

Molten

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Molten Ventures plc Interim report FY23

FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2022
REGISTRATION NUMBER: 09799594



Molten

Make More Possible

Molten

Make More Possible

We are a leading venture capital firm investing in and developing disruptive, high growth technology companies.

We inject visionary companies with energy to help them transform and grow. This energy comes in many forms – capital, of course, but also knowledge, experience, and relationships.

We believe it is our role to support the entrepreneurs who will invent the future, and that future is being built, today, in Europe.

Interim highlights

Financial highlights

£1,450m*

Gross Portfolio Value (31 March 2022: £1,532m)

£1,280m

Net Assets (31 March 2022: £1,434m)

837p

NAV per share (31 March 2022: 937p)

-12%*

Gross Portfolio fair value decrease, -17% gross of FX impact (six months to 30 September 2021: gross fair value growth of 27%)

£112m

Cash invested in the period from plc, as well as £17m from the EIS/VCT funds (six months to 30 September 2021: £165m from plc and £4m from EIS/VCT funds)

£28m

Consolidated group cash (31 March 2022: £78m, including restricted cash), as well as £58m available to invest in the EIS/VCT funds (31 March 2022: £61m)

<1%

Operating costs (net of fee income) continue to be substantially less than the targeted 1% of period-end NAV

£13m

Cash proceeds from realisations (Six months to 30 September 2021: £67m)

-£155m

Loss after tax (profit after tax for the six months to 30 September 2021: £218m)

£150m

Expanded debt facility (£90m drawn at 30 September 2022)

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Highlights

- £112m deployed in the first half, with a full year target of £150m. Made five primary investments with combined investment amount of £56m, principally closing investments agreed in the prior year, while more recently continuing to invest in follow-on opportunities in the existing portfolio. The invested amount also includes drawdowns by Fund of Funds and Earlybird. A further £17m was invested via the EIS/VCT funds.
- Committed to 10 new seed funds via our seed Fund of Funds programme, bringing the overall seed portfolio to 67 funds.
- Cash proceeds from realisations during the period of £13m, predominantly generated by selling down some of our shares held in publicly-listed UiPath as well as a distribution from Earlybird's Digital East Fund relating to Minit B.V.
- Made further progress with our ESG roadmap, including our first CDP climate change disclosure and distributing tools and resources to assist portfolio companies in developing their own ESG strategy.
- In September 2022, Molten Ventures agreed a new £150m Debt Facility with J.P. Morgan Chase Bank N.A. and Silicon Valley

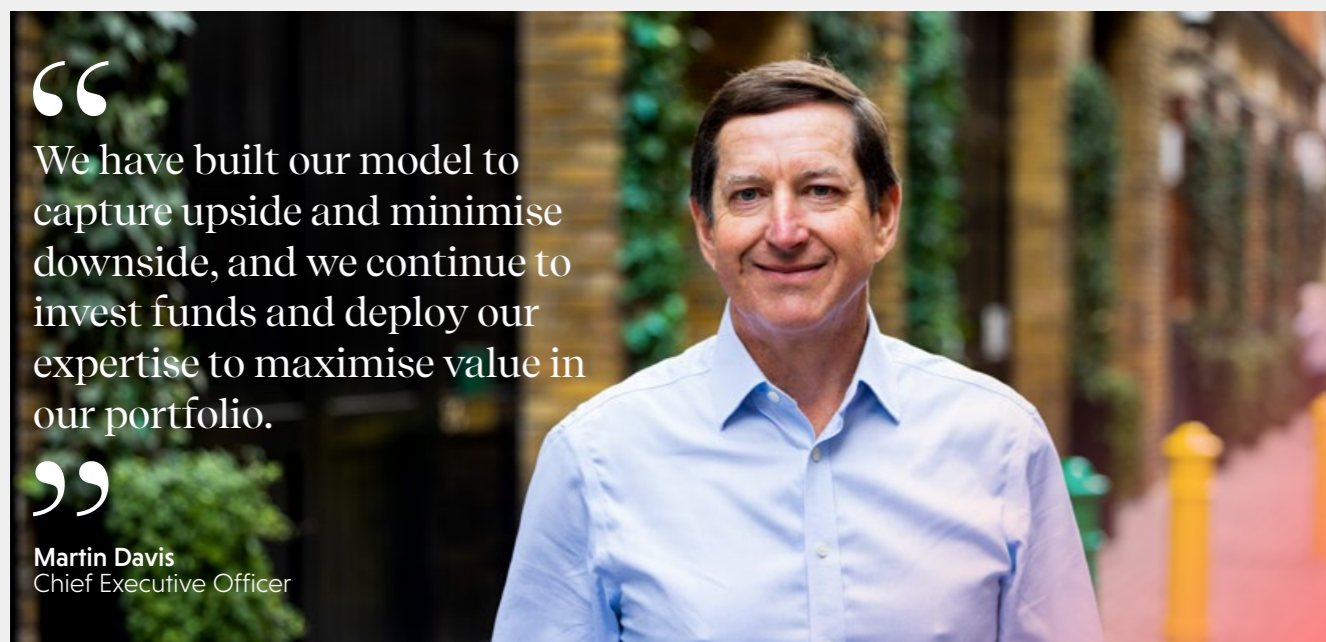
Bank UK Limited. The facility is made up of a £90m term loan and a revolving credit facility of up to £60m which are secured against various assets and LP interests in the Group. The Debt Facility will be utilised for investment and corporate purposes and repays in full the Company's existing £65m facility with SVB and Investec. Please see Note 16b for further details.

Post period-end

- Fleetcore Technologies, Inc. (NYSE: FLT), a global business payments company, announced on 21 October 2022, that it had signed a definitive agreement to acquire portfolio company, Roomex, a European online B2B accommodation platform. Post period-end, we received £6.4 million cash proceeds with further escrow expected. The realised fair value (including escrow) is higher than our reported fair value at 31 March 2022.

*The above figures contain alternative performance measures ("APMs") - see Note 24 for reconciliation of APMs to IFRS measures.

Chief Executive's review



A relatively resilient performance against a challenging public market backdrop

Overview

During the period, I am pleased to say we have continued to help and support the entrepreneurs of today create the companies of tomorrow in Europe.

However, the last six months have presented hugely challenging market conditions for technology companies worldwide, across both public and private markets and, unsurprisingly, Molten Ventures has not been immune from these pressures. Wider macroeconomic factors – such as rising inflation and global interest rates - have impacted public markets and particularly the valuation of technology stocks and, in turn, this has fed through into the private arena where valuations have also declined, and investment capital has slowed. Against this backdrop, Molten's portfolio has demonstrated strong revenue growth and considerable relative valuation resilience, particularly compared to the performance of some of the listed technology stocks and indices such as NASDAQ. There is nevertheless a gross portfolio fair value reduction of 12% (17% excluding the impact of foreign currency movements).

While it is disappointing to report a decline in valuations, our long-held and consistent approach to valuing our portfolio companies across the cycle has enabled Molten to demonstrate relative resilience. Despite the challenging background, we believe that the historic investments we've made into our platform and in our team, together with the thesis-led, sectoral investment approach mean that we are well positioned to withstand the current challenges. Additionally, our existing portfolio is made up of companies addressing the significant growth markets and technology themes of the future. Our experienced team, who collectively have worked through many previous cycles, know first hand that accomplished venture capitalists are able to do good work in down markets and continue to identify investment opportunities.

The benefit of our model, which allows us to invest across the cycle, means risk is triaged across different stages and technology sub-sectors. Our portfolio is well diversified, made up of 78 companies across four sectors. Early stage investing, including through the Fund of Funds programme, allows us to take a risk adjusted approach to building a portfolio by investing small amounts at the earliest stages and investing more capital once those companies are demonstrating traction and commercial proof points. We also have downside protection from preference share structures. Much of the movement during the period has been driven by sharp downward movements in some of our key Core assets, which tend to be at the later stages of development, however, the fundamentals of the portfolio remain strong and we remain confident in their potential.

Broader market environment

The broader market context is important when evaluating not only these results, but the whole ecosystem. In our FY22 full year results in June, we foreshadowed the lagged effect global events would likely have on private markets, and we can now see this impact being felt. No venture capital business is immune from the challenges the current market represents but we invest for the long-term and we believe our portfolio is well placed to be able to continue to build their businesses through the downturn. Our focus to identify, invest in and develop game-changing new technologies and businesses that will redefine existing markets has not changed and our ability to invest in the technology inventing tomorrow makes our long-term investment potential as compelling as ever.

Venture capital returns are generated by key leading assets which emerge from portfolios over a 10 year plus time horizon. While 64% of the value in our portfolio is driven by our Core Portfolio of 21 companies, the emerging portfolio captures the breadth of technology trends which are driving returns in the future through the

creation of new markets and the disruption of existing industries. The advances in technology and its adoption by enterprises has shown no signs of abating and I am confident that high-growth technology companies that will invent tomorrow will be founded and developed here in Europe, despite the current economic and political uncertainties. Additionally, Europe continues to be a phenomenal place to build businesses and we believe much untapped potential remains across European technology companies.

Active Management

We are active managers, providing support and oversight to our portfolio, as well as access to a valuable network. As board members of many of our companies, we can support our portfolio as they adapt in the current market environment. The portfolio is well-funded with more than 75% of the Core holding over 18 months of cash runway based on their existing growth plans, and revenues continuing to grow at an average for the Core of over 60%, with forecast growth of over 70% for 2023.

I am also very proud to update you on our hugely successful portfolio day in September in New York. We invited 18 CEOs and their teams to join us in NASDAQ's building in Times Square, allowing us to showcase just a few of the best and brightest of our portfolio and opening the door for them to network, share ideas and bring a taste of what European tech has to offer the United States. Given many of our portfolio companies harbour ambitions of tackling the opportunities on that continent, this set the stage for progress in this direction.

Financial position

The Gross Portfolio Value as at 30 September 2022 is £1,450.2 million, down from £1,531.5 million at 31 March 2022. This results from investments of £112.0 million, realisations of £12.9 million and a net fair value movement (including the impact of FX) of -£180.4 million.

Molten is well funded with cash on the balance sheet of £28.5 million at the period end and holdings in listed assets of £23.2 million (at 30 September market price), as well as the recently announced expansion of our debt facility to £150.0 million (£60.0 million undrawn as at 30 September 2022).

We have maintained ongoing engagement with, and have a clear understanding of, our portfolio companies' cash needs and maintain sufficient resources to support them. Our cash resources form part of the significant 'dry powder' that exists, ready to be deployed within private markets, but we are mindful of the importance of preserving capital.

Realisations and deployment

During the first half year, we invested a total of £112.0 million from the Group's balance sheet reflecting a number of commitments and follow-ons from deals from the prior year reaching completion, many providing technological solutions to enterprises, as well as drawdowns from our Fund of Funds programme.

