between the Company's assets and liabilities. For this reason, they continue to adopt a going concern basis in preparing the financial statements.

Internal control
The Board is responsible for establishing and maintaining the Company's system of internal control and reviewing its effectiveness. Internal control systems are designed to meet the particular needs of the Company and the particular risks to which it is exposed.

The procedures are designed to manage rather than eliminate risk and by their nature can only provide reasonable but not absolute assurance against material misstatement or loss. The key procedures which have been established to provide effective internal controls are as follows:

- Fund Corporation of the Channel Islands Limited ("Fund Corporation") was responsible for administration and company secretarial duties and had previously delegated a significant volume of these duties to Axio Capital Solutions Limited ("Axio"). With effect from 30 September 2014 Fund Corporation resigned as administrator and Axio was appointed as administrator of the Company.
- The duties of managing the investments and accounting are segregated
- UBS Fund Services (Ireland) Limited, a company independent of the Manager and the Board, provide administrative and

accounting services to the Master Fund
- Custodian services for the Master Fund are provided by an independent party and are segregated from the administrative and accounting services provided to the Master Fund and the Company
- The Board reviews financial information produced by the Manager and Axio on a regular basis
- The Manager and Axio are regulated entities and are subject to an annual audit by an independent auditor. This is confirmed to the Board on an annual basis
- On an ongoing basis, compliance reports are provided at each quarterly board meeting by Axio

The Company does not have an internal audit function as all of the Company's management functions are delegated to third parties and it is therefore felt that there is no need for the Company to have an internal audit function.

The Audit Committee has reviewed the Company's risk management and control systems and believes that the controls are satisfactory given the nature and size of the Company.

Financial Risk Profile
The Company's financial instruments comprise investments, cash and various items such as payables and receivables that arise directly from the Company's operations. The main purpose of these instruments is the investment of Shareholders' funds. The main risks are detailed in note 13 to the financial statements and pages 40 to 42.

Directors' Responsibilities
The Directors are responsible for preparing the financial statements in accordance with applicable law and International Financial Reporting Standards as adopted by the European Union.

The Directors are required to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period and to confirm that the Reports contained in these Financial Statements includes a fair review of the performance of the business and the position of the Company.

In preparing these financial statements the Directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates which are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Law (2013 Revision) as applicable in the Cayman Islands. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

By order of the Board

Robert Ware	**Louisa Bonney**
Chairman	Director
28 April 2015	28 April 2015

To the Shareholders of Marwyn Value Investors Limited

Report on the Financial Statements

We have audited the accompanying financial statements of the Marwyn Value Investors Limited, which comprise the statement of financial position as at 31 December 2014 and the statement of comprehensive income, statement of changes in net assets attributable to equity holders and statement of cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards as adopted by European Union, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

This report, including the opinion, has been prepared for and only for the Marwyn Value Investors Limited's members as a body and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Marwyn Value Investors Limited as at 31 December 2014, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by European Union.

PricewaterhouseCoopers
Dublin
28 April 2015

1. The financial statements are published at www.marwynvalue.com. The Directors together with the Manager and Investment Advisor are responsible for the maintenance and integrity of the website as far as it relates to Marwyn Value Investors Limited. The work carried out by the auditors does not involve consideration of the maintenance and integrity of the website and accordingly, the auditors accept no responsibility for any changes that have occurred to the financial statements presented on the website. Legislation in the Republic of Ireland governing the presentation and dissemination of the financial statements may differ from legislation in other jurisdictions.

For the year ended 31 December 2014

	Notes	Year ended 31 December 2014 £	Restated Year ended 31 December 2013 £
INCOME			
Interest income		226	264
Net gain on financial assets at fair value through profit or loss	7	23,645,528	46,113,517
TOTAL NET INCOME		23,645,754	46,113,781
EXPENSES			
Loan interest & bank charges		226	264
TOTAL OPERATING EXPENSES		226	264
PROFIT FOR THE YEAR		23,645,528	46,113,517
TOTAL COMPREHENSIVE INCOME		23,645,528	46,113,517

RETURNS PER SHARE

	Notes	Year ended 31 December 2014 £	Restated Year ended 31 December 2013 £
Attributable to holders of Ordinary shares		24,092,038	47,571,456
Ordinary shares in issue at 31 December	11	64,065,256	66,106,473
Return per Ordinary share - Basic and diluted		37.61p	71.96p
Attributable to holders of B Ordinary shares		(446,510)	(1,457,939)
B Ordinary shares in issue at 31 December	11	-	5,008,870
Return per B Ordinary share - Basic and diluted		-	(29.11p)

The notes 1 to 18 form an integral part of these financial statements.

MARWYN

At 31 December 2014

	Notes	31 December 2014 £	Restated 31 December 2013 £	Restated 1 January 2013 £
NON CURRENT ASSETS				
Financial assets at fair value through profit or loss	7	190,075,247	173,581,001	127,467,484
CURRENT ASSETS				
Cash and cash equivalents	8	127,260	263,969	263,743
TOTAL ASSETS		190,202,507	173,844,970	127,731,227
CURRENT LIABILITIES				
Loan payable	9	(125,000)	(250,000)	(250,000)
Accruals		(2,260)	(13,969)	(13,743)
TOTAL LIABILITIES		(127,260)	(263,969)	(263,743)
NET ASSETS ATTRIBUTABLE TO EQUITY HOLDERS		190,075,247	173,581,001	127,467,484
CAPITAL AND RESERVES ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY				
Share capital	11	80	87	87
Share premium	11	42,428,639	48,384,287	48,384,287
Special distributable reserve	12	26,346,979	26,346,979	26,346,979
Exchange reserve	12	54,386	54,386	54,386
Capital reserve		125,452,704	103,064,424	56,950,907
Revenue reserve		(4,207,541)	(4,269,162)	(4,269,162)
TOTAL EQUITY		190,075,247	173,581,001	127,467,484
Net assets attributable to Ordinary shares	7	190,075,247	171,271,677	123,700,221
Ordinary shares in issue at 31 December	11	64,065,256	66,106,473	66,106,473
Net assets per Ordinary share		296.69p	259.08p	187.12p
Net assets attributable to B Ordinary shares	7	-	2,309,324	3,767,263
B Ordinary shares in issue at 31 December	11	-	5,008,870	5,008,870
Return per B Ordinary share - Basic and diluted		-	46.10p	75.21p

The financial statements on pages 20 to 33 were approved by the Board of Directors and authorised for issue on 28 April 2015. They were signed on its behalf by:

Robert Ware **Louisa Bonney**

The notes 1 to 18 form an integral part of these financial statements.

