

INTERIM RESULTS

CHAIRMAN'S STATEMENT FOR THE SIX MONTHS ENDED 28 FEBRUARY 2010

Birmingham based Early Equity Plc, the PLUS Markets quoted and Investbx traded investment company, announces its interim results for the six months ended 28 February 2010.

Chairman's Statement

I present the Interim Results for the six months to 28 February 2010. The progress of your company during this period was encouraging, with the IPO in Frankfurt of Tangibal Group plc and a reduced loss for the period.

The loss for the six months was £190 (2009: £30,710). Based on 39,434,001 shares in issue, this resulted in a loss per share for the period of 0.00p (2009: £0.08p).

Due to the limited cash available to the company, there have been no new investments made during the period other than in connection with the Frankfurt IPO of Tangibal Group Plc ("Tangibal").

Based on its mid-market price on PLUS at close of business on Thursday 27 May 2010, the company is valued at £78,868 against an asset value of £247,343.

I reported in the full year accounts for 2009 published in January 2010 that market conditions were very weak. They remain so and the appetite for smaller investment vehicles such as Early Equity remains subdued. Given the potentially high risk and volatile nature of values of smaller listed and private company equity, the company continues to adopt a very cautious policy to valuation of its investments. However, when the values of the PLUS Markets and Frankfurt Börse listed investments are stated at current market value, the value of the investments is in excess of £2.4 million compared with a carrying value in the accounts of £277,484. This is a substantial premium to both the market value and stated asset values per share. Your Board is disappointed that the current share price fails to reflect its underlying equity investments. The Company's three principal current investments are discussed in more detail below:

Tangibal

Current Shareholding:	12.3% (% Holding)
Market Value as at 27 May 2010:	£2,150,532
Carrying Value of Investment:	£75,000

Subsequent to the August year end, the company exercised its option to convert its loans in Tangibal to equity. In December 2009 Tangibal listed on the Frankfurt Börse and continues to trade successfully with the share price having risen some 20% since introduction. At current market prices the company's holding in Tangibal is valued at just over £2.15 million at the date of this statement and Tangibal is continuing to develop its interactive digital media business, especially in the cinema sector.

The investment in Tangibal illustrates perfectly the Early Equity strategy to invest in early stage businesses, particularly where an early exit route for the company can be foreseen or created.

Alpha Prospects PLC (“Alpha”)

Current Shareholding:	12.3% (% Holding)
Market Value as at 27 th May 2010:	£262,500
Carrying Value of Investment:	£150,000

During the period under review, Alpha undertook a share swap with RAM plc, an AIM-quoted company. Alpha, on whose Board my co-director Rob Painting sits, continues to explore opportunities to expand its activities and created value for shareholders. Having undertaken a review of this investment, your Board has determined that it wishes to reduce the size of its investment in Alpha and will be actively engaging in dialogue with the Board of Alpha to effect this.

Eclector Limited

Current Shareholding:	10.9% (% Holding)
Market Value as at 27 th May 2010:*	£48,360
Carrying Value of Investment:	£37,500

*Based on last equity issue price

While progress at Eclector, which provides shared-profit internet book retailing sites for charities and other affinity based organisations, has been slower than anticipated, the Christmas trading period showed signs that it is now beginning prove its concept and further growth is anticipated following the launch of a “build your own bookshop” product. The Company is currently fundraising for expansion capital and is experiencing a good level of investor interest.

Future Prospects

Your Board recognises that Early Equity needs to raise additional capital in order to develop its business, although while the market capitalisation of the company remains substantially below asset value, any meaningful capital increase at current share prices would lead to substantial levels of dilution for existing shareholders. It therefore remains the intention of the directors to undertake a programme of selective sale of investments to improve the cash position and provide additional investment funds.

Early Equity remains committed to the early stage company financing and development market, where we see significant long term potential. Focus will remain on private company investments where Early Equity can provide very early stage equity or loans. In particular we will look to add significant value to investments where we can seek an early exit opportunity in cash, or where there is scope for significant advisory fees.