This will decrease during the second half and as previously guided, the Group, excluding the EIS and the VCT, is expected to deploy a total of £150.0 million for the full year.

During the period, cash proceeds from realisations amounted to £12.9 million, mostly due to the sale of shares in UiPath. Although the IPO market remains weak, historically, the majority of the Group's realisations have been through trade sales.

Sustainability

I am pleased to report a continued focus on ESG during the period, something which is not only important to Molten in our own operations, but is embedded into our investment activities, both through our ESG-focused investment criteria and our push into investing in climate tech companies.

As part of our commitment to environmental transparency, we disclosed our climate change impact for the first time through CDP, a global non-profit that runs the world's leading environmental disclosure platform. We will receive a score for this in December and will work to improve this score through our future annual CDP disclosures.

As part of our ongoing engagement with the portfolio, we continue to provide support on ESG, through 1:1 meetings and the sharing of tools and resources, as well as demonstrating the value of developing their ESG strategy as employee, customer and investor expectations increase.

Finally, we also held our first corporate volunteer day led by The Royal Parks Trust where members of the Molten team spent the day working at Regent's Park to clear invasive species in the wildlife garden.

Outlook

Uncertainty will continue in the medium term as macroeconomic factors and current geopolitical tensions are unlikely to change significantly.

We are active managers working closely with our portfolio. We continue to surround our companies with operating experience and great people. This, combined with our platform, which has flexibility and adaptability at its core, will continue to serve us well. I am firmly of the belief that the best of our portfolio will continue to build and develop to change the future and that we are well set up to identify strong opportunities within the down market.

Current technology trends are showing no sign of abating and I am confident that high-growth tech companies that will invent tomorrow will be founded and developed here in Europe and that the technological advances we have seen over the past 3-5 years will continue to transform the way we live, work, build and deliver products and services.

£112m

Invested in our portfolio companies

£1.5bn

Gross Portfolio Value

837p

NAV per Share

Portfolio review

During the period, we continued to operate with an environment of significant macro volatility, but we are well diversified across our four key sectors and remain confident in our thesis-led, sectoral investment approach. Cash resource within the portfolio is a key focus given the current environment and our portfolio is well-funded, with more than 75% of the Core Portfolio holding over 18 months of cash runway.

Portfolio valuations

The Gross Portfolio Value as at 30 September 2022 is £1,450.2 million down from £1,531.5 million at 31 March 2022, reflecting investments made of £112.0 million, realisations of £12.9 million and a fair value movement of -£180.4 million. Of the 17% Gross Fair Value movement, £263.2 million results from a net decrease in the Gross Portfolio Value offset by £82.8 million foreign currency impact on the portfolio. It is further noted that decreases in enterprise valuations are being offset by downside protection from preferred share classes. We have recognised EV reductions across the Core Portfolio on average of 35%, leading to a fair value reduction of 16%, before currency movements. 90% of the portfolio (directly held investments only) has downside protection, with c.45% currently benefiting from this, meaning that their fair value has not decreased in line with an EV decrease.

Our portfolio valuations process continues to follow the IPEV Guidelines and aligns to the market movements in the period; we have seen significant movements in some of our key assets to reflect public market comparative movements. We continue to expect revenue growth in our portfolio companies with average revenue growth in the Core Portfolio of over 60% in 2022 and forecast average revenue growth of over 70% in 2023, demonstrating underlying strength and digital transition across sectors.

At 30 September 2022, we hold investments in the following quoted companies, Trustpilot, UiPath and Cazoo as part of the Core Portfolio. Since their IPOs, we have realised £81.8 million in proceeds from sale of shares in these assets. Remaining holdings in listed assets are held at their share price at period end, £23.2 million at 30 September 2022 market prices (1.6% of the Gross Portfolio Value).

The Core Portfolio is made up of 21 companies representing 64% of the Gross Portfolio Value. New entrants to the Core are Fintech OS, HiveMQ and Schüttflif, whilst Freetrade, N26 and Smava are not above the threshold for the Core in this period.

Deployment

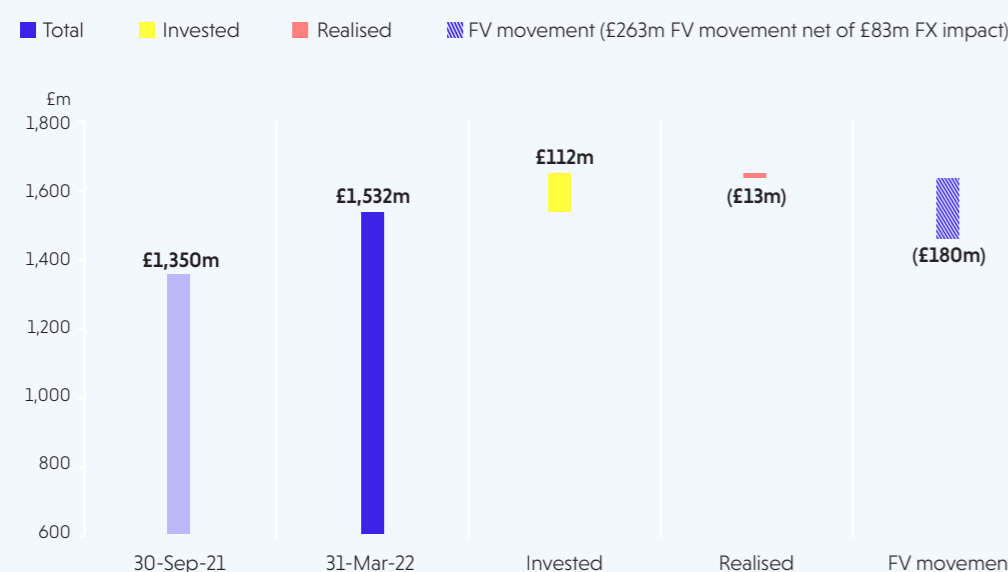
We have continued with the discipline around our investment process, deploying £112.0 million in the first half of the year, some of which relates to prior year deal activity which was finalised in the current financial year. Our expectation of full year deployment remains £150.0 million.

New Companies

During the period, we invested £55.8 million into new entrants to the portfolio:

- **HiveMQ** – Molten Ventures led a €40.0 million Series A funding round in HiveMQ, provider of the enterprise MQTT (MQ Telemetry Transport) messaging platform. HiveMQ's messaging platform allows companies to capitalise on the industry trend of connecting IoT devices to the cloud. From its roots in the automotive industry in Germany, HiveMQ has grown into other sectors and internationally.
- **Friday Finance (formerly Airbank)** – Molten Ventures led a US\$20.0 million Series A funding round in this finance management platform designed to help businesses save time and money. Friday Finance integrates into the existing systems of customers, connecting to the banks its customers already use, so they do not have to switch from their existing financial solutions. Friday Finance offers the user quick insights into their finances and allows them to consolidate multiple accounts in one place.

Gross Portfolio Value Progression



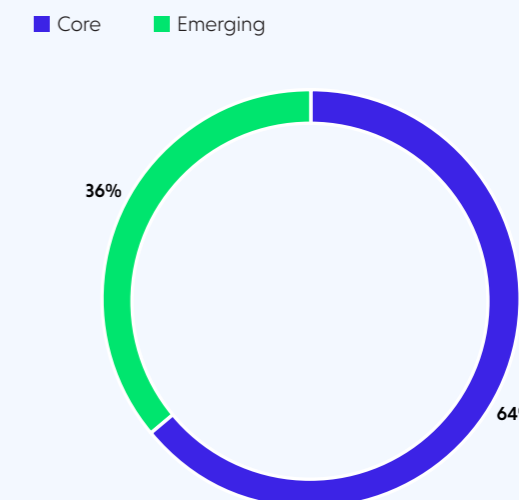
Average Core Revenues

Graph showing the growth in average revenues of our Core Portfolio.

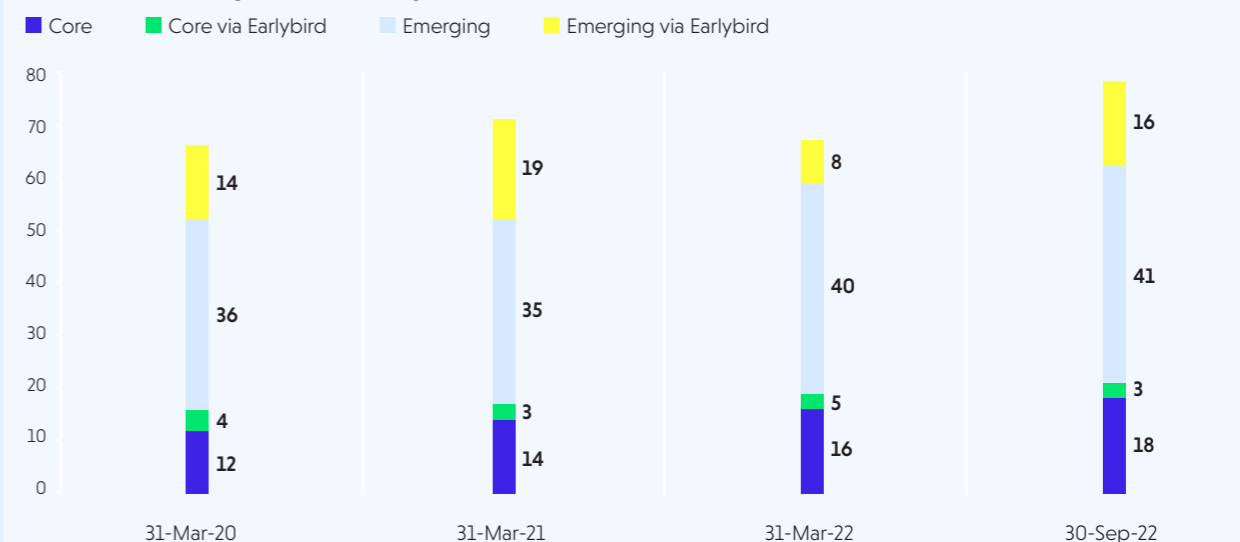


Average revenues for Core companies – actuals for 2021 and forecasts for 2022 and 2023.

Core Holdings as % GPV



Number of Primary Portfolio Companies



- **&Open** – Molten Ventures led a US\$26.0 million Series A funding round in &Open, a corporate gifting platform. &Open helps brands curate high-quality, design-led, and responsibly sourced gifts for customers around the world.
- **SettleMint** – Molten Ventures co-led a €16.0 million Series A funding round for SettleMint, a high performing low-code platform for building blockchain applications. The company has established itself as the category defining platform for blockchain application development for enterprise and is trusted by leading banks, financial services providers, global retailers, manufacturers and by innovators in the public sector.
- **Altruistiq** – Molten Ventures led a €15.0 million funding round in Altruistiq, a climate tech company providing a platform that enables enterprises with complex supply chains to automate sustainability data measurement, management, and information. Altruistiq's platform supports increased accuracy in data reporting and breadth of supply chain integration.