For the year ended 31 December 2014

	Notes	31 December 2014	31 December 2013
Cash flows from operating activities			
Interest received		226	264
Bank charges paid		(64)	(38)
Cash received on partial redemption of Class F interests in MVI LP	7	5,288,467	-
Cash received on redemption of Class B interests in MVI LP	10	9,547	-
Repayment of short term loan to the Master Fund		(136,871)	
Net cash inflow from operating activities	10	5,161,305	226
Cash flows from capital transactions			
Cash paid to Ordinary shareholders on partial redemption of Ordinary shares	11	(5,288,467)	-
Cash paid to B Ordinary shareholders on redemption of B Ordinary shares	10	(9,547)	-
Net cash (outflow) from financing activities		(5,298,014)	-
Net (decrease)/increase in cash and cash equivalents		(136,709)	226
Cash and cash equivalents at the beginning of the year		263,969	263,743
Cash and cash equivalents at the end of the year		127,260	263,969

The notes 1 to 18 form an integral part of these financial statements.

For the year ended 31 December 2014

	Notes	Share capital	Share premium	Special distributable reserve	Exchange reserve	Restated Capital reserve	Revenue reserve	Total
		£	£	£	£	£	£	£
Restated opening balance		87	48,384,287	26,346,979	54,386	103,064,423	(4,269,162)	173,581,000
Redemption Ord. shares (Class F)		(2)	(1,351,841)	-	-	(3,936,635)	-	(5,288,478)
Redemption B Ord. shares (Class B1)		(5)	(4,603,807)	-	-	2,741,009	-	(1,862,803)
Result for the year	7	-	-	-	-	23,583,907	61,621	23,645,528
Closing balance		80	42,428,639	26,346,979	54,386	125,452,704	(4,207,541)	190,075,247

For the year ended 31 December 2013

	Notes	Share capital	Share premium	Special distributable reserve	Exchange reserve	Restated Capital reserve	Revenue reserve	Restated Total
		£	£	£	£	£	£	£
Restated opening balance		87	48,384,287	26,346,979	54,386	56,950,906	(4,269,162)	127,467,483
Result for the year	7	-	-	-	-	46,113,517	-	46,113,517
Closing balance		87	48,384,287	26,346,979	54,386	103,064,423	(4,269,162)	173,581,000

The notes 1 to 18 form an integral part of these financial statements.

1. General information

Marwyn Value Investors Limited is a closed-ended investment fund registered by way of continuation in the Cayman Islands (registered number MC-228005). The rights of the shareholders are governed by Cayman 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.

2. New standards and amendments to International Financial Reporting Standards

The following are standards and amendments to existing standards, which are effective for annual periods beginning on or after 1 January 2014 have had no impact on the Company's financial position or results:

- Amendments to IFRS 7, 'Offsetting financial assets and financial liabilities';
- IFRS 10, 'Consolidated financial statements', IFRS 11, 'Joint arrangements', IAS 27 (revised 2011), 'Separate financial statements', IAS 28 (revised 2011), 'Associates and joint ventures' and the Transition Guidance Amendments to IFRS 10, IFRS 11 and IFRS 12;
- IFRS 12, 'Disclosure of interests in other entities';
- Amendments to IAS 32 'Financial instruments: Presentation', IAS 36 'Impairment of assets' and IAS 39 'Financial instruments: recognition and measurement'; and
- IFRIC 21 'Levies', an interpretation of IAS 37 'Provisions, contingent liabilities and contingent assets'.

2.1 New standards, amendments and interpretations not yet effective

A number of new standards, amendments and interpretations are effective for annual periods beginning after 1 January 2015, and have not been early adopted in preparing these financial statements. None of these are expected to have a significant effect of the financial position or results of the Company.

3. Summary of significant accounting policies

The principal accounting policies which have been consistently applied in the preparation of these financial statements are set out below.

3.1 Statement of compliance

The financial statements of the Company have been prepared in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union together with the applicable legal and regulatory requirements of the Companies Law (2013 Revision).

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires the Board of Directors to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 5.

The Statement of Recommended Practice ("SORP") issued in November 2014 (as a replacement to its SORP issued in January 2009) by the Association of Investment Companies ("AIC") seeks to best reflect the activities of an investment company. Where the SORP contains recommendations applicable to the company and involving material balances, its recommendations have been incorporated in these financial statements.

These financial statements also comply with Section 3, Article 16 disclosure requirements of the Codes of Practice for Alternative Investment Funds and AIF Service Business issued by the Jersey Financial Services Commission (the "Codes").

3.2 Basis of preparation

The financial statements have been prepared under the historical cost convention on a going concern basis, as modified by the revaluation of financial assets at fair value through profit or loss.

3.3 Foreign currency translation

(a) Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates (the functional currency). In arriving at the functional currency the Directors have considered the currency in which the original capital was raised, any distributions that may be made and ultimately the currency that the capital would be returned in on a break up basis. The Directors have also considered the currency to which the underlying investments are exposed. The Directors are of the opinion that Sterling best represents the functional currency and therefore the financial statements are presented in Sterling.

(b) Transactions and balances

Foreign currency transactions are translated into Sterling using the exchange rates prevailing at the dates of the transactions. Foreign currency assets and liabilities are translated using the exchange rate prevailing at the statement of financial position date. Foreign exchange gains and losses arising from translation are included in the Statement of comprehensive income.

Foreign exchange gains and losses relating to the financial assets and liabilities carried at fair value through profit or loss are presented in the statement of comprehensive income within 'net gain/(loss) on financial assets and financial liabilities at fair value through profit or loss'.

3.4 Financial assets at fair value through profit or loss

(a) Classification
The Company's investments in the Master Fund were designated by the Board of Directors at fair value through profit or loss at inception as they are not held for trading but are managed, and their performance evaluated, on a fair value basis, in accordance with the Company's documented investment strategy.

Changes in the fair value of investments held at fair value through profit or loss are recognised in the Statement of Comprehensive Income. On disposal, realised gains and losses are also recognised in the Statement of Comprehensive Income.

