

Molten Ventures Approved KI EIS 24/25

Investment Summary

Don't invest unless you're prepared to lose all the money you invest. This is a high-risk investment. [Take two mins to learn more.](#)

We are investment led

Our investment strategy came first and EIS followed. Molten Ventures (then under its previous name) was an established venture capital firm that already managed funds for professional institutional investors. EIS was added when the Budget in 2012 expanded the headcount limits for firms raising EIS/VCT.

The Government's expansion of the schemes meant a large number of investments made within the existing strategy could now qualify for EIS/VCT.

Our co-investment strategy allows us to participate in larger deals

Molten Ventures' investments, where EIS invests alongside the VCT and plc funds, are significantly larger on average than deals that can be considered by other EIS managers.

This equates to differentiated deal flow and a focus on larger and/or later stage investment rounds than investors had previously had access to with EIS.¹

10-year track record with EIS

Over £260m has been raised into our non-approved EIS funds with over £79m returned to our investors to date. There has been over 100 investments made into more than 50 portfolio companies to date. There is substantial R&D, innovation and job creation within the portfolio, with thousands of employees in aggregate.

Tens of millions of pounds of PAYE/NI/VAT have been paid back into HMT through this economic activity, with the potential that this becomes hundreds of millions of pounds as the portfolio companies continue to grow.

1. The co-investment strategy enables the Fund to participate in larger, later stage growth investments and leverage the Molten Ventures brand. However, conflicts could arise between the Fund, Molten Ventures EIS, the Prior Molten Ventures EIS Funds, the Prior Molten Ventures KI EIS Fund, Molten Ventures plc, and Molten Ventures VCT plc with respect to differing investment strategies, deployment and realisation needs, and the contemplated manner and timing of potential exits. These conflicts are managed in line with our group Conflicts of Interest policy.

Fund Close

3 April 2025
(or sooner if cap reached)

Cheque Deadline

20 March 2025

Product Summary

- The Fund Manager, Encore Ventures LLP, is 100% owned within the group structure of Molten Ventures plc, a firm listed on the Main Market of the London Stock Exchange, which is one of the leading venture capital groups in Europe, investing in and developing high growth technology companies.
 - **Minimum Subscription:** £25,000
 - **Target Deployment Period:** 12-18 months from the close date of 3 April 2025.
 - **Target Portfolio:** 8-12 EIS Qualifying knowledge intensive companies.
 - **Portal:** Online investor and adviser reporting portal, including EIS5s.
 - **EIS5 Certificate:** One single EIS5, in HMRC's digital format, typically available 8 weeks after your portfolio is fully invested.
 - **Exits:** The exit route for successful Investments is anticipated to be via a sale of the business (M&A) or an initial public offering (IPO) and sale of shares, or potentially a sale of shares (secondary sale).
 - **Fees:**
 - Initial fee – 2%
 - Management fee – 2% for 5 years and then reducing.
 - Approximately 90% of net subscriptions should be invested into qualifying companies.
- For full details of the fees including those of the custodian please see the full Information Memorandum.

Valid until 3 April 2025

Molten Ventures Approved KI EIS 24/25 is an HMRC approved EIS fund. It is an Alternative Investment Fund (unauthorised) for the purposes of the Alternative Investment Fund Managers Directive as implemented into UK law. Molten Ventures Approved KI EIS 24/25 is a collection of discretionary managed portfolios managed by Encore Ventures LLP, a Limited Liability Partnership registered in England and Wales No. OC347590.

Encore Ventures LLP is authorised and regulated by the Financial Conduct Authority (FRN: 510101).

Sector Focus

We have a broad sectoral approach, however we believe that most venture capital investment opportunities in Europe with the requisite characteristics for the Fund will fall into the core sectors shown below.

The examples below are from the Molten Ventures EIS portfolio, a non approved EIS fund, and are intended to showcase companies that would have qualified as knowledge intensive as at the date of investment. They give an illustration of the potential scale, growth rate, impact and ambition of the companies we back.

The common theme within our deals is that the companies aspire to be highly valuable businesses, often the market leaders, in large and typically international markets.

In addition to investing capital, we work hands-on with the entrepreneurs and teams that we back. The Molten Ventures group often take an active role in building the businesses and typically have board representation as a director or an observer.

IMPORTANT INFORMATION

Prospective Investors are reminded that Molten Ventures Approved KI EIS 24/25 is distinct from Molten Ventures EIS.

Given both have overlapping strategies and have appointed the same Fund Manager to pursue a co-investment strategy, the Fund Manager has included information relating to prior EIS funds (which are not specifically Knowledge Intensive focused, however the significant majority of investments have qualified as Knowledge Intensive) for completeness below.



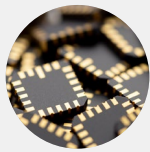
CONSUMER TECHNOLOGY

New consumer-facing products, innovative business models, and proven execution capabilities that bring exceptional growth opportunities.