Portfolio review CONTINUED

£56m

Primary investments in companies new to our portfolio

£31m

Follow-on investment in existing portfolio companies

£25m

Drawdowns from seed Fund of Funds and Earlybird funds

Follow-on

We continued to support our existing portfolio as they grow, investing £30.6 million into follow-ons, including the following amounts during the period:

- **Fintech OS** – we invested £9.6 million during the period into Fintech OS, a provider of open-source solution for banks and the insurance industry. For further information on this company please refer to the Core Portfolio highlights.
- **CoachHub** – we invested £4.3 million in CoachHub, a leading global talent development platform that enables organisations to create a personalised, measurable, and scalable coaching program for the entire workforce, regardless of department and seniority level. For further information on this company, please refer to the Core Portfolio highlights.
- **Clue** – we invested £4.3 million as part of the extension to their Series C funding round. Clue is a leading brand in Femtech, recently launching new products for pregnancy and birth control alongside its period tracking app. The company's vision is to enable women to make good decisions in line with their biology and has resonated globally and the company is considered a leading brand in the FemTech space.
- **Schüttfliflix** – we participated in the company's Series A extension with a further £4.3 million investment. For further information on this company please refer to the Core Portfolio highlights.
- **Finalcad** – we invested £2.5 million in Finalcad during the period. The company is a global leader in digital transformation for construction, infrastructure and energy. Its unique combination of software, change management, and data helps construction stakeholders to change the way they build. Since 2011, Finalcad has delivered more than 30,000 projects across 35 countries, and has secured over US\$73.0 million in funding from numerous investors including Molten Ventures.
- **FocalPoint** – we co-led with an investment of £2.5 million in FocalPoint's Series C funding round. Their ground breaking super correlation software enables a new class of satellite positioning receiver that can measure the directions of the incoming signals, allowing them to ignore reflected signals and fake 'spoofed' signals, making them more accurate in cities and more resilient against spoofing attacks.
- **Agora** – we invested £1.5 million in the company's latest fund raise. Agora's vision is to build the largest social commerce platform for beauty in Europe. Users, typically Gen Z, can watch live streams or video reviews from ambassadors testing and reviewing products. During these live shows, users can engage with the streamers via comments and emojis, as well as directly buy the product via the marketplace.

- **Fluidic Analytics** – we invested £1.2 million in the Series C raise with a further £3.8 million invested via our EIS/VCT funds in the period. Their technology platform enables the rapid characterisation of proteins based on the physical properties that determine their function. Because proteins are characterised in solution and in their natural state, the platform gives access to unique quantitative insights into protein behaviour that are not accessible using other approaches.

Fund of funds

Our seed Fund of Funds programme continues to expand, providing access to earlier stage companies, as well as deal flow opportunities for the highest quality companies from within these portfolios. During the first six months of this financial year, we committed to another 10 funds, bringing our total commitments to 67 funds. Total commitments to new and existing seed funds at 30 September 2022 are £132.3 million (not including commitments to our Earlybird funds), of which £71.8 million has been drawn to period-end (£19.4 million during the period).

Amongst the new funds within our portfolio are:

- **Sisu Ventures III** (Finland – Gaming)
Commitment of US\$2.0 million. Sisu Game Ventures is an early-stage venture capital fund focused 100% on games. Established in 2014 to support the most promising founders in the industry. Sisu has deep roots in the Nordic region, but their network of founders extends beyond the Nordics.
- **Educapital Fund II** (France – EdTech)
Commitment of €2.0 million. Educapital is a leading pan-European fund specialising in the future of education and the future of work. Educapital covers all segments of education by investing in companies combining financial performance and social impact/learning outcome.
- **Contrarian Ventures Net Zero 2022** (Lithuania – Climate Tech)
Commitment of €2.0 million. Contrarian Ventures is a seed-stage sustainable energy transition-focused venture capital firm investing across Europe & Israel. The firm is aiming to be the top investor choice for climate tech founders at the seed stage and be the first institutional capital in leading climate tech companies.

Earlybird

During this period, funds managed by Earlybird Digital East and Earlybird Digital West drew down £6.2 million. This allows us, via our partnership with Earlybird into their Digital East Fund I, Growth Opportunities Fund, and Earlybird West's Fund VI and VII, to continue to access earlier stage companies in Germany and Europe with the benefit of Earlybird's expertise.

Realisations

Total cash proceeds from realisations and distributions during the period was £12.9 million. Of the £12.9 million, we have generated proceeds of £11.1 million from the sale of UiPath shares (listed company) and are recognising the remaining holding at 30 September 2022 at the period-end share price.

Post period-end

Fleetcore Technologies, Inc. (NYSE: FLT), a global business payments company, announced on 21 October 2022, that it had signed a definitive agreement to acquire portfolio company, Roomex, a European online B2B accommodation platform. Post period-end, we received £6.4 million cash proceeds with further escrow expected. The realised fair value (including escrow) is higher than our reported fair value at 31 March 2022.

£13m

Proceeds from realisations and distributions

£6m

Proceeds relating to the acquisition of Roomex received post period-end

Core Portfolio highlights

The Molten Ventures Core Portfolio is made up of 21 companies representing 64% of the Gross Portfolio Value. New entrants to the core are Fintech OS, HiveMQ and Schüttfflix whilst Freetrade, N26 and Smava are not above the threshold for the Core in this period.

Note - narrative updates based on publicly available information from the Core portfolio companies.

The company's cloud-based platform integrates with popular productivity and helpdesk tools and has been developed to be accessible, transparent, and collaborative. It aims to replace outdated systems with a collaborative platform that helps to communicate with customers, prospects, candidates, and colleagues. This enables businesses to be better on customer support or sales engagement with a phone system.

In July 2022, Aircall announced that Michael Haske would be joining the company as CEO in September 2022. Haske was previously President and Chief Operating Officer at Paylocity and brings nearly three decades of experience in scaling high-growth, cloud-based software businesses. Michael will succeed Aircall CEO Olivier Pailhes who co-founded the business in 2014 and remains on the Board as a strategic advisor.

In September 2022, Aircall announced the appointment of experienced SaaS operator and CEO, John Kinzer, to the company's board of directors. Kinzer brings more than three decades of experience in finance, mostly with SaaS companies. He currently works as an Operating Partner at Stripe and Chief Financial Officer at HubSpot and Blackboard.

One year after reaching a US\$1 billion valuation (as at last funding round) and six years after its first million dollar ARR, Aircall attained centaur status conferred to companies that generate more than US\$100 million ARR. Large customers contributed the most to this acceleration with a +107% year-on-year growth of this segment.

In May 2022, Aircall commissioned Forrester Consulting to conduct a Total Economic Impact study to examine the economic impact of switching to Aircall's solution. The study found that companies experienced a combined ROI of 373% over three years due to increased productivity, time and costs savings.

Location: **Paris**

Sector: **Enterprise Technology**

Invested: **£14.3m**

Fair Value: **£66.9m**

This investment is held via Earlybird.

Aiven aims to democratise access to the latest open-source technologies by offering fully-managed services for popular open-source projects in the public cloud such as Apache Kafka and Cassandra, Elasticsearch, M3 and PostgreSQL.

In September 2022, Aiven announced that it surpassed the 500 employees' mark. The company's headcount is spread globally with main hubs in Finland (174 FTEs), Germany (85 FTEs) and the US (58 FTEs).

To mark their entry into the data warehousing market, Aiven announced the launch of Aiven for ClickHouse designed to deliver a fully managed cloud data warehouse for next-level analytics to its customers.

Amid a year of significant growth, including a Series D fundraise solidifying its US\$3 billion unicorn valuation, Aiven was recognised as a top private cloud company. The company was named to the 2022 Forbes Cloud 100, the ranking of the top 100 private cloud companies in the world.

Aiven recently released its sustainability and social impact commitment, with the establishment of a number of goals to promote diversity & inclusion, lower barriers to access to technology and promote healthy communities.

Location: **Helsinki**

Sector: **Enterprise Technology**

Invested: **£5.0m**

Fair Value: **£127.0m**

Cazoo is an online car retailer, which aims to make buying a car much like buying any other product online today by providing better selection, value, convenience, and quality. Founded in 2018 by serial entrepreneur, Alex Chesterman OBE. Cazoo is listed on the New York Stock Exchange with the ticker CZOO.

Cazoo released its first half 2022 results with revenues of £628 million, up 153% year-on-year. Vehicles sold were up 113% year-on-year to 43,668.

Cazoo raised US\$630 million from the issuance of convertible notes to support continued investment in growth.

Cazoo announced the appointment of Paul Woolf to succeed Stephen Morana as Chief Financial Officer in Q4 2022.

The balance sheet of the business remains strong with over £400 million of cash and £175 million of self-financing inventory. The business remains focused on cash preservation and materially reducing additional funding requirements, including through a strategic focus on their core opportunity in the UK having performed a review of their business in mainland Europe in August 2022.

Location: **London**

Sector: **Consumer Technology**

Invested: **£9.9m**

Fair Value: **£2.3m**

CoachHub is a leading global talent development platform that enables organisations to create a personalised, measurable, and scalable coaching program for the entire workforce, regardless of department and seniority level. By doing so, Coachhub aims to help organisations to realise a multitude of benefits, including increased employee engagement, higher levels of productivity, improved job performance, and increased retention.

In June 2022, CoachHub announced the closing of a US\$200 million Series C round lead by Sofina and Softbank with participation from Molten Ventures. The round is to be used to further scale CoachHub's product innovation and operations while accelerating the company's global expansion. This round follows the closing of an US\$80 million round 8 months prior.

In May 2022, CoachHub launched the Digital Coaching Institute (DCI) – an online community for business coaches within the CoachHub network. The first of its kind to be offered by a global digital coaching platform, this network will give coaches the space to connect with like-minded colleagues across the globe, access upskilling opportunities, and benefit from additional training and coaching supervision.

In October 2022, CoachHub secured a carbon neutral company certification, adding another milestone to its existing sustainable activities.

Coachhub is fuelling its APAC expansion by increasing its coach headcount by 75% in the region and unveiling a new Singapore office to offer more support to its customers in the region.

Location: **Berlin**

Sector: **Enterprise Technology**

Invested: **£31.3m**

Fair Value: **£92.4m**

Core Portfolio highlights CONTINUED

endomag

Endomag utilises technology to improve cancer care by preventing unnecessary surgery and improving outcomes and patient experience where surgery is needed.