(b) Recognition, derecognition and measurement
The Company recognises unquoted investments held at fair value through profit or loss on the date it commits to purchase the instruments. Derecognition of investments occurs when the rights to receive cash flows from the investments expire or are transferred and substantially all of the risks and rewards of ownership have been transferred.

The amount that may be realised from the disposal of an investment in the Master Fund may differ from the values reflected in the financial statements.

(c) Fair value estimation
The Master Fund is unquoted and accordingly the fair value of the investment is determined based primarily on the Net Asset Value ("NAV") information provided by the administrator of the Master Fund. The NAV of the Master Fund is determined by the Master Fund Administrator by deducting the fair value of the liabilities of the Master Fund from the fair value of the Master Fund's assets. A change in accounting policy has been implemented in 2014 resulting in the removal of the liquidity discount, and consequently the 2013 comparative figures have been restated to reflect this change. See note 4 for further information.

3.5 Financial liabilities

The Company recognises a financial liability on assuming a financial obligation and derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire. Borrowings are initially measured at fair value, net of transaction costs and subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

3.6 Cash and cash equivalents

Cash and cash equivalents comprise bank balances held by the Company including short-term bank deposits with an original maturity of three months or less. The carrying value of these assets approximates to their fair value.

3.7 Interest income

Interest income on cash deposits is accounted for on an accruals basis.

3.8 Expenditure

All expenses attributable to the Company are paid by the Master Fund. The Manager does not receive a management or performance fee from the Company in respect of funds invested by the Company in the Master Fund. The Manager is entitled to fees and expenses from the Master Fund.

The Company pays broker commissions (if any) and any issue or transfer taxes chargeable in connection with its investment transactions. Transaction costs incurred on the acquisition or disposal of an investment are charged to capital through the Statement of Comprehensive Income in the period in which they are incurred.

3.9 Costs directly attributable to the issue of equity

Share and warrant issue costs are placing expenses directly relating to the issue of the Company's shares. These expenses include fees payable under share placement agreements, printing, advertising and distribution costs and legal fees and any other applicable expenses. All such costs are charged to equity and deducted from the proceeds received.

3.10 Exchange Procedure

Movements into and out of the Master Fund by the Company in respect of shareholder exchanges are accounted for as additions and disposals of investments recorded at the NAV as reported by the administrator of the Master Fund. Movements in capital in respect of shareholder exchanges are recorded in the Exchange Reserve. Where the Company's partnership interests in the Master Fund are cancelled following Exchanges by the Master Fund out of Ordinary shares, the capital amount previously transferred to the Exchange reserve is transferred to the revenue reserve.

The Exchange Procedure for investors in Ordinary shares in the capital of the Company was cancelled following the passing of the special resolution at the Extraordinary General Meeting of the Company, held on 19 November 2013 ("2013 EGM"). The Exchange Procedure remained available for use by investors in B Ordinary shares up until the redemption of all B Ordinary shares in issue in November 2014 (refer to Notes 7 and 11).

3.11 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. Change in accounting policy

The fair value of the investments recorded by the Company has previously included an adjustment for a liquidity discount. The Company has made the decision to remove the liquidity discount adjustment from the fair value calculation, thereby presenting a valuation based on the fair value of the underlying attributable investments held by the Master Fund less attributable liabilities at fair value. This change also ensures that the fair value of investments is more relevant to investors, who can now more easily reconcile the fair value of investments reported in the financial statements to the published Net Asset Value of the Company.

The changes to the financial statements resulting from this change in policy has included a restatement of the 2013 comparative figures, with an increase in the reported fair value of investments of £20,771,336 (the value of the 2013 liquidity discount) and a similar £20,771,336 restatement of capital reserves brought forward. The restated opening position as at 1 January 2013 in the Statement of Financial Position shows an increase in the reported fair value of investments of £13,674,334 (the value of the 2012 liquidity discount).

5. 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 investments held in the Master Fund is determined by the Directors on the basis of the NAV of the Master Fund as provided by the Master Fund Administrator at the year end.

6. Taxation

The Company is exempt from all forms of taxation in the Cayman Islands, including income and capital gains. However, dividend income and certain other interest from other countries are subject to withholding taxes at various rates. The Company recognises interest and penalties, if any, related to unrecognised tax benefits as income tax expense in the statement of operations. During the years ended 31 December 2014 and 31 December 2013, the Master Fund did not incur any interest or penalties. The Company identifies its major tax jurisdiction as the Cayman Islands where the Fund makes significant investments. The Board have considered the Fund’s tax positions, and have concluded that no liability for unrecognised tax liabilities should be recorded related to uncertain tax positions for open tax years and the positions to be taken for tax year ended 31 December 2014. The relevant statute of limitations in the United Kingdom for potential tax liabilities is five years, and therefore the years 2010 to 2014 inclusive remain open for tax purposes.

The Directors of the Company intend to manage the affairs of the Company in such a way that it is not resident in the United Kingdom for United Kingdom tax purposes. In these circumstances, the Company will not be subject to United Kingdom tax on its profits and gains (other than withholding tax on any interest or certain other income which has a United Kingdom source).

The Company recognises the tax benefits of uncertain tax positions only where the position is “more likely than not” to be sustained assuming examination by tax authorities.

7. Financial assets at fair value through profit or loss

As at 31 December 2014, 100% (2013: 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; redemptions can only be made by the Company subject to the requirements specified in the offering document and the Circular, a summary of which are available on the Company’s website.

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 invested.

Net Asset Value – investment movements

	31 December 2014	Restated 31 December 2013
Marwyn Value Investors L.P.	£	£
Opening cost	77,776,366	77,776,366
Redemption relating to the January return to Ordinary shareholders	(2,252,177)	-
Redemption of Class B1	(4,837,484)	-
Closing cost	70,686,705	77,776,366
Unrealised gain brought forward	95,804,635	49,691,118
Movement in unrealised gain	23,583,907	46,113,517
Unrealised gain carried forward	119,388,542	95,804,635
At fair value in accordance with IFRS 13	**190,075,247**	**173,581,001**
Class F	190,075,247	171,271,677
Class B1	-	2,309,324
At fair value in accordance with IFRS 13	**190,075,247**	**173,581,001**
Realised gain on redemption of Class F	3,036,302	-
Realised loss on redemption of Class B1	(2,974,681)	-
Total net realised gain on redemptions	**61,621**	**-**
Net gain recognised in the statement of comprehensive income	**23,645,528**	**46,113,517**

The net gain/(loss) recognised on financial assets at fair value through profit or loss reported in the Statement of Comprehensive Income consists of the movement in the unrealised gain and the net realised gain on redemptions.