ENTERPRISE TECHNOLOGY

The software infrastructure, applications and services that make enterprises more productive, cost-effective and smoother to run.



HARDWARE AND DEEP TECH

Companies developing differentiated technologies that will underpin advances in computing, consumer electronics and other industries.

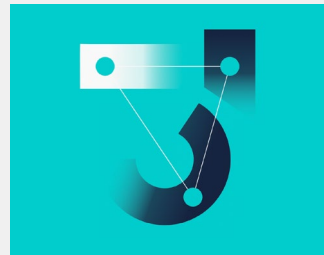


DIGITAL HEALTH AND WELLNESS

Companies leveraging digital and other technologies to create new products and services for the health and wellness markets.

Example Portfolio Companies

DEEP TECH



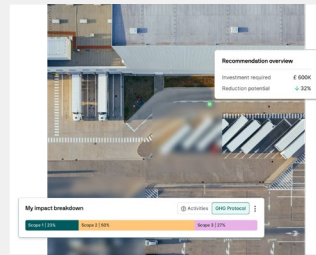
FORM3 FINANCIAL CLOUD

Form3 is a software company. It provides infrastructure for banks to make payments. Its software is built using modern technologies and software approaches that transform what is possible when compared with historic approaches.

It is implemented as a hosted 'cloud-native' software solution that delivers a real-time (24/7/365) bank-grade payment platform for account-to-account payments. This allows established financial institutions to supplement their existing proprietary IT and payment systems with a flexible software architecture that can support new online customer apps and new payment options, e.g. showing the real time status and completion of payments.

Their clients and partners include Barclays, Lloyds, Goldman Sachs, Nationwide and Mastercard.

ENTERPRISE TECHNOLOGY



ALTRUISTIQ

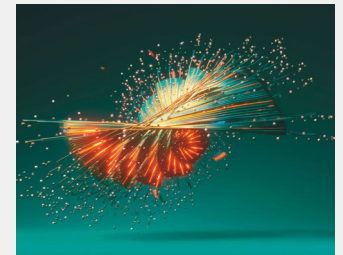
As increasing numbers of companies commit to emission reduction targets, they require sophisticated approaches to enable them to meet those targets. Large enterprises with significant emissions footprints face particular challenges.

On average, most of their emissions will come from their supply chain and the scale of their emissions makes it uneconomical to utilise carbon-offsetting schemes. Instead, they need to identify opportunities to abate emissions in their own operations and throughout their supply chain.

Altruistiq is developing a SaaS platform which addresses these challenges by automating and managing their corporate emissions reduction initiatives.

It gathers data at a far more granular level than other offerings in the market. This in turn enables it to generate bespoke, insightful and actionable recommendations and to report with high accuracy.

DEEP TECH



river Lane

Riverlane is a DeepTech company developing quantum computing software designed to transform experimental technology into commercial products.

The company has built a software operating system which provides infrastructure and tools to hardware companies – its role is similar in manner to Microsoft's operating system which became the leader for PC computing. Customers and users can utilise different and even competing quantum technologies with Riverlane's operating system providing consistency and portability across diverse underlying hardware technologies. The company's technology is protected by a wide family of patents.

In August 2024 Riverlane announced that it has raised \$75m in Series C funding to deliver its groundbreaking quantum error correction (QEC) roadmap.

The funding will enable Riverlane to expand operations to meet surging global market demand for QEC technology.

Warning: Past performance is not necessarily an indicator of future results. Your capital is at risk.

Examples provided are illustrative only and may vary from the companies which the Fund may invest into.






Exit Highlights from Prior Funds

The examples below show several of the highest profile EIS exits from prior unapproved EIS funds managed by the Fund Manager to date.

Some of our portfolio companies are very recognisable household names and you may well be a customer of theirs. But many are not because they may be developing products that are sold to businesses not consumers, or creating new core technologies that are not yet available in the general market.

Whether or not you know each of the portfolio companies below, one feature of our high profile successful exits is that the acquirers tend to be very recognisable. There is a strong implied statement of quality here – Oracle, Nvidia, Nestle, EDF Energy and others are acquiring technologies and strengthening their market position or entering new markets through our portfolio companies.

When we select investments, we are not looking for niche or lifestyle businesses. The exit outcomes, and identity of the acquirers, reflect the calibre of companies within the portfolio.

				
ACQUIRED BY	ACQUIRED BY	ACQUIRED BY	ACQUIRED BY	ACQUIRED BY
NESTLÉ PURINA \$ UNDISCLOSED	ORACLE \$ UNDISCLOSED	HOLOGIX \$310 MILLION	Majority investment BD CAPITAL \$ UNDISCLOSED	NVIDIA \$ UNDISCLOSED
GROSS RETURNS ON EXIT April 2018	GROSS RETURNS ON EXIT April 2018	GROSS RETURNS ON EXIT July 2024	GROSS RETURNS ON EXIT June 2021	GROSS RETURNS ON EXIT January 2022
Investment made: December 2013 10.3x	Investment made: December 2015 9.8x	Investment made: July 2018 5.8x	Investment made: October 2013 4.7x	Investment made: April 2018 5.0x
Investment made: November 2015 4.7x	Investment made: April 2017 4.8x	Investment made: November 2020 3.2x	Investment made: March 2015 2.8x	Investment made: October 2016 2.6x
				Investment made: July 2015 2.0x
























All Molten EIS Exits to Date

Expanding on the examples above, we also show the full set of all exits. The concept of Knowledge Intensive companies is relatively recent and the majority of these companies were invested in prior to HMRC assessing companies against this criteria, however given the nature of the investments we make the majority of them would have qualified as Knowledge Intensive, but potentially some would not have.