In May 2022, Endomag announced that Magseed is the world's most studied non-radioactive localisation seed, with over 9,000 patients featured in published or presented clinical trials. That includes the pioneering iBRA-NET study, the first multi-centre study to compare 1,000 patients with Magseed placements to 1,000 wire-guided patients.

In September 2022, NICE (National Institute for Health and Care Excellence) acknowledged that Magtrace, the company's tracer technology for use in sentinel lymph node biopsy procedures could be a significant breakthrough in how breast cancer is staged with the potential to drastically improve NHS breast cancer operations.

Throughout FY22, Endomag has been improving and expanding its product offering by releasing the new version of the Magseed pro, introducing the Sentimag Platform and launching a new probe with a volume reduced by 50% to allow for easier access and greater visibility in surgery.

Location:
Cambridge, United Kingdom

Sector:
Health

Invested:
£9.3m

Fair Value:
£24.7m

FORM3

FINANCIAL CLOUD

Form3 provides a cloud-native, real-time payment technology platform to enable banks and regulated fintechs to create new tech-enabled products and experiences.

In July 2022, Form3 announced its participation in the FedNow Pilot Program after invitation from the US Federal Reserve. FedNow will provide interbank clearing and settlement that enables funds to be transferred from the account of a sender to the account of a receiver in near real-time and at any time, any day of the year.

Seedrs, the leading private investment platform with over £1.9 billion investments to date, has chosen Form3 and LHV UK to enable it to access UK Faster Payments and SEPA Instant Payments in Europe, with the goal to augment its customer offering.

Dave Scola joins as Chief Executive for the US to lead the company's expansion into the US market as Form3 builds out its product capability to include Real-Time Payments and Automated Clearing House connectivity with both the Federal Reserve and The Clearing House.

Location:
London

Sector:
Enterprise Technology

Invested:
£30.1m

Fair Value:
£46.6m

GRAFHCORE

Graphcore is a machine intelligence semiconductor company, which develops Intelligent Processing Units ("IPUs") that enable world-leading levels of AI compute. The IPUs' unique architecture enables AI researchers to undertake entirely new types of work, thereby helping to drive advances in machine intelligence.

In June 2022, Graphcore announced its partnership with European AI leaders, Aleph Alpha to work together on research and deployment of Aleph Alpha's advanced multi-modal models on current IPU systems and the next-generation Good Computer.

Graphcore continues to build out its AI applications and services ecosystem, launching a new partnership with AI platform company Pienso to make its text analysis solution available on IPUs in the cloud.

With effect from September 2022, Graphcore has open-sourced its Argon Streams AV1, a comprehensive verification tool supporting next-generation video compression and delivery over the web.

In July 2022, researchers at the National University of Singapore announced the successful deployment of Graphcore's IPU technology in the development of graph neural networks (GNNs) used to accurately predict traffic journey times in congested cities.

Location:
Bristol

Sector:
Hardware & Deeptech

Invested:
£24.0m

Fair Value:
£73.3m

ICEYE

ICEYE's radar satellite imaging service, with coverage of selected areas every few hours, both day and night, helps clients resolve challenges in sectors such as maritime, disaster management, insurance, finance, security, and intelligence. ICEYE is the first organisation in the world to successfully launch synthetic-aperture radar (SAR) satellites with a launch mass under 100 kg.

In May 2022, ICEYE successfully completed its largest satellite launch ever, placing five new SAR satellites into orbit. The launch expanded ICEYE's world-leading SAR satellite constellation and includes the second and third satellites built, licensed and operated by ICEYE US.

In September 2022, ICEYE and SATLANTIS announced preliminary plans to develop and manufacture a Tandem for Earth Observation (Tandem4EO) constellation consisting of two radar and two VHR optical satellites. The announced program is planned to support the New Space strategy of several European Union nations, with a focus on Spain.

ICEYE announced a partnership with BAE Systems to provide advanced synthetic Aperture Radar (SAR) technology as part of BAE Systems' new multi-sensor satellite cluster launching in 2024.

In May, ICEYE announced the start of a pilot activity with the European Space Agency (ESA) to support the Copernicus Emergency Management Services (CEMS) team with flood insights.

Location:
Espoo, Finland

Sector:
Deeptech

Invested:
£22.5m

Fair Value:
£34.0m

Isar Aerospace Technologies

This investment is held via Earlybird.

Isar Aerospace develops and builds launch vehicles for transporting small and medium sized satellites, and satellite constellations into Earth's orbit.

In October 2022, the company announced the appointment of David Kownator as Chief Financial Officer. David has extensive experience in technology, capital-intensive industries, complex transactions and large-scale fundraising, joining Isar Aerospace from REEF Technology - a Miami-based operator of last-mile infrastructure and services, where he was President and Chief Financial Officer.

In June 2022, Isar Aerospace signed a firm launch services agreement with space infrastructure pioneer D-Orbit. The partnership is intended to complement and enhance their respective services in driving the European NewSpace Industry.

In July 2022, the company announced that it had been selected by French Space Agency CNES to fly satellites from equatorial Guiana Space Centre (CSG). By securing this latest launch site in Europe, Isar Aerospace gained additional flexibility for its customers and added an important pillar for future growth.

Location:
Munich

Sector:
Hardware & Deeptech

Invested:
£4.5m

Fair Value:
£25.7m

LEDGER

Ledger's products use hardware wallets, server appliances, and embedded technology based on a low-footprint crypto-embedded operating system built for secure elements and orchestration of code and systems, enabling financial institutions to get cybersecurity services for digital assets.

In July 2022, the company launched a secure mint and distribution platform for curated NFT drops from influential and leading cultural brands and artists. The company sold more than 10,000 Market Genesis Passes featuring the first ever secure, "clear-signing" mint.

The last round Ledger closed was a US\$380 million Series C led by 10T with participation from Molten Ventures. The round was raised to enable the company to innovate its product offering, add new transactional services, integrate new third-party services and strengthen Ledger Enterprise Solutions.

During the summer of 2022, the company released Ledger Satstack, a lightweight bridge to connect the Ledger Live app to a Bitcoin full node without sharing any data to Ledger, further strengthening the company's commitment to a privacy-enabled world for crypto-asset owners.

Location:
Paris

Sector:
Hardware & Deeptech

Invested:
£27.7m

Fair Value:
£69.1m

Core Portfolio highlights CONTINUED

LYST

A search engine just for fashion, Lyst offers a social shopping site that includes an inventory of fashion products and provides access to changing fashion data points every hour, enabling users to find and buy the latest fashion trends by browsing through a series of clothing and accessories. Lyst has been solidifying its brand positioning as one of the thought leaders in the fashion industry through the launch of its first podcast and a new fashion insight series.

Lyst announced in July 2022, that founder & CEO Chris Morton will move into the Executive Chairman role, where he will focus on strategy, partnerships and financing. Emma McFerran, Lyst COO, who joined the company in 2014, will move into the CEO role. McFerran has overseen Lyst's transformation into an app-first business, helping make the Lyst app the most downloaded premium fashion iOS app globally (source: App Annie data, Sep 22).

Also in July 2022, the company welcomed Liz Kistruck as its new CFO. Liz was formerly a senior leader at Expedia for over a decade, including as Hotel.com CFO.

In March 2022, Anton Jefcoate joined Lyst as Chief Technology Officer, coming from Just Eat where he was most recently Director of Engineering. Anton was brought in to oversee Lyst's technology capabilities globally with a particular focus on the Lyst app.

Location:
London

Sector:
Consumer Technology

Invested:
£13.2m

Fair Value:
£16.4m

M-Files

Intelligent information management platform, M-Files, organises customers' content with the ability to connect to existing network folders and systems and to enhance them with the help of AI to categorise and protect information.

In August 2022, TrustRadius, a software review website, recognised M-Files with two awards in document management. These awards are entirely driven by user-feedback with Megan Headley, VP of research stating "92% of reviewers said they were happy with M-Files' feature set. 100% of reviewers said that implementation went as expected and that they would buy M-Files again".

M-Files commissioned a Total Economic Impact Study from Forrester Consulting to examine the potential economic return on investment of adopting their solutions. Forrester found a nearly 270% ROI for using M-files for document management.

At the end of September 2022, the company announced a new desktop user interface with an enhanced usability and readability across the M-files metadata-driven document management platform.

The M-Files platform is now available as part of the Texas Department of Information resources Contract via its partnership with IQGB. Through this partnership, every Texan state agency will get access to M-files platform re-iterating M-files commitment to the public sector.

Location:
Tampere

Sector:
Enterprise Technology

Invested:
£6.5m

Fair Value:
£40.6m

PrimaryBid

PrimaryBid is a technology platform that allows everyday investors fair access to public companies raising capital. The company ensures retail investors transact at the same time and at the same price as institutional investors.

In February 2022, PrimaryBid announced a US\$190 million Series C led by Softbank, through its Vision Fund 2. PrimaryBid plans to use the funding both to continue building out the products that it offers to companies, such as the ability to invest in SPAC-based public listings and investments in retail bonds and to expand to new geographies, specifically with an eye on building out an office in the U.S.

In August 2022, PrimaryBid announced the bolstering of its C-suite through the appointment of a Chief Information and Security Officer (CISO) with 18 years of experience in CISO roles across different industries with roles at OneWeb and DAZN.

Location:
London

Sector:
Enterprise Technology

Invested:
£14.2m

Fair Value:
£14.7m

RavenPack

RavenPack, a leading big data analytics provider for financial services, allows clients to enhance returns, reduce risk and increase efficiency by systematically incorporating the effects of public information on their models or workflows.

In September 2022, Ravenpack, in collaboration with LinkUp, announced the release of RavenPack Job Analytics product, a predictive dataset sourced directly from the websites of more than 60,000 employers globally to enable customers to measure business growth, innovation, financial health and strategic direction.

In June 2022, Ravenpack announced the appointment of Aakarsh Ramchandani as its first Chief Strategy Officer. Aakarsh brings with him 15 years of Wall Street experience in Data Strategy & Product leadership roles and his arrival is intended to help the business accelerate revenue growth with a strategic roadmap that expands the company's core offering.

The Credit Suisse RavenPack AI Index won the "Index of the Year" Award from Structured Retail Products. This recognition comes only 9 months after exceeding US\$1 billion in notional derivatives linked to it. The CSRP AI index leverages the power of big data analytics to make sector allocation decisions in a tradeable and systematic way. The index is based on a news analytics algorithm developed by RavenPack, which uses Natural Language Processing (NLP) models to analyse thousands of company news published by reputable sources across the globe in milliseconds.

Location:
Marbella

Sector:
Enterprise Technology

Invested:
£7.5m

Fair Value:
£41.3m

Revolut

Revolut is a global financial services company that specialises in mobile banking, card payments, money remittance, and foreign exchange.

