MARWYN CAPITAL II LIMITED

UNAUDITED INTERIM RESULTS
FOR THE PERIOD FROM INCORPORATION TO 30 JUNE 2010

MARWYN CAPITAL II LIMITED

DIRECTORS' STATEMENT AND INTERIM MANAGEMENT REPORT

The Directors are pleased to present the interim results of Marwyn Capital II Limited for the period from incorporation to 30 June 2010.

Acquisition strategy

Marwyn Capital II Limited was established to acquire one or more quoted or unquoted businesses or companies (in whole or in part) initially by way of a reverse takeover. The Company was admitted to London's Alternative Investment Market ('AIM') in December 2009. The Company is seeking an acquisition wholly or mainly in the UK in the healthcare, testing and inspection and leisure sectors.

Results

The Group's loss after taxation for the period from incorporation to 30 June 2010 was £383,569 which was in line with the expected result for the period. As at 30 June 2010, the Group had net cash balances totalling £4.4m.

Dividends

It is the board's policy that prior to making the first acquisition, no dividends will be paid. Following the first acquisition, subject to availability of distributable reserves, dividends will be paid to shareholders when the directors believe it is appropriate and prudent to do so. However, the main focus of the Company will be on delivering capital growth for shareholders.

Principal risks and uncertainties

Details of the principal risks and uncertainties are detailed in Note 8 to the consolidated financial information.

Outlook

The Company continues to pursue its stated acquisition strategy. We believe that Marwyn Capital II Limited, with its strong and experienced management team, is well placed to exploit the available opportunities as they arise.

By order of the Board

Paul Cookson

Non-executive Director

24 September 2010

RESPONSIBILITY STATEMENT

We confirm that to the best of our knowledge:

(a) the condensed set of financial statements has been prepared in accordance with IAS 34 - Interim Financial Reporting;

(b) the Chairman's statement and interim management report and condensed notes to the financial statements include:

* a fair review of the information required by DTR 4.2.7R (indication of important events during the first six months and description of principal risks and uncertainties for the remaining six months of the year); and

* a fair review of the information required by DTR 4.2.8R (disclosure of related parties' transactions and changes therein).

By order of the Board,

Paul Cookson

Non-executive Director

24 September 2010

MARWYN CAPITAL II LIMITED

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the period from incorporation to 30 June 2010

	2010 (unaudited) £
Revenue	-
Employee expenses	-
Professional and consultancy expenses	347,771
Other expenses	35,798
	383,569
Loss from operating activities	383,569
Loss before income tax	383,569
Income tax expense	-
Loss for the period	383,569
Total comprehensive loss for the period	383,569
Attributable to:	
Owners of the Group	383,569
Total comprehensive loss for the period	383,569
Earnings per share	
Basic and diluted loss per share	0.87p

MARWYN CAPITAL II LIMITED

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	30 June 2010 (unaudited)
	£
Assets	
Prepayments	20,325
Cash and cash equivalents	4,417,624
Total current assets	4,437,949
Total assets	4,437,949
Equity	
Share capital	49,000
Share premium	4,665,094
Accumulated losses	(383,569)
Total equity attributable to the shareholders of the Group	4,330,525
Total equity	4,330,525
Current liabilities	
Trade and other payables	107,424
Total current liabilities	107,424
Total liabilities	107,424
Total equity and liabilities	4,437,949

The financial statements were approved by the Board of Directors and authorised for issue on 24 September 2010.

Paul Cookson

Non-executive Director

MARWYN CAPITAL II LIMITED

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the period from incorporation to 30 June 2010 (unaudited)

	Share capital	Share premium	Accumulated losses	Total
	£	£	£	£
Balance at incorporation	-	-	-	-
Total comprehensive loss in the period	-	-	(383,569)	(383,569)
Contribution of equity, net of issue costs	49,000	4,665,094	-	4,714,094
Balance at 30 June 2010	49,000	4,665,094	(383,569)	4,330,525

MARWYN CAPITAL II LIMITED

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the period from incorporation to 30 June 2010	2010 (unaudited) £
Cash flow from operating activities:	
Payments to suppliers and employees	(296,470)
Net cash outflow from operating activities	(296,470)
Cash flow from financing activity:	
Equity issued, net of issue costs	4,714,094
Net cash flow from financing activity	4,714,094
Net increase in cash and cash equivalents	4,417,624
Cash and cash equivalents at incorporation	-
Cash and cash equivalents at 30 June	4,417,624

NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS
For the period from incorporation to 30 June 2010

1. Reporting entity

Marwyn Capital II Limited (the "Company") is an exempted company limited by shares and domiciled in the Cayman Islands. The address of the Company's registered office is PO Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands. The Company was incorporated on 4 December 2009.