In order to effect the partial redemption of Ordinary shares as detailed in Note 11, the Company redeemed interests in the Master Fund to the value of £5,288,467. A realised gain of £3,036,302 is included within net gain on financial assets at fair value through profit or loss and has been taken to the revenue reserve in the condensed statement of changes in net assets attributable to equity holders of the Company.

The B Ordinary shares in the Company were redeemed in full on 21 November 2014 as detailed in Note 11. The Company redeemed all its interests in Class B1 of the Master Fund to the value of £1,862,803. A realised loss of £2,974,681 is included within net gain on financial assets at fair value through the profit or loss and has been taken to the revenue reserve in the condensed statement of changes in net assets attributable to equity holders of the Company.

The exchange procedure for Ordinary shares was cancelled in November 2013. No Ordinary shares were exchanged into or out of Ordinary shares in 2013. The exchange procedure for B Ordinary shares was cancelled from the date of the redemption noted above. No shareholders exchanged into or out of B Ordinary shares during the year or the prior year.

The Company holds 100% (2013: 100%) of the Class F interests which represent 71.90% (2013: 70.26%) of the NAV of the Master Fund. As the Company has no control over the Master Fund's activities and has no voting power in its affairs, the Master Fund is not considered to be a subsidiary.

Fair value hierarchy

The Company classifies fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1)
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2)
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3)

Taking into account the valuation methodology applied to the investments in the Master Fund, and following the change in accounting policy described in Note 4 (removing the liquidity discount), the Company's valuation of investments is now classified as level 2 (2013: level 3). The Master Fund's assets and liabilities carried at fair value at 31 December 2014 and 2013 are primarily categorised as level 1 fair value measurement.

8. Cash and cash equivalents

For the purposes of the cash flow statement, cash and cash equivalents comprise balances with original maturity of less than 3 months.

9. Financial liabilities at amortised cost

The Master Fund has made a loan to the Company of £125,000 (2013: £250,000) for which the Company pays interest received on the corresponding cash amount held. £125,000 was repaid to the Master Fund on redemption of the B Ordinary shares (See Notes 7 and 11). The remainder of 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 the amount payable, the effect of discounting is not material to the cash flows or balance sheet position.

10. Reconciliation of net profit/(loss) for the year to net cash inflow from operating activities

	31 December 2014	Restated 31 December 2013
	£	£
Profit for the year	23,645,528	46,113,516
Gain on investments held at fair value through profit or loss	(23,645,528)	(46,113,516)
Proceeds on redemption of interests in the Master Fund	5,288,467	-
Cash received on redemption of Class B interests in MVI LP	9,547	-
(Decrease)/increase in accruals	(136,709)	226
Net cash inflow from operating activities	5,161,305	226

11. Share Capital

As at 31 December 2013 and 31 December 2014 the Authorised share capital was as follows:

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

On 13 January 2014, the Company completed its first return of capital pursuant to the new progressive distribution policy for holders of Ordinary shares equal to 8 pence per Ordinary share which equated to a value of £5,288,479. Following a partial redemption of the Company's interests in Class F of the Master Fund to the value of £5,288,479 the distribution to Ordinary shareholders was effected by way of a partial redemption of 2,041,217 Ordinary shares which were subsequently cancelled. As required by IAS32, this has been reflected through the statement of changes in equity and the net redemption cost is included in the Company's capital reserve.

On 21 November 2014 the Company announced the completion of the in specie redemption of the 5,008,870 B Ordinary shares in the Company. Accordingly, there were no B Ordinary shares outstanding after this date.

Accordingly, the issued and fully paid up share capital of the Company is as follows:

	At 31 December 2013	Redemption	At 31 December 2014	£
Ordinary shares	66,106,473	(2,041,217)	64,065,256	64
B Ordinary shares	5,008,870	(5,008,870)	-	-
Exchange shares	16,050,000		16,050,000	16
				80

The share premium received on issue of shares is a follows;

	At 31 December 2013	Redemption	At 31 December 2014
	£	£	£
Ordinary shares	43,780,480	(1,351,841)	42,428,639
B Ordinary shares	4,603,807	(4,603,807)	-
	48,384,287		42,428,639

11. Share Capital - continued

The Company had two classes of Ordinary shares in issue, Ordinary and B Ordinary shares and one class of Exchange shares. Rights as to capital are equivalent for each Ordinary class. As detailed above the B Ordinary shares were redeemed in full during the year.

(a) Voting rights

(i) Ordinary shares carry the right to receive notice of and attend and vote at any general meeting of the Company in accordance with the Articles.

(ii) Exchange shares carry the rights to receive notice of and to attend any general meeting of the Company but not vote unless there are no Ordinary shares in issue in which case Exchange shares will have the voting rights set out in (i) above as if Exchange shares were Ordinary shares.

(b) Dividends

(i) Subject to the Companies Law (2013 Revision), the Directors may declare dividends (including interim distributions) and distributions on shares in issue and authorise payment of the dividends or distributions out of the funds of the Company lawfully available. No dividend or distribution will be paid except out of the realised or unrealised profits of the Company, or as otherwise permitted by the Companies Law. There are no fixed dates on which the entitlement to dividends arises. All dividend payments will be non-cumulative.

(ii) Distributions on each class of Ordinary shares may only be paid from proceeds received from the corresponding class of interests in the Master Fund.

(iii) Exchange shares will not confer any rights to dividends or other distributions.

(c) Distribution policy

At the 2013 EGM a distribution policy for the Ordinary shareholders was adopted which resulted in:

(i) a progressive capital return, payable in January each year that will be maintained or grown on a pence per Ordinary share basis. A capital return of 8.255p per Ordinary share was distributed in January 2015 (8p per Ordinary share in January 2014);

(ii) as an addition to the return detailed in (i) above, where the Master Fund disposes of an asset for a Net Capital Gain[3] and has not already returned an aggregate amount in excess of 50% of that gain and any previous such gains pursuant to the distribution policy, the Company will make an additional capital return of the difference to Ordinary shareholders by way of tender offers, share repurchases or other returns of capital and distributions; and

(iii) the opportunity to augment the distribution policy by returning cash in excess of the amounts referred to in (i) and (ii) above being kept under review and to be undertaken through periodic tender offers, share repurchases or other returns of capital and distributions.