Over the Summer 2022, Revolut expanded its product offering by launching Pro accounts for independent workers, a one-click payment checkout feature as well as a lightweight card reader, its first hardware device.

On its seventh year anniversary in July 2022, Revolut achieved the significant milestone of topping 20 million retail customers. Revolut's customer base now generates more than 250 million transactions a month.

Revolut recently surpassed 5,000 employees globally as it continues to hire to service its expanding markets.

In June 2022, the company appointed Sid Jajodia, its Chief Banking Officer, as US CEO to help accelerate growth in the US where Revolut has nearly half a million active users.

Location:
London

Sector:
Consumer Technology

Invested:
£7.1m

Fair Value:
£64.3m

Thought Machine

Cloud native banking technology company, Thought Machine, provides core banking infrastructure to both incumbent and challenger banks. The company's technology provides an alternative, flexible cloud-based solution that can be configured to provide product, user experience, operating model, or data analysis capability.

In June 2022, Thought Machine was awarded Google Cloud's Industry Solution Partner of the Year (Financial Services) for 2021, recognising the business for creating industry-leading technology in the cloud.

Also in June 2022, Thought Machine launched Vault Payments: a new, cloud-native cards and payments processing platform built on the Mastercard network. Vault Payments has been built from scratch ensuring scalability, high configurability and real-time operations.

In May 2022, it was announced that Thought Machine continued to make inroads in the US, signing SoftBank Vision backed Finance Super App, M1 as its latest client. M1 intends to migrate all existing banking products and accounts to Thought Machine's cloud-native core banking engine, Vault Core.

In May 2022, Thought Machine announced the closing of its Series D led by Temasek at a US\$2.7 billion valuation (a 100% increase from the company's valuation at the last round which closed in November 2021).

Location:
London

Sector:
Hardware & DeepTech

Invested:
£36.5m

Fair Value:
£97.0m

Core Portfolio highlights CONTINUED

★ Trustpilot

Online global review platform, Trustpilot, provides a trust layer for the open commerce ecosystem by giving consumers the confidence to purchase goods and services from a wide range of online and offline businesses across the world. Trustpilot is listed on the London Stock Exchange with the ticker TRST.

Trustpilot revealed new data which showed a significant increase in the number of reviews left on the platform - up 21% year-on-year to 46.7 million - as advances in its technology have ensured the removal of 2.7 million fakes from the platform.

In June 2022, Trustpilot announced the appointment of Mieke De Schepper as Chief Commercial Officer. Responsible for developing and delivering Trustpilot's global commercial strategy, De Schepper leads Sales, Customer Success and Commercial Partnerships out of its newest office location in Amsterdam, as it continues to grow its global footprint.

Trustpilot's annual recurring revenue (ARR) increased by 23% to US\$149 million (H1 FY21: US\$134 million). Bookings increased 22% to US\$87 million (H1 FY21: US\$75 million), versus a strong performance in the prior-year period (H1 FY21: +28%). Bookings in the UK, Europe and RoW regions increased by 27%, with +8% growth in North America. All comparisons quoted based on a constant currency basis.

As at 30th June 2022, Trustpilot has a strong balance sheet with US\$73 million net cash (FY21: US\$93 million), including an US\$8 million FX translation effect, and underlying unlevered free cash flow for FY24.

Location:
Copenhagen

Sector:
Enterprise Technology

Remaining cost:
£12.1m

Fair Value:
£18.8m

Proceeds received:
£98.7m

UiPath™

This investment is held via Earlybird.

UiPath provides a comprehensive robotic software solution for IT-based process automation. Built on a fully integrated platform with built in instrument configuration, UiPath is designed to deliver the highest standards of enterprise management, security, scalability and auditability.

UiPath announced its Q2 earnings in September 2022. The business achieved a significant milestone in surpassing US\$1 billion, amounting to a 44% YOY growth, with expected continued growth for H2. The dollar based net retention rate for the business is at 132% and the GAAP gross margin was at 82%.

The company reinforced its leadership team by appointing Brigette McInnis-Day (former Google) as Chief People Officer to lead UiPath's talent, culture and diversity initiatives. UiPath also appointed Lee Hawksley as SVP and Managing Director of Asia Pacific and Japan to lead the company's efforts in the region. Hawksley is a seasoned executive with more than 20 years' experience in management roles in the technology industry.

UiPath announced in September 2022 that it was deepening its strategic partnership with Microsoft to collaborate on the build and bringing to market automation experiences and integrations powered by Microsoft Azure. UiPath is a preferred enterprise automation partner of Microsoft.

In September 2022, UiPath and Outsystems (a high-performance application developer) announced a strategic partnership to combine UiPath's business automation platform with Outsystems high-performance low-code. Together, they will enable customers to securely and intelligently automate core business processes and applications, while saving time, improving efficiency, and delivering transformational app experiences.

Location:
New York

Sector:
Enterprise Technology

Remaining cost:
£1.1m

Fair Value:
£1.2m

Proceeds received:
£70.9m

fintechOS

FintechOS is a global leader in high productivity fintech infrastructure (HPFI), helping companies across any domain rapidly launch and manage the next generation of financial products and services. FintechOS solutions also give companies the ability to engage customers across new digital channels, and to service their operations more effectively.

In July 2022, FintechOS unveiled a key partnership with ARIADNEXT, part of IDnow group, a European leader in identity services to offer robust and certified identity verification services. The relationship will span strategic markets in Europe, Middle East and Africa for new account openings, re-verification and high-risk transactions.

Also in June 2022, FintechOS announced a partnership with Huddl Team. The collaboration with the consultancy will help provide innovative technology solutions to building societies. A survey by the Building Society Association revealed 67% of their members identify digital transformation as the primary challenge to the sector over the next 5 years, specifically related to their decision in principle (DIP) processes, something the partnership will address by leveraging Huddl Team's domain knowledge and the FintechOS no-code/low code platform.

In May 2022, FintechOS announced it became an accredited fintech for PwC and Microsoft's digital banking solution, designed to empower financial institutions to innovate, adapt, and modernise.

In May 2022, FintechOS launched new features in its platform allowing digital innovation teams in banks and other lenders to create their own Buy Now Pay Later (BNPL) solutions.

Location:
Romania

Sector:
Enterprise Technology

Invested:
£27.0m

Fair Value:
£28.0m

SCHÜTTFLIX®

Schüttflix is the first logistics hub for the construction bulk-materials industry that works digitally and supplies sand, gravel and grit on the spot.

The Schüttflix app connects suppliers and carriers directly with customers from the road construction, civil engineering, gardening and landscaping sectors, transforming the market for all custom construction bulk materials into an efficient, Germany-wide ecosystem.

In August 2022, Schüttflix's app went live in the Polish market. The Polish market presents a clear opportunity for the digitisation of the construction site, facilitating the work of general contractors in obtaining aggregate offers quickly and efficiently. Within a month 100 companies joined the platform.

Over the summer 2022, Schüttflix expanded its reach into the Polish, Czech and Austrian markets. These markets present ideal conditions for adoption of the app which simplifies procurement processes between manufacturers and customers.

Location:
Germany

Sector:
Enterprise Technology

Invested:
£17.1m

Fair Value:
£17.6m

HIVEMQ

HiveMQ's messaging platform (MQTT) is designed for the fast, efficient and reliable bi-directional movement of data between device and the cloud. From its roots in the automotive industry in Germany, HiveMQ has grown into other sectors and internationally.

Molten Ventures led a €40.0 million Series A funding round in HiveMQ, provider of the enterprise MQTT messaging platform.

In September 2022, HiveMQ released a new feature that makes it possible to trace and debug MQTT data streams from device to cloud and back. Complete IoT observability requires insight into three pillars: metrics, traces and logs. HiveMQ has added distributed tracing to help organisations achieve end-to-end observability and make their IoT applications resilient and perform better.

In September 2022, HiveMQ announced the availability of the HiveMQ Enterprise Extension for Google Cloud Pub/Sub, a new feature that integrates MQTT data into Google Cloud. This allows organisations to benefit from HiveMQ's standards-based platform to send IoT data reliably and securely to Google Cloud enterprise services such as monitoring, advanced analytics and machine learning.

In July 2022, Frost & Sullivan research & consulting firm, analysed the manufacturing MQTT connectivity platforms industry and, based on its assessment results, recognised HiveMQ with the 2022 Global Entrepreneurial Company of the Year Award.

Location:
Munich

Sector:
Enterprise Technology

Invested:
£20.2m

Fair Value:
£20.9m

Financial review

“

Despite the impact on valuations from the public market downturn, our relative resilience is thanks to our consistent approach to valuations and we are confident in the overall strength of our portfolio.

”

Ben Wilkinson
Chief Financial Officer



Condensed consolidated interim statement of financial position

Net assets at period-end were £1,279.9 million, a movement of -£153.9 million from net assets of £1,433.8 million at 31 March 2022. This mainly results from movements in investments held at fair value through the profit or loss ("FVTPL"), cash, and loans and borrowings.

Investments made in the portfolio and positive impacts of foreign exchange movements have been offset by decreases in the fair value of the portfolio leading to a decrease in the Net Portfolio Value of -£57.8 million.

We have seen an increase in loans and borrowings of £59.0 million resulting from drawdown on our new Debt Facility (see below). We also have an undrawn revolving credit facility as part of the new Debt Facility at 30 September 2022.

Portfolio

Investments held at FVTPL of £1,353.0 million relate to our portfolio of high-growth technology companies. During the period, the Net Portfolio Value has decreased by -£57.8 million, resulting from investments made of £112.0 million offset by £12.9 million of realisations, and a movement in the fair value of investments held at FVTPL of -£155.9 million.

The Net Portfolio fair value movement of -£155.9 million relates to a net reduction on the portfolio fair value of -£238.7 million offset by a positive foreign exchange movement of £82.8 million.

Debt facility

During the period, Molten Ventures agreed a new £150.0 million net asset value facility with J.P. Morgan Chase Bank N.A. ("JPM") and Silicon Valley Bank UK Limited ("SVB") (the "Debt Facility"). The Debt Facility comprises a £90.0 million term loan and a revolving credit facility ("RCF") of up to £60.0 million on three- and two-year tenors respectively, both with one-year extensions up to five years and is secured against various assets and LP interests in the Group. The Debt Facility interest rate is SONIA plus a margin of 5.5% per annum.

The Debt Facility is underpinned by the value of the investment portfolio and drawdowns are subject to a maximum loan to value ratio of 10%. The value of the portfolio companies is subject to periodic independent third-party valuation, the first of which was conducted at the outset of the facility with valuations as at end of June 2022. The Debt Facility will be utilised for investment and corporate purposes and was used to repay in full the Company's existing £65.0 million facility with SVB and Investec.