This condensed consolidated interim financial information for the period from incorporation to 30 June 2010 comprises the Company and its subsidiary, Marwyn Capital Investments II Limited (together referred to as the "Group" and individually as "Group entities"). The Group is primarily involved in the pursuit of target investments in line with its acquisition strategy.

The Company is listed on AIM.

This condensed consolidated interim financial information has not been audited and was approved for issue on 24 September 2010.

2. Basis of preparation

This condensed consolidated interim financial information has been prepared in accordance with the International Accounting Standard (IAS) 34 'Interim Financial Reporting', as adopted by the European Union.

3. Accounting policies

Standards, amendments and interpretations to existing standards effective in 2010 but not relevant to the Group

- IFRIC 17, 'Distributions of non-cash assets to owners', effective for annual periods beginning on or after 1 July 2009. This is not currently applicable to the Group, as it has not made any non-cash distributions.
- IFRIC 18, 'Transfers of assets from customers', effective for transfer of assets received on or after 1 July 2009. This is not relevant to the Group, as it has not received any assets from customers.
- Improvements to International Financial Reporting Standards 2009 were issued in April 2009. The effective dates vary standard by standard but most are effective 1 January 2010.

3.1 Consolidation

Subsidiaries are entities controlled by the Group. Control exists when the Group has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, potential voting rights that currently are exercisable are taken into account. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. The accounting policies of subsidiaries have been changed when necessary to align them with the policies adopted by the Group.

Intra-Group balances and transactions, and any unrealised income and expenses arising from intra-Group transactions, are eliminated in preparing the consolidated financial statements.

3.2 Foreign currency translation

(a) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in British Pounds (£), which is the Group's and Company's functional and presentation currency.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are remeasured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Comprehensive Income.

3.3 Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less.

3.4 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effects.

3.5 Trade payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

3.6 Earnings per share

The Group presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares.

3.7 Share-based transactions

Equity-settled share-based payments to those providing similar services as employees are measured at the fair value of the equity instruments granted on the grant date in exchange for those services and only where such services cannot be reliably estimated directly by reference to the services supplied.

All factors considered applicable to “market participants” together with the rights and conditions attaching to those instruments have been considered in the determination of the fair value of equity-instruments granted.

The fair value of the equity instruments granted is expensed on a straight-line basis over the expected vesting period and credited to equity, based on the estimate of equity instruments that will eventually vest.

3.8 Seasonality

The Group does not currently operate in an industry where significant or cyclical variations as a result of seasonal activity are experienced during the financial year.

4. Segment information

Business segments

The Company raised GBP£4.7m net of expenses through an issue of ordinary shares on its admission to AIM on 24 December 2009. Until such time as an acquisition is made, the Group’s sole operation will remain the seeking of a suitable acquisition target.

Geographical segments

Marwyn Capital II Limited is domiciled in the Cayman Islands and administered in Jersey. The Company is seeking an acquisition wholly or mainly in the UK in the healthcare, testing and inspection and leisure sectors.

5. Share capital

In December 2009 the Company successfully placed 49m ordinary shares at 10p, raising GBP£4.7m after expenses. The ordinary shares were admitted to trading on AIM on 24 December 2009.

6. Earnings per share

Basic earnings per share
The calculation of basic earnings per share of 0.87p loss for the period from incorporation to 30 June 2010 was based on the loss attributable to ordinary shareholders of £383,569 and a weighted average number of ordinary shares outstanding of 44,288,462.

Diluted earnings per share
The calculation of diluted earnings per share of 0.87p loss for the period from incorporation to 30 June 2010 was based on the loss attributable to ordinary shareholders of £383,569 and the weighted average outstanding ordinary shares of 44,288,462. Shares which may be issued in future in connection with the Participation Option are not included in the calculation of weighted average outstanding ordinary shares for the diluted earnings per share calculation as the effect would be anti-dilutive.

7. Related parties

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.

The Company is listed on AIM and as such there is no controlling party. Marwyn Investment Management LLP is the investment manager to Marwyn Value Investors LP which has a significant shareholding in the Company. Marwyn Investment Management LLP is part of the Marwyn group of companies and the following transactions concern payments and balances with related parties:

Marwyn Partners Limited charged GBP£35,250 in respect of rent and £1,361 in respect of recharged expenses during the period. Marwyn Capital LLP charged GBP£90,000 in respect of corporate finance services and GBP£46,335 for recharged expenses during the period. Marwyn Investment Management LLP charged GBP£120,503 in respect of recharged expenses. Axio Capital Solutions Limited charged GBP£9,043 in respect of the administration of the Company during the period.