The distribution policy will not apply to the Realisation shares. There was no formal distribution policy in relation to the Company's B Ordinary shares.

(d) Realisation opportunities

Commencing on 30 November 2016 and thereafter at five-yearly intervals, Ordinary shareholders will have the option to continue with all or some of their existing investment in Ordinary shares or to re-designate all or some of such Ordinary shares into Realisation shares. The terms of the Realisation shares are contained in the Circular. The Realisation shares will rank equally and will otherwise carry the same rights as the Ordinary shares, save that (i) the investment policy differs as detailed in Part II, Section 3 of the Circular, (ii) the distribution policy for the Ordinary shares will not apply and (iii) the Realisation shares will entitle their holders to returns only in respect of realisations made on investments attributable to the realisation pool as described in the Circular.

There are no exit penalties for those Ordinary shareholders electing to re-designate all or some of their investment into Realisation shares or on a return of capital attributable to the Realisation shares. Listing of the Realisation shares will be subject to the receipt of all required consents and approvals, including the approval of the UKLA of a prospectus in relation to their admission to trading.

(e) Rights as to capital

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 the 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.

(f) Exchange

Upon the notification of the Exchange Administrator to the Company, investors in B Ordinary shares could convert their shares by way of redesignation to Exchange shares and Exchange shares could be converted by way of redesignation to B Ordinary shares to give effect to an Exchange. On the conversion of B Ordinary shares to Exchange shares, in addition to receiving Exchange shares, the shareholder would receive, at his election, either corresponding interests in the Master Fund or B Ordinary shares in the unlisted feeder-fund to the Master Fund. As previously noted above all B Ordinary shares were redeemed on 21 November 2014.

[3] Net Capital Gains means the net sale proceeds received by the Master Fund on a Profitable Realisation (being the disposal of a security for a net consideration with a value higher than its value on 27 August 2013 for investments held at that date or, in respect of new investments made after that date, the Weighted Average Investment Cost (being the total capital cost of the investment divided by the number of shares held in such investment)).

12. Reserves

Special distributable reserve

A special distributable reserve was created when the Company cancelled all of its share premium account in existence as at 26 January 2007, transferring it to a distributable reserve to allow, among other things, the buy-back and cancellation of up to 14.99% of the Ordinary shares.

Exchange reserve

Movements in capital in respect of shareholders exchanging into and out of the Company are recognised in the exchange reserve. There were no movements in the current or prior year.

Where the Company's partnership interests in the Master Fund are cancelled following Exchanges by the Master Fund out of Ordinary shares, the capital amount previously transferred to the exchange reserve is transferred to the revenue reserve. There were no movements in the current or prior year.

Revenue reserve

Realised gains and losses on redemptions of interests in the Master Fund made during the year are recognised in the result for the year movement in the revenue reserve.

13. 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 holds.

As at 31 December 2014, the Company owned 71.90% (2013: 71.21%) of the net assets of Master Fund.

Market price risk

The Company now invests in one class of the Master Fund, Class F, and is susceptible to market price risk arising from uncertainties about future values of that Master Fund class. The Board accepts the market price risks inherent in the investment portfolio and monitors this by ensuring full and timely access to relevant information from the Manager. The Board receives quarterly reports from the Manager of the Master Fund. The Board meets regularly and at each meeting reviews investment performance.

Any movement in the value of the Class F interests of the Master Fund would result in an equivalent movement in the reported NAV per Ordinary share, similarly for 2013.

The Company's exposure to changes in market prices at 31 December 2014 on its unquoted investments was as follows:

	2014 £	Restated 2013 £
Financial assets at fair value through profit or loss – Ordinary shares	190,075,247	171,271,677
Financial assets at fair value through profit or loss – B Ordinary shares	-	2,309,324

The following table shows the average monthly performance of the reported NAV of the Company for each share class in issue:

Ordinary shares:

	2014 Analysis of monthly returns	2013 Analysis of monthly returns
Number of periods	12	12
Percent profitable	50%	75%
Average period return	1.34%	2.79%
Average gain	6.69%	4.15%
Average loss	-4.01%	-1.28%

13. Instruments and associated risks - continued

The impact on net income and equity of the average monthly period returns set out in the above table as of 31 December 2014 is as follows:

	Monthly Returns		*Impact of Increase*		*Impact of Decrease*	
	Increase	*Decrease*	*Net Income*	*Equity*	*Net Income*	*Equity*
	(%)	*(%)*	*£*	*£*	*£*	*£*
2014	6.69	(4.01)	12,716,034	12,716,034	(7,622,017)	(7,622,017)
2013	4.15	(1.28)	6,252,429	6,252,429	(1,928,460)	(1,928,460)

The Company invests in the Master Fund and is exposed to price risks derived from the Master Fund's investment portfolio.

The Master Fund is therefore theoretically exposed to a loss limited to the value of its investments if the market value of its securities decreases. The investments of the Master Fund are subject to normal market fluctuations and the risks inherent in investment in international securities markets and there can be no assurances that the Master Fund's objective of capital appreciation will be achieved.

Currency risk

The Company is not directly exposed to any material currency risk, although this may be a factor in price risk as a result of the investments made by the Master Fund. It is therefore considered that the Company is not materially exposed to significant direct currency risk.

Summary of currency exposure of the Master Fund.	31 December 2014	31 December 2013
	£	£
Monetary assets in GBP	337,621,499	290,591,238
Non-monetary assets in GBP	0	0
Monetary liabilities in GBP	28,715,092	11,504,227
Non-monetary liabilities in GBP	0	0

Liquidity risk

The Company may not sell its investment in the Master Fund without the approval of the Master Fund's General Partner. Redemption opportunities are available in relation to Ordinary shares in line with the distribution policy adopted at the 2013 EGM. Further, the Master Fund invests a significant part of its assets in publicly traded investments, the holdings of which may not be readily realisable due to their size. As such the Master Fund and/or Company may not be able to readily dispose of such illiquid investments and, in some cases, may be contractually prohibited from doing so. However, the Company's liquidity profile of its assets is matched with the liquidity profile of its liabilities, as described below.