We have been compliant with all relevant covenants (for both the previous facility with SVB and Investec and the current Debt Facility) throughout the duration of the facilities and at period-end.

As at 30 September 2022, the £90.0 million term loan is fully drawn and the £60.0 million RCF is undrawn. The drawn amount is recognised in the condensed consolidated interim statement of financial position at 30 September 2022, offset by capitalised fees from the setup of the Debt Facility, which are being amortised over its life. All capitalised amounts relating to the previous facility were recognised in the condensed consolidated interim statement of profit or loss on extinguishment of the liability (when the previous facility was repaid). Drawdowns and paydowns on the RCF will be driven by portfolio investments and realisations. For further information, please see Note 16b.

Liquidity

Total available liquidity at 30 September 2022 is £88.5 million (£28.5 million of cash and £60.0 million undrawn on the Company's RCF – see above). Our EIS and VCT funds also have cash of £57.8 million available for investment at 30 September 2022.

During the period, we made investments of £112.0 million, partially offset by £12.9 million of realisations and distributions. £90.0 million was received as a drawdown on the term loan as part of the Debt Facility, which also repaid amounts drawn on the previous facility with SVB and Investec (£35.0 million across the period and £65.0 million in total). Payments of £4.0 million were made in respect of arranging the Debt Facility and interest on the facility. Further amounts were paid out relating to operating expenses and purchases of shares in Molten Ventures plc were also made by the Group Employee Benefit Trust during the period.

Condensed consolidated interim statement of profit or loss

Total comprehensive loss for the period recognised of -£155.3 million (period to 30 September 2021: profit of £218.0 million), mostly resulting from a net negative movement in the fair value of investments held at FVTPL (negative fair value movement of £238.7 million offset by positive foreign exchange movements of £82.8 million).

Recognised fee income of £11.4 million in the six-month period ending 30 September 2022, an increase of £1.4 million from the £10.0 million recognised in the six-month period ending 30 September 2021. The increase results from a larger asset base over which fees are charged by funds and offsets the operating costs recognised in the period allowing us to meet our goal of operating costs net of fee income being less than 1% of net assets.

Operating costs of £12.7 million were recognised in the period, a reduction of 19% compared to the £15.7 million recognised in the six-month period ending 30 September 2021, which included exceptional items relating to the Company's Main Market move (see Note 25).

Gross Portfolio Value Table

| Investments | Fair Value of Investments 31-Mar-22 £m | Investments £m | Realisations £m | Molten Ventures (Ireland) Limited £m | Movement in Foreign Exchange £m | Fair value movement £m | Fair value movement 30-Sep-22 £m | Fair Value of Investments 30-Sep-22 £m | Ownership interest range* |
|------------------------------|--|-------------------|--------------------|---|------------------------------------|---------------------------|--|--|---------------------------|
| Aiven | 105.3 | – | – | – | 4.9 | 16.8 | 21.7 | 127.0 | B |
| Thought Machine | 103.5 | – | – | – | – | (6.5) | (6.5) | 97.0 | B |
| Coachhub | 85.7 | 4.3 | – | – | 3.5 | (1.1) | 2.4 | 92.4 | C |
| Graphcore | 113.5 | – | – | – | 11.1 | (51.3) | (40.2) | 73.3 | A |
| Ledger | 91.9 | – | – | – | 2.6 | (25.4) | (22.8) | 69.1 | B |
| Aircall | 62.9 | – | – | – | 10.2 | (6.2) | 4.0 | 66.9 | B |
| Revolut | 91.3 | – | – | – | 9.8 | (36.8) | (27.0) | 64.3 | A |
| Form3 | 46.6 | – | – | – | – | – | – | 46.6 | C |
| Ravenpack | 35.1 | – | – | – | 6.2 | – | 6.2 | 41.3 | D |
| M-Files | 37.3 | – | – | – | 1.6 | 1.7 | 3.3 | 40.6 | B |
| ICEYE | 32.1 | – | – | – | 5.2 | (3.3) | 1.9 | 34.0 | B |
| FintechOS | 17.4 | 9.6 | – | – | 1.1 | (0.1) | 1.0 | 28.0 | C |
| Isar AeroSpace | 27.9 | – | – | – | 1.0 | (3.2) | (2.2) | 25.7 | A |
| Endomag | 24.7 | – | – | – | – | – | – | 24.7 | C |
| Hive MQ | – | 20.2 | – | – | 0.7 | – | 0.7 | 20.9 | B |
| Trustpilot Plc | 36.5 | – | – | – | – | (17.7) | (17.7) | 18.8 | B |
| Schüttflifx | 12.7 | 4.3 | – | – | 0.7 | (0.1) | 0.6 | 17.6 | B |
| Lyst | 39.7 | – | – | – | 2.5 | (25.8) | (23.3) | 16.4 | C |
| Primary Bid | 24.6 | – | – | – | – | (9.9) | (9.9) | 14.7 | B |
| Cazoo (Ajax SPAC) | 12.0 | – | – | – | 0.4 | (10.1) | (9.7) | 2.3 | A |
| UiPath Inc. | 14.0 | – | (11.2) | – | 0.2 | (1.8) | (1.6) | 1.2 | A |
| Remaining | 515.0 | 73.6 | (1.7) | – | 21.1 | (81.9) | (60.8) | 526.1 | |
| Total | 1,529.7 | 112.0 | (12.9) | – | 82.8 | (262.7) | (179.9) | 1,448.9 | |
| Co-Invest [^] | 1.8 | – | – | – | – | (0.5) | (0.5) | 1.3 | |
| Gross Portfolio Value | 1,531.5 | 112.0 | (12.9) | – | 82.8 | (263.2) | (180.4) | 1,450.2 | |
| Carry External | (121.5) | – | – | – | – | 23.7 | 23.7 | (97.8) | |
| Portfolio Deferred tax | 0.5 | – | – | – | – | (0.2) | (0.2) | 0.3 | |
| Trading carry & co-invest | 0.3 | – | – | – | – | – | – | 0.3 | |
| Non-investment cash movement | – | – | – | (1.0) | – | 1.0 | 1.0 | – | |
| Net Portfolio Value | 1,410.8 | 112.0 | (12.9) | (1.0) | 82.8 | (238.7) | (155.9) | 1,353.0 | |

* Fully diluted interest categorised as follows: Cat A: 0–5%, Cat B: 6–10%, Cat C: 11–15%, Cat D: 16–25%, Cat E: >25%

[^]The Group's holdings in co-investment entities managed by the Group managers.

Financial review CONTINUED

£1,450m

Gross Portfolio Value at 30 September 2022

£112m

Cash invested during the period

£13m

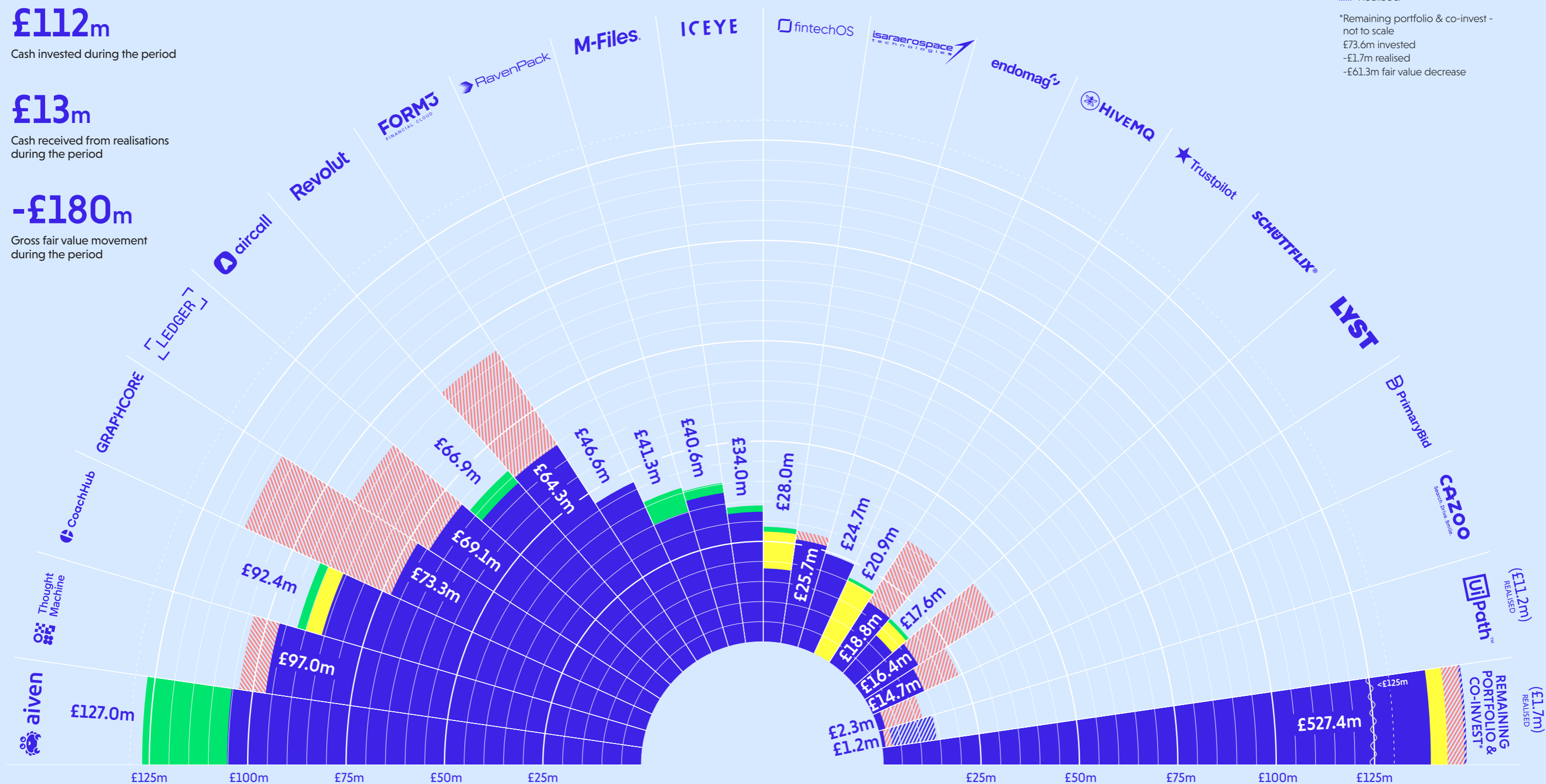
Cash received from realisations during the period

-£180m

Gross fair value movement during the period

- FY22 Fair Value
- Investment
- Fair Value Increase
- Fair Value Decrease
- ▨ Realised

*Remaining portfolio & co-invest - not to scale
 £73.6m invested
 -£1.7m realised
 -£61.3m fair value decrease



Principal risks and uncertainties

A detailed explanation of the principal risks and uncertainties faced by the Group, the management and mitigation of those risks and uncertainties, and the Group's governance of risk management is disclosed in the Risk Management and Principal Risks sections (on pages 72 to 81) of the Annual Report and Accounts for the year ended 31 March 2022.