The Company has also entered into a performance participation agreement with Marwyn Management Partners LP (the ‘Participation Option’). Marwyn Management Partners LP has been granted an option which may be exercised to subscribe for ordinary shares at an exercise price equal to their nominal value, subject to certain growth and vesting conditions.

The number of ordinary shares that may be subscribed for pursuant to the Participation Option is the number that will give Marwyn Management Partners LP a gain equivalent to 10 percent of the increase in shareholder value, being broadly defined as the difference between the market capitalisation of the Company at a point in time and the aggregate placing price of all ordinary shares issued up to that point in time.

The Participation Option may only be exercised if both the growth and vesting conditions have been satisfied and will lapse on 24 December 2014.

8. Principal risks and uncertainties

The risks and uncertainties remain largely unchanged since the Company's admission document was issued in December 2009. The principal risks and uncertainties are:

Ability to complete an acquisition

The Company's future success is dependent upon its ability to identify and execute successful acquisitions and/or investments. There can be no assurance that the Company will be able to conclude agreements with any target business and/or shareholders in the future. In addition, the Company may face competition from other organisations which may be larger and/or better funded than itself.

Disposals

The Company may make investments that it cannot realise through trade sale or flotation at an acceptable price. Some investments may be lost through insolvency. Any of these circumstances could have a negative impact on the profitability and value of the Company.

Directors and employees

The Company will be highly dependent on the expertise and continued service of the Directors. These individuals could terminate their employment agreements at any time and their loss may have an adverse effect on the Company's business.

In addition, there is a risk that the Company will not be able to recruit executives of sufficient expertise or experience to maximise any opportunities that present themselves, or that recruiting and retaining those executives is more costly or takes longer than expected. The failure to attract and retain those individuals may adversely affect the Company's operations.

Potential dilution from the incentivisation of management and Marwyn Management Partners LP

The Company has in place an incentivisation scheme through which the Company's future management and Marwyn Management Partners LP will be rewarded for increases in shareholder value, subject to certain growth and vesting conditions. It is intended that future management will subscribe for Management Participation Shares and the Company has also granted Marwyn Management Partners LP the Participation Option as part of these incentivisation schemes. The Company may purchase the Management Participation Shares either for the issue of new ordinary shares or for cash at its discretion. The Company may also be required to issue new ordinary shares pursuant to the Marwyn Participation Option.

To this end the Company has the authority to issue up to 20 percent by number of equity securities of its fully diluted issued share capital from time to time, in order to satisfy the potential requirement to issue these ordinary shares. If the Company elects to issue ordinary shares in order to satisfy the incentivisation scheme, the existing Shareholders may face significant dilution.

Need for additional financing and dilution
Existing cash balances are likely to be insufficient to fund in full suitable acquisitions and/or investments identified by the Board. Accordingly, the Company may need to seek additional sources of financing to implement its strategy. There can be no assurance that the Company will be able to raise those funds, whether on acceptable terms or at all. If further financing is obtained by issuing equity securities or convertible debt securities, existing Shareholders may be diluted and the new securities may carry rights, privileges and preferences superior to the ordinary shares. The Company may seek debt finance to fund all or part of any future acquisition. There can be no assurance that the Company will be able to raise those 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.

The City Code
As it is incorporated in the Cayman Islands, the City Code does not apply to the Company. The laws of the Cayman Islands applicable to the Company do not contain any provisions similar to those in the City Code which are designed to regulate the way in which takeovers are conducted.

Any person or persons acting in concert will be able to acquire shares in the Company which, when taken together with the shares already held by them, carry 30 percent or more of the voting rights in the Company without being required to make a general offer for the entire issued share capital of the Company. Additionally, any party intending to acquire all or a substantial part of the issued share capital of the Company will not be obliged to comply with the provisions of the City Code including, for example, as to announcements, equality of treatment for shareholders as to value and type of consideration offered, the prohibition on favourable conditions that are not extended to all shareholders, the information that must be sent to shareholders on a takeover, the requirement for independent advice to be provided to the board on a takeover and for such advice to be made known to shareholders. The Company will also not be subject to the overall scrutiny and sanctions of the UK Panel on Takeovers and Mergers.

Major shareholder
Approximately 41 percent of the Company's issued share capital is held by Marwyn Value Investors LP. Marwyn Value Investors LP will therefore be able to exercise significant control over the Company's corporate actions without requiring the approval of the Company's other Shareholders.

Furthermore, the City Code does not apply to any further purchases of the ordinary shares which Marwyn Value Investors LP may or may not make.