The Company now holds one class of interests in the Master Fund. The policy is that the Company should remain fully invested in normal market conditions. The Company is only required to settle its liabilities when its investment is fully redeemed. The following table shows the contractual, undiscounted cash flows of the Company's financial liabilities:

	Less than 1 month 2014	1-3 months 2014	Less than 1 month 2013	1-3 months 2013
	£	£	£	£
Loan from Master Fund	125,000	-	250,000	-
Payables and accruals	2,260	-	13,969	-

The Company holds, and will continue to hold, £125,000 cash (2013: £250,000) in respect of the £125,000 loan payable to the Master Fund (2013: £250,000) (see Note 9). The remainder of the loan will be repaid by set-off on the date that Master Fund interests are fully redeemed.

As all operating expenses, other than share issue costs paid directly by the Company from the proceeds of shares issued, are paid by the Master Fund and as the loan is repayable by set-off, the Directors do not consider the Company has any net liquidity risk.

Interest rate risk
The Company itself is not exposed to significant interest rate risk, however it is indirectly exposed to such risk through its investment in the Master Fund. Details of the Master Fund's exposure to interest rate risk are set out below:

The Master Fund has an interest bearing loan facility of £45 million (£28 million drawn down as at 31 December 2014) with a term until June 2017 and holds cash and cash equivalents; both are held at short-term market interest rates. This exposes it to risks associated with the effects of fluctuations in the prevailing levels of the market interest rates on its cash flows. The impact of any movement in interest rates would not have a material effect on the Master Fund. All the other Master Fund's assets and liabilities are non-interest bearing.

Credit risk
Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The main credit risk relates to the cash held with financial institutions.

The Company manages its exposure to credit risk associated with its cash deposits by selecting counterparties with a high credit rating with which to carry out these transactions. The counterparty for these transactions is HSBC Bank plc, which holds a short-term credit rating of P-1, as issued by Moody's. The Company's maximum exposure to credit risk is the carrying value of the cash on the balance sheet.

The Master Fund's policy is to enter into financial instruments with a range of reputable counterparties. Therefore, the Master Fund does not expect to incur material credit losses on its financial instruments. At 31 December 2014 the majority of the Master Fund's investments are in listed securities.

14. 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.

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 fee
Marwyn Investment Management LLP ("MIM LLP") was the Investment Manager to the Company up to 29 November 2013.

MIM LLP did not hold any beneficial interest in any of the shares of the Company. From 29 November 2013, Marwyn Asset Management Limited ("MAML") was appointed Manager to the Company. MAML engaged MIM LLP as the Investment Adviser at the same date.

Under the Management Agreement dated 29 November 2013 the Manager shall not receive any fees to the extent that the Company invests its assets only in the Master Fund. In respect of any assets of the Company not invested in the Master Fund, the Manager shall 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 year end (2013: Nil).

Under the Master Fund Management Agreement, the Manager will receive monthly management fees from the Master Fund not exceeding 2% per annum of the NAV of each class of share in the Master Fund, payable monthly in arrears. The total management fee expense and payable by the Master Fund for the year ended 31 December 2014 was £4,890,369 (2013: £3,667,391).

The incentive allocation to be borne by the Class F interests in the Master Fund will only be payable on returns being made, however, in relation to Class F interests, there are provisions allowing for the acceleration of incentive fee payments due to retired partners (subject to performance criteria being met). For these purposes "Returns" shall mean any distribution, dividend or return of capital by the Master Fund to holders of the Class F interests (either directly or indirectly through the Company or the Unlisted Fund) and purchases of Ordinary shares by the Company or the Master Fund (which are subsequently cancelled through the Exchange procedure or otherwise).

The incentive allocation recognised by the Master Fund relating to the Ordinary shares in the Company for the year ended 31 December 2014 was £6,023,104 (2013: £12,738,894). The total incentive fee accrued as at 31 December 2014 amounted to £40,470,970 (2013: £34,447,866).

There has been no incentive allocation recognised by the Master Fund relating to the B Ordinary shares in the Company for the year ended 31 December 2014 (2013: nil).

As noted in the Report of the Directors, investors can assess remuneration and incentives by reference to the disclosure of the basis of calculation of the incentive fee which was made in the Circular dated 1 November 2013 in relation to the Company's investment in Class F of the Master Fund, and the Registration Documents issued in 2009 in relation to the Company's investment in Class B1 of the Master Fund. A summary of these documents is available on the Company's website.

(b) Administration fee

With effect from 30 September 2014 Lumiere Fund Services Limited (formerly Fund Corporation of the Channel Islands) resigned as the Administrator of the Company and Axio Capital Solutions Limited ("Axio") was appointed Administrator (previously Axio had provided outsourced administration and exchange administration services). Axio is considered to be a related party.

Axio was paid a fee of £42,500 in 2014 (2013: £30,000) for the administration of the Ordinary shares and £11,250 in 2014 (2013: £15,000) for the administration of the B Ordinary shares, monthly in arrears. Axio also received an exchange administration fee of £3,761 (2013: £5,000) for each series of Ordinary shares, payable 6 monthly in arrears. This is no longer paid. The Administrator is entitled to reimbursement of certain expenses incurred by it in connection with its duties. These fees are paid by the Master Fund as they were in 2013.

(c) Board of Directors' remuneration

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

Robert Ware	£26,250	(2013: £20,000)
Paul Everitt	£40,000	(2013: £30,000)
Ronald Hobbs	£40,000	(2013: £ nil)
Louisa Bonney	£40,000	(2013: £ nil)
Paul Cookson	£nil	(2013: £30,000)

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.

15. 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 Company's capital at 31 December comprises:

	2014	2013
	£	£
Share capital	80	87
Share premium	42,428,639	48,384,287
Special distributable reserve	26,346,979	26,346,979
Exchange reserve	54,386	54,386
Capital reserve	125,452,704	82,293,087
Revenue reserve	(4,207,541)	(4,269,162)
Total capital	190,075,247	152,809,664

The Board, with the assistance of the Manager monitors and reviews the broad structure of the Company's capital on an ongoing basis.