The Audit, Risk and Valuations Committee has assessed the principal risks and uncertainties included in the Annual Report and determined that for the remaining six months of the financial year, the risks to which the Group will be exposed are expected to be substantially the same as described. In summary, those principal risks and uncertainties comprise strategic, business, operational and venture capital industry-specific risks.

In its assessment, the Committee noted an increase in the risk associated with FX exposure and the global macro-economic environment, contributing to rising inflation and interest rates. It also recognises the volatility of global stock markets impacting valuations, and the frequency and value of investee company exits, which the Committee and the Board will continue to monitor.

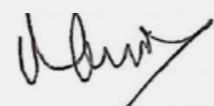
Directors' responsibilities statement

The Directors confirm that these unaudited condensed consolidated interim financial statements for the six months ended 30 September 2022 included in the Interim Report have been prepared in accordance with International Accounting Standard 34, 'Interim Financial Reporting' (IAS 34) as adopted by the European Union, UK adopted IAS 34, the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom's Financial Conduct Authority and the Transparency (Directive 2004/109/ EC) Regulations 2007 (as amended), and the Central Bank of Ireland (Investment Market Conduct) Rules 2019, and that the Interim Management Report includes a fair review of the information required by the Disclosure Guidance and Transparency Rules ("DTR") 4.2.7R and 4.2.8R, namely:

The interim financial statements comprise:

- An indication of important events that have occurred during the first six months of the financial year and their impact on the condensed set of financial statements, and a description of the principal risks and uncertainties for the remaining six months of the financial year; and
- Material related-party transactions that have taken place in the first six months of the financial year and any material changes in the related-party transactions described in the Company's last Annual Report.

This responsibility statement was approved by the Board on 18th November 2022 and signed on its behalf by:



Martin Davis
Chief Executive Officer



Ben Wilkinson
Chief Financial Officer

Independent review report to Molten Ventures plc

Report on the condensed consolidated interim financial statements

Our conclusion

We have reviewed Molten Ventures plc's condensed consolidated interim financial statements (the "interim financial statements") in the Interim Report of Molten Ventures plc for the 6 month period ended 30 September 2022 (the "period").

Based on our review, nothing has come to our attention that causes us to believe that the interim financial statements are not prepared, in all material respects, in accordance with UK adopted International Accounting Standard 34, 'Interim Financial Reporting', International Accounting Standard 34, 'Interim Financial Reporting' as adopted by the European Union, and the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom's Financial Conduct Authority, and the Transparency (Directive 2004/109/EC) Regulations 2007 (as amended) and the Central Bank of Ireland (Investment Market Conduct) Rules 2019.

The interim financial statements comprise:

- the Condensed consolidated interim statement of financial position as at 30 September 2022;
- the Condensed consolidated interim statement of comprehensive income for the period then ended;
- the Condensed consolidated interim statement of cash flows for the period then ended;
- the Condensed consolidated interim statement of changes in equity for the period then ended; and
- the explanatory notes to the interim financial statements.

The interim financial statements included in the Interim Report of Molten Ventures plc have been prepared in accordance with UK adopted International Accounting Standard 34, 'Interim Financial Reporting', International Accounting Standard 34, 'Interim Financial Reporting' as adopted by the European Union, and the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom's Financial Conduct Authority, and the Transparency (Directive 2004/109/ EC) Regulations 2007 (as amended) and the Central Bank of Ireland (Investment Market Conduct) Rules 2019.

Basis for conclusion

We conducted our review in accordance with International Standard on Review Engagements (UK) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' issued by the Financial Reporting Council for use in the United Kingdom. A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures.

A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK) and, consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We have read the other information contained in the Interim Report and considered whether it contains any apparent misstatements or material inconsistencies with the information in the interim financial statements.

Conclusions relating to going concern

Based on our review procedures, which are less extensive than those performed in an audit as described in the Basis for conclusion section of this report, nothing has come to our attention to suggest that the directors have inappropriately adopted the going concern basis of accounting or that the directors have identified material uncertainties relating to going concern that are not appropriately disclosed. This conclusion is based on the review procedures performed in accordance with this ISRE. However, future events or conditions may cause the group to cease to continue as a going concern.

Responsibilities for the interim financial statements and the review

Our responsibilities and those of the directors

The Interim Report, including the interim financial statements, is the responsibility of, and has been approved by the directors. The directors are responsible for preparing the Interim Report in accordance with the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom's Financial Conduct Authority, and the Transparency (Directive 2004/109/EC) Regulations 2007 (as amended) and the Central Bank of Ireland (Investment Market Conduct) Rules 2019. In preparing the Interim Report, including the interim financial statements, the directors are responsible for assessing the group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or to cease operations, or have no realistic alternative but to do so.

Our responsibility is to express a conclusion on the interim financial statements in the Interim Report based on our review. Our conclusion, including our Conclusions relating to going concern, is based on procedures that are less extensive than audit procedures, as described in the Basis for conclusion paragraph of this report. This report, including the conclusion, has been prepared for and only for the company for the purpose of complying with the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom's Financial Conduct Authority, and the Transparency (Directive 2004/109/EC) Regulations 2007 (as amended) and the Central Bank of Ireland (Investment Market Conduct) Rules 2019 and for no other purpose. We do not, in giving this conclusion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.



PricewaterhouseCoopers LLP
Chartered Accountants
London

18 November 2022

Condensed consolidated interim statement of comprehensive income

For the period ended 30 September 2022

| | Notes | Unaudited Period Ended 30 Sep 2022 £'m | Unaudited Period Ended 30 Sep 2021 £'m |
|---|-------|---|---|
| Change in (losses)/gains on investments held at fair value through profit or loss | 6 | (155.9) | 252.0 |
| Fee income | | 11.4 | 10.0 |
| Total investment income | | (144.5) | 262.0 |
| Operating expenses | | | |
| General administrative expenses* | | (10.1) | (11.2) |
| Depreciation and amortisation | | (0.4) | (0.4) |
| Share-based payments – resulting from Company share option scheme | | (2.1) | (1.6) |
| Investment and acquisition costs | | (0.1) | (0.1) |
| Exceptional items | 25 | – | (2.4) |
| Total operating costs | | (12.7) | (15.7) |
| (Loss) / Profit from operations | | (157.2) | 246.3 |
| Finance income | 7 | 1.9 | 1.5 |
| Finance expense | 7 | (2.7) | (0.4) |
| Operating (loss) / profit before tax | | (158.0) | 247.4 |
| Income taxes | | 2.7 | (29.4) |
| (Loss) / Profit for the period | | (155.3) | 218.0 |
| Other comprehensive income | | – | – |
| Total comprehensive (expense) / income for the period | | (155.3) | 218.0 |
| (Loss) / Earnings per share attributable to owners of the parent: | | | |
| Basic (loss) / earnings per weighted average shares (pence) | 8 | (102) | 148 |
| Diluted (loss) / earnings per weighted average shares (pence) | 8 | (101) | 146 |

*Professional fees related to the new debt facility of £0.3m have been included within General administrative expenses. See Note 16(b) for further details.

The Notes on pages 26 to 46 are an integral part of these condensed consolidated interim financial statements.

Condensed consolidated interim statement of financial position

As at 30 September 2022

| | Notes | Unaudited 30 Sep 2022 £'m | Audited 31 Mar 2022 £'m |
|--|--------|---------------------------------|-------------------------------|
| Non-current assets | | | |
| Intangible assets | 9 | 10.6 | 10.7 |
| Financial assets held at fair value through profit or loss | 11 | 1,353.0 | 1,410.8 |
| Deferred tax | | – | 1.6 |
| Property, plant and equipment | | 0.6 | 0.9 |
| Total non-current assets | | 1,364.2 | 1,424.0 |
| Current assets | | | |
| Trade and other receivables | | 7.8 | 2.8 |
| Cash and cash equivalents | | 28.5 | 75.8 |
| Restricted cash | | – | 2.3 |
| Total current assets | | 36.3 | 80.9 |
| Current liabilities | | | |
| Trade and other payables | | (7.9) | (14.3) |
| Financial liabilities | 16 | (0.4) | (0.4) |
| Total current liabilities | | (8.3) | (14.7) |
| Non-current liabilities | | | |
| Deferred tax | 13 | (23.2) | (26.1) |
| Provisions | | (0.3) | (0.3) |
| Financial liabilities | 16 | (88.8) | (30.0) |
| Total non-current liabilities | | (112.3) | (56.4) |
| Net assets | | 1,279.9 | 1,433.8 |
| Equity | | | |
| Share capital | 14 | 1.5 | 1.5 |
| Share premium account | 14 | 615.9 | 615.9 |
| Own shares reserve | 17(i) | (8.9) | (8.2) |
| Other reserves | 17(ii) | 31.0 | 28.9 |
| Retained earnings | | 640.4 | 795.7 |
| Total equity | | 1,279.9 | 1,433.8 |
| Net assets per share (pence) | 8 | 837 | 937 |

The condensed consolidated interim financial statements were approved by the Board of Directors and authorised for issue on 18 November 2022.



Ben Wilkinson
Chief Financial Officer

Molten Ventures plc registered number 09799594

The Notes on pages 26 to 46 are an integral part of these condensed consolidated interim financial statements.

