

MERIDEN GROUP PLC

INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2008

CHAIRMAN'S STATEMENT

Introduction

I am pleased to present my Chairman's report for Meriden Group plc for the six months ended 30 June 2008.

Results

During the period the Company made pre-tax losses of £18,857 (2007 - loss of £54,673).

Events during the year

On 9 June 2008 the Company announced that it was in detailed negotiations regarding an acquisition which, if consummated, would constitute a reverse takeover under the AIM Rules. The acquisition would be subject to the approval of shareholders and the granting by the Takeover Panel of a waiver of the obligation on the Company to make a general offer under Rule 9 of the City Code on Takeovers and Mergers.

Since the Company had been unable to complete a reverse takeover prior to 9 June 2008, being 12 months after the Company became an investing company pursuant to the AIM Rules, trading in the Company's shares on AIM was suspended on that date.

I am please to be able to advise shareholders that negotiations with the target company are continuing. Restoration of trading will occur upon publication of the Company's circular and AIM admission document relating to the acquisition.

Richard Payne
15 September 2008

INCOME STATEMENT

| | | 6 months ended 30 June 2008 Unaudited £ | 6 months ended 30 June 2007 Unaudited £ | Year ended 31 December 2007 Audited £ |
|--|---------------|--|--|--|
| Administrative expenses | - Continuing | (19,204) | (54,693) | (207,197) |
| | - Exceptional | - | - | (353) |
| Operating loss | | (19,204) | (54,693) | (207,550) |
| Finance income | | 347 | 20 | 123 |
| Loss on ordinary activities before and after taxation and loss for the year | | (18,857) | (54,673) | (207,427) |
| Loss per share – basic and diluted | | (0.01)p | (0.02)p | (0.06)p |

There were no recognised gains or losses other than the loss or profit for the period.

Continuing operations

None of the Companies activities were acquired or discontinued during the current period.

BALANCE SHEET

| | As at 30 June 2008 Unaudited | As at 30 June 2007 Unaudited | As at 31 December 2007 Audited |
|--|------------------------------------|------------------------------------|--------------------------------------|
| ASSETS | | | |
| Current assets | | | |
| Trade and other receivables | 4,673 | 11,749 | 2,362 |
| Cash and cash equivalents | 26,256 | 88 | 30,317 |
| Total current assets | 30,929 | 11,837 | 32,679 |
| Total assets | 30,929 | 11,837 | 32,679 |
| EQUITY AND LIABILITIES | | | |
| Capital and reserves attributable to the equity holders | | | |
| Share capital | 345,000 | 345,000 | 345,000 |
| Share premium account | 1,110,263 | 1,110,263 | 1,110,263 |
| Retained losses | (1,742,114) | (1,557,141) | (1,709,895) |
| Total equity | (286,851) | (101,878) | (254,632) |
| Current liabilities | | | |
| Trade and other payables | 317,780 | 113,715 | 287,311 |
| Total equity and liabilities | 30,929 | 11,837 | 32,679 |

The financial statements were approved by the Board of Directors on 15 September 2008.

Richard Payne
Chairman

CASH FLOW STATEMENT

| | 6 months ended 30 June 2008 Unaudited | 6 months ended 30 June 2007 Unaudited | Year ended 31 December 2007 Audited |
|---|--|--|--|
| Cash flows from operating activities | | | |
| Cash generated from operations | (4,401) | (2,653) | 27,584 |
| Finance income | 347 | 20 | 123 |
| Net cash used in operating activities | (4,054) | (2,633) | 27,707 |
| Cash flows from financing activities | | | |
| Dividends paid | (7) | (4) | (115) |
| Net cash used in financing activities | (7) | (4) | (115) |
| Net increase/(decrease) in cash and cash equivalents | (4,061) | (2,637) | 27,592 |
| Cash and cash equivalents at the beginning of the period | 30,317 | 2,725 | 2,725 |
| Cash and cash equivalents at the end of the year | 26,256 | 88 | 30,317 |

NOTES TO THE INTERIM RESULTS

1 Basis of preparation

This interim report does not represent statutory accounts within the meaning of section 240 Companies Act 1985. The interim report has not been audited or reviewed but was approved by the Board on 15 September 2008.

The principal accounting policies used in preparing the interim results are those the company expects to apply in its financial statement for the year ended 31 December 2008 and are unchanged from those disclosed in the Annual Report for the year ended 31 December 2007.

2 Loss per share

The calculation of the basic loss per share is based on the loss on ordinary activities after tax and on the weighted average number of ordinary shares in issue during the year.

| | Loss £ | Weighted average number of shares | Basic loss per share pence |
|----------------------------------|-----------|--|----------------------------------|
| Basic and diluted loss per share | | | |
| Year ended 31 December 2007 | (207,427) | 345,000,000 | (0.06) |
| Six months ended 30 June 2007 | (54,673) | 345,000,000 | (0.02) |
| Six months ended 30 June 2008 | (18,857) | 345,000,000 | (0.01) |

3 Reconciliation of operating profit with net cash outflow from operating activities

| | 6 months ended 30 June 2008 Unaudited £ | 6 months ended 30 June 2007 Unaudited £ | Year ended 31 December 2007 Audited |
|---|---|---|--|
| Operating loss | (19,204) | (54,693) | (207,550) |
| Decrease/(increase) in debtors | (2,113) | (10,585) | (1,198) |
| Increase in creditors | 16,916 | 62,625 | 236,332 |
| Net cash inflow/(outflow) from operating activities | (4,401) | (2,653) | 27,584 |

4 Interim dividend

The directors do not recommend payment of an interim dividend.

5. Availability of interims

Copies of this interim statement are available from the Company's Registered Office at St George's Court, Winnington Avenue, Northwich, Cheshire, CW8 4EE.