16. Ordinary shares - by series

The Company has the ability to issue different series of Ordinary shares, the proceeds of which can be invested in separate classes of the Master Fund. Distributions on each series of Ordinary shares may only be paid from proceeds received from the corresponding class of interests in the Master Fund. 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 each series of the Ordinary shares pro rata to their holding of such Ordinary shares out of the proceeds of the corresponding class of interests in the Master Fund. As at 31 December 2014 only the Ordinary shares remained outstanding. The information on the following two pages sets out the risks applicable to the Ordinary shares in issue.

17. Commitments and contingent liabilities

There were no commitments or contingent liabilities outstanding at 31 December 2014 or 31 December 2013 that require disclosure or adjustment in these financial statements.

18. Subsequent events

As detailed in the Chairman's Statement, in January 2015 the Company completed its second return of capital pursuant to the progressive distribution policy for holders of Ordinary shares equal to 8.255 pence per Ordinary share (Jan 2014: 8 pence per Ordinary share) effected by the way of a partial cash redemption of Ordinary shares. Accordingly, 1,782,526 Ordinary shares were redeemed on 19 January 2015 (representing 2.7824% of the Ordinary shares in issue at 16 January 2014) and were subsequently cancelled. The aggregate value of the partial redemption amounted to £5,288,576.

Risks applicable to investing in the Company and the Master Fund

Past performance

The past performance of the Company, Manager and Investment Advisor may not be indicative of future performance.

Dependence on key individuals

The success of the Company and the Master Fund depends upon the ability of the Manager and Investment Advisor to develop and implement investment strategies that achieve the Master Fund's investment objective. If the Manager or Investment Advisor were to become unable to participate in the investment management of the Master Fund, the consequence for the Company and the Master Fund would be material and adverse and could lead to the premature winding-up of the Company and/or Master Fund.

Terrorist action

There is a risk of terrorist attacks in Europe and elsewhere causing significant loss of life and property damage and disruptions in global markets. Economic and diplomatic sanctions may be in place or imposed on certain states and military action may be commenced. The impact of such events is unclear, but could have a material effect on general economic conditions and market liquidity.

Exchange Administrator's consent required to utilise the Exchange Procedure

Use of the Exchange Procedure is at the sole and absolute discretion of the General Partner of the Master Fund who has delegated that authority to the Exchange Administrator. The Exchange Administrator may refuse consent to a proposed exchange for any reason or no reason and is not required to give any reasons for such a refusal. The Exchange Notice which will be required to be completed and delivered by any investor wishing to effect an Exchange includes certain warranties and representations which are required to be made by such investors. Investors who are unable to make such warranties and representations or for whom the Exchange Administrator refuses to give consent will be unable to effect an Exchange.

The Exchange Procedure was only available for investors in B Ordinary shares.

Handling of mail

Mail addressed to the Company and/or the Master Fund and received at their respective registered offices will be forwarded unopened to the Administrator or Master Fund Administrator, as the case may be, to be dealt with. None of the Company, the Master Fund, the General Partner or any of its or their directors, officers, or providers will bear any responsibility for any delay howsoever caused in mail reaching the Administrator or Master Fund Administrator as the case may be.

Net asset value considerations

The net asset value per share of both the Company and the Master Fund is expected to fluctuate over time with the performance of the Master Fund's and/or Company's investments. A shareholder may not fully recover his initial investment when he chooses to redeem his shares or upon compulsory redemption if the net asset value per share of the relevant class of shares at the time of such redemption is less than the subscription price paid by that shareholder.

In addition, where in relation to the calculation of the net asset value there is any conflict between IFRS and the valuation principles set out in the Articles and any Admission document(s) in relation to the Company or US GAAP, and the valuation principles set out in the limited partnership agreement of the Master Fund or its offering memorandum in the case of the Master Fund, the latter principles shall take precedence.

Risks Applicable to Investments in the Company

Sole purpose

The Company has been established with the sole purpose of investing in the Master Fund. The success of the Company therefore depends on the success of the Master Fund and its ability to successfully implement its investment strategy. Identification and exploitation of the investment strategies to be pursued by the Master Fund involve a high degree of uncertainty.

Limited redemption rights

The Company has no right of redemption in relation to the Class F interests. Returns relating to Class F will be in accordance with the distribution policy adopted on 19 November 2013.

Directors

The Company is highly dependent on the expertise and continued service of the Directors. These individuals could terminate their agreements for service or service contracts at any time, and their loss may have an adverse effect on the Company's business. Furthermore, the ability to attract and retain individuals may be critical to the Company's ongoing business. The failure to attract and retain such individuals may adversely affect the Company's operations and performance.

Cayman Islands registration

The Company is registered in the Cayman Islands. As a result, the rights of the shareholders are governed by the laws of the Cayman Islands and the Articles. The rights of shareholders under Cayman Islands law may differ from the rights of shareholders of companies incorporated in other jurisdictions and the enforcement of such rights may involve different considerations and may be more difficult than would be the case if the Company had been incorporated in England and Wales or the jurisdiction of a shareholder's residence. The following are examples: (i) subject only to the Articles, the allotment and issue of securities is under the exclusive control of the Directors and there are no pre-emption rights under the Companies Law; (ii) there is no statutory prohibition on the Company providing financial assistance on the acquisition of its own shares; (iii) subject only to the Articles, there are no shareholder interest disclosure requirements under the Companies Law; (iv) there is no express restriction on the Company making loans to Directors nor the equivalent of substantial property rules for transactions involving Directors under the Companies Law; and (v) assets of the Company are under the exclusive control of the Directors and the Companies Law does not expressly restrict the powers of the Directors to dispose of assets. Examples (i) to (v) above are intended for the purposes of illustration only and are not an exhaustive list. Investors should take appropriate independent legal advice to determine if they are afforded protections they consider are necessary for their specific circumstances.

The Cayman Islands courts ordinarily would be expected to follow English case law precedents which permit a minority shareholder to commence a representative action against or derivative actions in the name of the company to challenge (i) an act which is ultra vires the company or illegal, (ii) an act which constitutes a fraud against the minority and the wrongdoers are themselves in control of the company, and (iii) an irregularity in the passing of a resolution which requires a qualified (or special) majority. In the case of a company (not being a bank) having a share capital divided into shares, the courts may, on the application of members holding not less than one fifth of the shares of the company in issue, appoint an inspector to examine the affairs of the company and to report thereon in such manner as the courts will direct. Any shareholder of a company may petition the courts which may make a winding-up order if the courts are of the opinion that it is just and equitable that the company should be wound up. Generally, claims against a company by its shareholders must be based on the general laws of contract or tort applicable in the Cayman Islands or their individual rights as shareholders as established by the company's memorandum and articles of association.