Molten Ventures EIS and the Prior Molten Ventures EIS Funds have had 23 realisations up to 5th October 2024 which illustrate the range of outcomes that have been achieved.

We believe that the high proportion of positive outcomes, the relatively low total 0x outcomes, and the partial recoveries on <1x outcomes all differentiate this profile of returns from other EIS strategies in the market that primarily make earlier stage, seed stage or technology transfer spin-out investments.

Returns are expressed as gross multiples versus investment cost (including, where relevant, escrow and expected earn out amounts), and are subject to a performance fee (described in the 'Fees' section) of 20% plus VAT of proceeds above a hurdle rate of return that has a maximum of 1.25x the investment cost.

LOSS						PARTIAL RECOVERY						
												
0x	0x	0x	0x	0x	0x	0.2x	0.4x	0.8x	0.9x			
PROFITABLE EXITS												
												
1.5x	1.6x	1.8x	1.9x	2.1x	2.5x	2.7x	2.9x	4.7x	5.0x	5.8x	9.8x	10.3x

In each case the multiple shown in the tables above is the highest achieved for that portfolio company and for some there are lower multiples for either later or earlier investments in the same business.

Warning: Past performance is not necessarily an indicator of future results. Your capital is at risk.

Examples provided are illustrative only and will vary from the companies in which an investment made today would achieve.

About Knowledge Intensive Approved Funds

The table below shows the differences between the Fund and Molten Ventures EIS.

		MOLTEN VENTURES APPROVED KI EIS	MOLTEN VENTURES EIS
TAX RELIEF	Date for income tax relief	Date the Fund Closes	Date of each underlying investment
	Carry back available?	Yes	Yes
	Date for CGT deferral	Date of each underlying investment	Date of each underlying investment
	Date for commencement of BR qualifying period	Date of each underlying investment	Date of each underlying investment
QUALIFYING CONDITIONS	Follow-on Reserve available?	No	Yes – but investor option to opt out
	% of money needing to be invested in KI companies	80%	N/A However, most historic investments have been KI
	Minimum Subscription Amount	£25k	£25k
	Maximum Subscription Amount	£2m	£1 million – £2 million At least £1 million must be invested in KI companies
PAPERWORK	Date of receipt of EIS3/EIS5 forms Certificates required in order to claim income tax relief	One EIS5 form approximately 8 weeks after final investment	One EIS3 form per investment approximately 8-12 weeks after each investment

Responsible Investment

Embedded Processes

The Fund Manager's parent, Molten Ventures plc is committed to a policy of responsible investment through the life cycle of our group 's investments, from pre-screening to exit.

External Benchmarking

Molten Ventures plc is a signatory of the UN Principles for Responsible Investment and the Investing in Women Code. It reports against Task Force on Climate Related Financial Disclosures (TCFD), and Streamlined Energy and Carbon Reporting (SECR). It maps to UN Sustainable Development Goals, and reports against the global carbon disclosure system (CDP) to monitor environmental impacts.

The Molten Team



CONTACT

Molten
EIS

Encore Ventures LLP 20 Garrick Street, London, WC2E 9BT
+44 (0)20 7931 8800 eis@molten.vc moltenventures.com

FOR PROMOTER AND INTERMEDIARY ENQUIRIES



RAM Capital Partners LLP 18 Soho Square, London, W1D 3QL
+44 (0)20 3006 7530 taxolutions@ramcapital.co.uk ramcapital.co.uk

Risk Warning: Capital at risk. Prospective Investors should note that past performance should not be seen as an indication of future performance. The value of an investment can fall as well as rise and investors may not get back the amount originally invested. Therefore you should only make investments in unlisted companies which you can afford to lose without having any significant impact on your overall financial position or commitments. Taxation levels, bases and reliefs may change if the law changes and the tax benefits of products will vary according to your personal circumstances: independent advice should therefore be sought. This financial promotion has been issued and approved by Encore Ventures LLP, who are authorised and regulated by the Financial Conduct Authority (FRN: 510101).

FSCS: You may be entitled to compensation from the Financial Services Compensation Scheme if the Manager or Custodian cannot meet their obligations. The Financial Services Compensation Scheme is only available to certain types of claim and claimant. Payments under the protected investment business scheme are limited to a maximum of £85,000 of any claim. Further information about compensation arrangements is available from www.fscs.org.uk