

Chairman's Statement

I am pleased to present my Chairman's report for Meriden Group Plc for the six months ended 30 June 2007.

During the period the Company made pre tax losses of £54,673 (17 Month period ending 31 December 2006: loss £1,577,358).

The Company continues to search for suitable candidates for a reverse takeover. A number of approaches have been received and are being evaluated, which it is hoped will lead to a transaction.

European Commercial Trust Limited, a substantial shareholder in the Company has made funds available to the business to continue the search for a suitable takeover target.

As previously announced on 16 August 2007, Russell Stevens resigned as a director in order to pursue other business interests.

Richard Payne
19 September 2007

Company Profit and Loss Account for the 6 months ended 30 June 2007

	Note	6 months ended 30 June 2007 (unaudited) £	17 months ended 31 December 2006 (audited) £
Administrative expenses - continuing		(54,693)	(185,166)
- exceptional		-	(1,231,973)
Operating loss		(54,693)	(1,417,139)
Amounts written off investments		-	(167,953)
Interest receivable		20	7,741
Interest payable		-	(7)
Loss on ordinary activities before taxation		(54,673)	(1,577,358)
Taxation		-	-
Loss for the financial period		(54,673)	(1,577,358)
Dividends		-	-
Retained loss for the period		(54,673)	(1,577,358)
Basic and diluted loss per share (pence)	2	(0.02)	(0.46)

The company has no recognised gains or losses other than the profit for the period, which has been derived from continuing operations.

Company Balance Sheet as at 30 June 2007

	Note	As at 30 June 2007 (unaudited) £	As at 31 December 2006 (audited) £
Current assets			
Debtors		11,749	1,164
Cash at bank and in hand		88	2,725
		<u>11,837</u>	<u>3,889</u>
Current liabilities falling due within one year		<u>(113,715)</u>	<u>(51,094)</u>
Net current liabilities		<u>(101,878)</u>	<u>(47,205)</u>
Total assets less current liabilities		<u>(101,878)</u>	<u>(47,205)</u>
Capital and reserves			
Called up share capital		345,000	345,000
Share premium		1,110,263	1,110,263
Profit and loss account		(1,557,141)	(1,502,468)
Equity shareholders' funds	5	<u>(101,878)</u>	<u>(47,205)</u>

Company Cash Flow Statement for the 6 months ended 30 June 2007

	Note	6 months ended 30 June 2007 (unaudited) £	17 month period ended 31 December 2006 (audited) £
Net cash outflow from operating activities	4	(2,653)	(31,639)
Return on investments			
Interest received		20	7,741
Interest payable		-	(7)
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Net cash inflow from returns on investment and servicing of finance		20	7,734
Taxation			
Payments of taxation		-	(4,800)
Amounts eliminated under CVA arrangement		-	(9,450)
Dividends			
		(4)	(20,410)
		-----	-----
Net cash outflow before financing		(2,637)	(58,565)
Financing			
Refund of VAT on flotation costs		-	61,108
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Net cash inflow from financing		-	61,108
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(Decrease)/increase in cash	5	(2,637)	2,543
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Notes to the Interim Results for the period ended 30 June 2007

1 Basis of preparation

The interim report does not represent statutory accounts within the meaning of section 240 Companies Act 1985. Comparative figures for the 17 month period ended 31 December 2006 are an abridged version of the Company's full accounts which carries an unqualified audit report and have been delivered to the Registrar. The interim report has not been audited or reviewed but was approved by the Board on 03 September 2007.

2 Basic earnings per share

The calculation of the basic earnings per share is based on the (loss)/profit on ordinary activities after taxation and on the weighted average number of shares in issue during the period. The (loss)/profit and weighted average number of shares used in the calculations are set out below:

	(Loss)/ profit £	Weighted average number of shares	Basic (loss)/ earnings per share (pence)
6 months ended 30 June 2007	(54,673)	345,000,000	(0.02)
17 month period ended 31 December 2006	(1,577,358)	345,000,000	(0.46)
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3 Reconciliation of movements in shareholders' funds

	6 months ended 30 June 2007 (unaudited) £	17 month period ended 31 December 2006 (audited) £
Loss on ordinary activities after taxation	(54,673)	(1,577,358)
Refund of VAT on flotation costs originally charged to share premium account	-	61,108
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Loss on ordinary activities after taxation and dividends	(54,673)	(1,516,250)
Opening shareholders' funds	(47,205)	1,469,045
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Closing shareholders' funds	(101,878)	(47,205)
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4 Reconciliation of operating profit with net cash flow from operating activities

	6 months period ended 30 June	17 month period ended 31 December
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	2007 (unaudited) £	2006 (audited) £
Operating loss	(54,693)	(1,417,139)
(Increase)/decrease in debtors	(10,585)	1,384,693
(Decrease)/increase in creditors	62,625	807
Net cash outflow from operating activities	<u>(2,653)</u>	<u>(31,639)</u>

5 Analysis of changes in net funds

	As at 1 January 2007 £	Cash flow in period £	As at 30 June 2007 £
Cash at bank and in hand	2,725	(2,637)	88
	<u>2,725</u>	<u>(2,637)</u>	<u>88</u>

6 Interim Dividend

The directors do not recommend payment of an interim dividend.

7 Notification of Results

Copies of the Interim Results will be available for download from the Company's website at www.meriden-group.co.uk from 19 September 2007 or by request from the Company's registered office, St Georges Court, Winnington Avenue, Northwich, Cheshire CW8 4EE.