United Kingdom tax considerations

Although the Directors intend that, insofar as it is within their respective control, the affairs of the Company are conducted so that the Company does not become subject to United Kingdom tax on its profits or gains, there can be no guarantee that all of the requirements to ensure this will at all times be satisfied.

Control over the Master Fund

The Company, in its capacity as an investor in the Master Fund, has no opportunity to control the day-to-day operation, including investment and disposition decisions, of the Master Fund. The Company does not have the opportunity to evaluate the relevant economic, financial and other information that is utilised by the Manager in its selection of investments and does not receive the detailed financial information regarding investments that is available to the Manager.

Class consents

Certain actions by the General Partner in respect of the Master Fund require the written consent of investors in that Class. Where the Directors allow holders of shares of a series which has invested in the corresponding Class to vote on a matter for which the General Partner is seeking investor consent and, if the resolution is passed by a simple majority of those voting in person or by proxy at a meeting of the holders of the relevant series of shares, the Directors will give consent to the General Partner in respect of all of the Company's interests in the relevant Class. The Company will not split its consent in accordance with the votes of the holders of the relevant series of shares.

Value and liquidity of the shares

An investment in shares traded on SFM is perceived to involve a higher degree of risk and be less liquid than an investment in companies whose shares are listed on the Official List of the Financial Conduct Authority. It may be difficult for an investor to realise his or her investment. The shares of publicly traded emerging companies have limited liquidity and their share prices can be highly volatile. The price at which the shares will be traded and the price at which investors may realise their investment will be influenced by a large number of factors, some specific to the Company and its operations, and others which may affect companies operating within a particular sector or quoted companies generally. Investors should be aware that the value of the shares could go down as well as up, and investors may therefore not recover their original investment. Furthermore, the market price of the shares may not reflect the underlying value of the Company's net assets.

If the Company issues further classes of ordinary shares, whilst these will not dilute the economic interests of the existing classes in the Master Fund, the additional ordinary shares will carry rights to vote at general meetings of the Company and will therefore dilute shareholders' voting rights accordingly. The Directors may seek debt finance to fund the expansion of the Company. There can be no assurance that the Company will be able to raise such debt funds, whether on acceptable terms, or at all. If debt financing is obtained, the Company's ability to raise further finance, and its ability to operate its business, may be subject to restrictions.

Registration under the US Investment Company Act and the US Advisers Act

The Company has not been and it is extremely unlikely it will ever be registered under the US Investment Company Act. In addition, the Manager and the Investment Advisor have not been and it is extremely unlikely that they will ever be registered as "Investment Advisers" under the US Investment Advisers Act.

Depository Interests

Securities issued by non-UK registered companies, such as the Company, cannot be held or transferred in the CREST system. However, to enable shareholders to settle such securities through the CREST system, a depository or custodian can hold the relevant securities and issue dematerialised Depository Interests representing the underlying shares which are held on trust for the holders of these Depository Interests.

Voting rights

Under the Articles, only those persons who are shareholders of record are entitled to exercise voting rights. Persons who hold shares in the form of Depository Interests will not be considered to be record holders of such shares that are on deposit with the Depository and, accordingly, will not be able to exercise voting rights. However, the Deed Poll provides that the Depository shall pass on, as far as it is reasonably able, rights and entitlements to vote. In order to direct the delivery of votes, holders of Depository Interests must deliver instructions to the Depository by the specified date.

Neither the Company nor the Depository can guarantee that holders of Depository Interests will receive the notice in time to instruct the Depository as to the delivery of votes in respect of shares represented by Depository Interests and it is possible that they will not have the opportunity to direct the delivery of votes in respect of such shares. In addition, persons who beneficially own shares that are registered in the name of a nominee must instruct their nominee to deliver votes on their behalf.

Neither the Company nor any nominee can guarantee that holders of Depository Interests will receive any notice of a solicitation of votes in time to instruct nominees to deliver votes on behalf of such holders and it is possible that holders of Depository Interests and other persons who hold ordinary shares or exchange shares through brokers, dealers or other third parties will not have the opportunity to exercise any voting rights.

Limitation of liability

The Deed Poll contains provisions excluding and limiting the Depository's liability to holders of Depository Interests. For example, the Depository will not be liable to any holder of Depository Interests or any other person for liabilities in connection with the performance or non-performance of obligations under the Deed Poll or otherwise except as may result from its negligence or wilful default or the fraud of any custodian or agent which is not a member of its group unless it has failed to exercise reasonable care in the appointment and continued use and supervision of such custodian or agent. Furthermore, except in the case of personal injury or death, the Depository's liability to a holder of Depository Interests will be limited to the lesser of the value of shares and other deposited property properly attributable to the Depository Interests to which the liability relates; and that proportion of £10 million which corresponds to the portion which the amount the Depository would otherwise be liable to pay to the holder of the Depository Interests bears to the aggregate of the amounts the Depository would otherwise be liable to pay all such holders in respect of the same act, omission or event which gave rise to such liability or, if there are no such amounts, £10 million. The Depository is entitled to charge fees and expenses for the provision of its services under the Deed Poll without passing any such profit from such fees to holders of Depository Interests.

Indemnification

Each holder of Depository Interests is liable to indemnify the Depository and any custodian (and their agents, officers and employees) against all costs and liabilities arising from or incurred in connection with, or arising from any act related to, the Deed Poll so far as they relate to the property held for the account of Depository Interests held by that holder, other than those resulting from the wilful default, negligence or fraud of the Depository, or the custodian or any agent, if such custodian or agent is a member of the Depository's group, or, if not being a member of the same group, the Depository has failed to exercise reasonable care in the appointment and continued use and supervision of such custodian or agent.

United States ownership and transfer restrictions

There are restrictions on the purchase of securities by or to investors who are located in the United States or who are US Persons or who acquire Securities for the account or benefit of US Persons. In the event that Securities are acquired by persons who are not qualified to hold the Securities, such Securities are subject to provisions requiring forfeiture and/or compulsory transfer.

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