Until such a time as any significant sales of investments can be made, the Board will be unable to pursue further investments without shareholder support. In the meantime your Board is taking steps to minimise the running costs of the Company. No payments have been made to either of the directors of the company by way of fees or salaries since March of 2009 and the two directors continue to work on behalf of the company on an unpaid basis. The major shareholders in the company, Harbinger Capital PLC and director Rob Painting have entered in to loan agreements with the company to provide working capital facilities.

Whilst the past eighteen months have been difficult for all, our investments are holding up well and we look forward to being in a position to realise some cash from our current portfolio in the relatively near future at which point we feel confident that we can take the business forward and create further value for shareholders.

Jonathan Hall

Interim Chairman

28 May 2010

PROFIT AND LOSS ACCOUNTS FOR THE SIX MONTHS TO 28 FEBRUARY 2010

	Half Yr 2010	Half Yr 2009	Year 2009
TURNOVER	3,333	5,000	10,000
Admin expenses	(20,067)	(36,707)	(91,168)
OPERATING LOSS	(16,734)	(31,707)	(81,168)
Interest receivable less interest expense	-	997	696
Amounts written off investments			(21,710)
Profit/(Loss) on Sale of Investments	16,544		
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION	(190)	(30,710)	(102,182)
Taxation	-	-	-
LOSS FOR THE PERIOD	(190)	(30,710)	(102,182)
LOSS PER SHARE	£(0.00)p	£(0.08)p	£(0.26)p
FIXED ASSETS			
Investments	277,484	232,650	235,940
Other Investments			50,000
Total Non Current Assets	277,484	232,650	285,940
CURRENT ASSETS			
Debtors	6,112	5,714	4,362
Cash	4,747	97,976	21,575
	10,859	103,690	25,937
CREDITORS: amounts falling due in one year	(41,000)	(26,471)	(64,344)

NET CURRENT ASSETS	(30,141)	77,219	(38,407)
NET ASSETS	247,343	309,869	247,533
CAPITAL AND RESERVES			
Called Up Share Capital	197,170	197,170	197,170
Share Premium Account	206,090	302,980	206,090
	403,260	500,150	403,260
Profit and loss account	(155,917)	(190,281)	(155,727)
SHAREHOLDERS FUNDS	247,343	309,869	247,533

Cash outflow from operating activities	(41,828)	(17,489)	(67,100)
Returns on investments and servicing of finance	-	997	696
Capital expenditure	0	0	(75,000)
Profit on Sale of investment			
	(41,828)	(16,492)	(141,404)
Financing	(25,000)	0	39,375
MOVEMENT IN CASH IN THE PERIOD	(16,828)	(16,492)	(102,029)

RECONCILIATION OF NET CASH TO MOVEMENT IN NET FUNDS

Movement in cash in the period	(16,828)	(86,029)	(102,029)
NET FUNDS BROUGHT FORWARD	21,575	184,005	123,604
NET FUNDS CARRIED FORWARD	4,747	97,976	21,575

RECONCILIATION OF OPERATING LOSS TO NET CASH FLOW FROM OPERATING ACTIVITIES

Operating Loss	(16,734)	(31,707)	(81,168)
Movement in debtors	(1,750)	(1,925)	(573)
Movement in creditors	(23,344)	16,143	14,641
NET CASH FLOW FROM OPERATING ACTIVITIES	(41,828)	(17,489)	(67,100)

Notes

1. The accounting information for the 6 months ended 28 February 2010 has not been reviewed by the Company's auditors.
2. Investments are shown at the lower of cost or market value in the financial

statements

3. The financial information set out in this announcement does not constitute statutory accounts within the meaning of section 240 of the Companies Act 1985.

The Directors of the Issuer accept responsibility for this announcement

--ENDS--

ENQUIRIES:

Early Equity plc Tel: 079 7330 9458

Rob Painting

rob@earlyequity.co.uk

www.earlyequity.co.uk

Rivington Street Corporate Finance Tel: 07930450156

Leo Godsall

Leo@rs-cf.com Eran@rs-cf.com

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