Condensed consolidated interim statement of cash flows

for the period ended 30 September 2022

| Notes | Unaudited Period Ended 30 Sep 2022 £'m | Unaudited Period Ended 30 Sep 2021 £'m |
|---|---|---|
| Cash flows from operating activities | | |
| Operating (loss)/profit after tax | | |
| | (155.3) | 218.0 |
| Adjustments to reconcile operating profit to net cash (outflow) in operating activities | 18 | 146.8 |
| Purchase of investments | (112.0) | (165.0) |
| Proceeds from disposals in underlying investment vehicles and repayment of loans | 12.9 | 67.5 |
| Net loans returned from/(made to) underlying investment vehicles and Group companies | 1.0 | (12.9) |
| Share options exercised and paid to employees | - | (1.8) |
| Tax paid | - | - |
| Net cash (outflow) from operating activities | (106.6) | (111.7) |
| Cash flows from investing activities | | |
| Payment for acquisition of subsidiary, net of cash acquired | - | - |
| Payments for property, plant and equipment | - | - |
| Net cash (outflow) from investing activities | - | - |
| Cash flows from financing activities | | |
| Loan repayments | 16(b) | (65.0) |
| Loan proceeds | 16(b) | 125.0 |
| Fees paid on issuance of loan | (1.3) | (0.3) |
| Interest paid | (2.7) | (0.3) |
| Interest received | - | 0.1 |
| Acquisition of own shares | (0.7) | (1.2) |
| Sale of own shares | - | - |
| Repayments of leasing liabilities | 16 | (0.2) |
| Gross proceeds from issue of share capital | - | 111.2 |
| Equity issuance costs | - | (3.5) |
| Net cash inflow from financing activities | 55.1 | 105.8 |
| Net (decrease) in cash and cash equivalents | (51.5) | (5.9) |
| Cash and cash equivalents at beginning of period | 78.1 | 160.7 |
| Exchange differences on cash and cash equivalents | 1.9 | 1.4 |
| Cash and cash equivalents at period end | 28.5 | 140.6 |
| Restricted cash at period end | - | 15.6 |
| Total cash and cash equivalents and restricted cash at period-end | 28.5 | 156.2 |

The Notes on pages 26 to 46 are an integral part of these condensed consolidated interim financial statements.

Condensed consolidated interim statement of changes in equity

for the period ended 30 September 2022

| Period end 30 September 2022 (unaudited) | Attributable to equity holders of the parent (£'m) | | | | | |
|---|--|---------------|--------------------|----------------|-------------------|----------------|
| | Share capital | Share premium | Own shares reserve | Other reserves | Retained earnings | Total equity |
| Brought forward as at 1 April 2022 | 1.5 | 615.9 | (8.2) | 28.9 | 795.7 | 1,433.8 |
| Comprehensive expense for the period | | | | | | |
| Loss for the period | - | - | - | - | (155.3) | (155.3) |
| Total comprehensive expense for the period | - | - | - | - | (155.3) | (155.3) |
| Contributions by and distributions to the owners: | | | | | | |
| Contributions of equity, net of transaction costs and tax | - | - | - | - | - | - |
| Options granted and awards exercised | - | - | - | 2.1 | - | 2.1 |
| Acquisition of treasury shares | - | - | (0.7) | - | - | (0.7) |
| Total contributions by and distributions to the owners | - | - | (0.7) | 2.1 | - | 1.4 |
| Balance as at 30 September 2022 | 1.5 | 615.9 | (8.9) | 31.0 | 640.4 | 1,279.9 |
| Attributable to equity holders of the parent (£'m) | | | | | | |
| Period end 30 September 2021 (unaudited) | Share capital | Share premium | Own shares reserve | Other reserves | Retained earnings | Total equity |
| Brought forward as at 1 April 2021 | 1.4 | 508.3 | (0.3) | 26.2 | 497.5 | 1,033.1 |
| Comprehensive income for the period | | | | | | |
| Profit for the period | - | - | - | - | 218.0 | 218.0 |
| Total comprehensive income for the period | - | - | - | - | 218.0 | 218.0 |
| Contributions by and distributions to the owners: | | | | | | |
| Contributions of equity, net of transaction costs and tax | 0.1 | 107.6 | - | - | - | 107.7 |
| Options granted and awards exercised | - | - | - | 1.3 | (1.5) | (0.2) |
| Acquisition of treasury shares | - | - | (1.2) | - | - | (1.2) |
| Total contributions by and distributions to the owners | 0.1 | 107.6 | (1.2) | 1.3 | (1.5) | 106.3 |
| Balance as at 30 September 2021 | 1.5 | 615.9 | (1.5) | 27.5 | 714.0 | 1,357.4 |

The Notes on pages 26 to 46 are an integral part of these condensed consolidated interim financial statements.

Notes to the condensed consolidated interim financial statements

1. General information

| | |
|--|--|
| Name of the Company | Molten Ventures plc |
| LEI code of the Company | 213800IPCR3SAYJWSW10 |
| Domicile of Company | United Kingdom |
| Legal form of the Company | Public limited company |
| Country of incorporation | England and Wales |
| Address of Company's registered office | 20 Garrick Street, London, WC2E 9BT |
| Principal place of business | 20 Garrick Street, London, WC2E 9BT |
| Description of nature of entity's operations and principal activities | Venture capital firm |
| Name of parent entity | Molten Ventures plc |
| Name of ultimate parent of Group | Molten Ventures plc |
| Explanation of change in name of reporting entity or other means of identification from end of preceding reporting period | Molten Ventures plc was formerly known as Draper Esprit plc (company name change in November 2021) |
| Period covered by financial statements | 1 April 2022 – 30 September 2022 |

Molten Ventures plc (the "Company") is a public limited company incorporated and domiciled in England and Wales. On 23 July 2021, the Company's ordinary shares were admitted to the premium listing segment of the Official List of the Financial Conduct Authority and to trading on the London Stock Exchange's Main Market for listed securities, as well as to the secondary listing of the Official List of the Irish Stock Exchange plc and to trading on the regulated market of Euronext Dublin. Prior to this, between 15 June 2016 and 22 July 2021, the Company was listed on the London Stock Exchange's AIM market and the Irish Stock Exchange's Euronext Growth market.

The Company is the ultimate parent company in which results of all subsidiaries are consolidated in line with IFRS 10. The condensed consolidated interim financial statements for the period ending 30 September 2022 and for the comparative periods ending 31 March 2022 and 30 September 2021 comprise the condensed consolidated interim financial statements of the Company and its subsidiaries (together, "the Group").

The condensed consolidated interim financial statements are presented in Pounds Sterling (GBP/£), which is the currency of the primary economic environment in which the Group operates. All amounts are rounded to the nearest million, unless otherwise stated.

2. Going concern assessment and principal risks

Going concern

The Group's primary sources of liquidity are the cash flows it generates from its operations, realisations of its investments and borrowings. The primary use of this liquidity is to fund the Group's operations (including the purchase of investments). Responsibility for liquidity risk management rests with the Board, which has established a framework for the management of the Group's funding and liquidity management requirements.

The Group manages liquidity risk by maintaining adequate reserves and with ongoing monitoring of forecast and actual cash flows. The Group has undertaken a going concern assessment and the latest assessment showed sufficient headroom for liquidity for at least the next 12 months from the date of approval of these financial statements.

The assessment of going concern considers both the Group's current performance and future outlook, including:

- An assessment of the Group's liquidity and solvency position using a number of severe but plausible scenarios to assess the potential impact on the Group's operations and portfolio companies. These downside scenarios include (i) unpredictability of exit timing, (ii) portfolio company valuations subject to change and (iii) the unlikely event of no realisations taking place within the Going Concern period. The Group manages and monitors liquidity regularly and continually assesses investments, commitments, realisations, operating expenses, and receipt of portfolio cash income including under stress scenarios ensuring liquidity is adequate and sufficient. As at the date of signing, the Directors believe the Group has sufficient cash resources and liquidity and is well placed to manage the business risks in the current economic environment.
- The Group must comply with financial and non-financial covenants as part of its Debt Facility agreement (see Note 16(b) for further details). In order to assess forecast covenant compliance, management have performed an assessment to identify the level at which covenants would be breached. This is based on the current portfolio and assuming no intervention to manage a breach. For a breach to occur under these circumstances, a 38% decrease in gross asset value would need to occur. The Directors do not consider this to be plausible based on the current outlook, and the remedial action which could be taken in advance of such a significant decrease to the gross asset value.

After making enquiries and following challenge and review, the Directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for 12 months from the date of approval of these financial statements. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

Principal risks

The Group has reviewed its exposure to its principal risks and concluded that these did not have a significant impact on the financial performance and/or position of the Group for the period and as at 30 September 2022, respectively. For further details on the Group's principal risks, as well as its risk management processes, please see the Management Report to these accounts and the Risk Management and Principal Risks Section of the Annual Report and Accounts for the year ended 31 March 2022.

3. Adoption of new and revised standards

i. Adoption of new and revised standards

No changes to IFRS have impacted this period's financial statements.

ii. Impact of standards issued not yet applied

No upcoming changes under IFRS are likely to have a material effect on the reported results or financial position. Management will continue to monitor upcoming changes.

4. Significant accounting policies

Basis of accounting

These condensed consolidated interim financial statements for the six months ended 30 September 2022 have been prepared in accordance with International Accounting Standard 34, 'Interim Financial Reporting' (IAS 34) as adopted by the European Union, UK-adopted IAS 34, the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom's Financial Conduct Authority and the Transparency (Directive 2004/109/ EC) Regulations 2007 (as amended) and the Central Bank of Ireland (Investment Market Conduct) Rules 2019. On 31 December 2020, EU-adopted IFRS at that date was brought into UK law and became UK-adopted international accounting standards, with further changes being subject to endorsement by the UK Endorsement Board. The unaudited condensed consolidated interim financial statements transitioned to UK-adopted international accounting standards from 1 April 2021. There was no impact or changes in accounting policy from the transition.

The unaudited condensed consolidated interim financial statements for the six months ended 30 September 2022 were approved by the Board of Directors for publication on 18 November 2022.

The annual financial statements of the Group for the year ended 31 March 2022 were prepared in accordance with UK-adopted International Accounting Standards (IAS) and the requirements of the Companies Act 2006 as applicable to companies reporting under those standards and International Financial Reporting Standards (IFRS) adopted pursuant to Regulation (EC) No 1606/2002 as it applies in the European Union. Except as noted below, the condensed consolidated interim financial statements have been prepared applying the accounting policies that were applied in the preparation of the Group's published consolidated financial statements for the year ended 31 March 2022.

a. Significant accounting policies

The condensed consolidated interim financial statements have been prepared in accordance with the accounting policies adopted by the Group's most recent Annual Report and Accounts for the year ended 31 March 2022.

b. Basis of Consolidation

The condensed consolidated interim financial statements have been prepared in accordance with the basis of consolidation adopted by the Group's most recent Annual Report and Accounts for the year ended 31 March 2022.

During the period, 6 new entities were incorporated within the Group structure – Molten Ventures Holdings Limited, Molten Ventures FoF I GP LLP, Molten Ventures FoF I (Special Partner) LP, Molten Ventures FoF I LP, Molten Ventures Growth Fund I GP SARL, and Molten Ventures Growth Fund I SCSp. There has been no material impact to these interim consolidated financial statements.

5. Critical accounting estimates and judgements

The Directors have made the following judgements and estimates that have had the most significant effect on the carrying amounts of the assets and liabilities in the consolidated financial statements. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. Actual results may differ from estimates. The key estimate, (5) (a), and judgement, (5)(b), are discussed below. There have been no new critical accounting estimates and judgements in the period ended 30 September 2022.

Estimate:

a. Valuation of unquoted equity investments at fair value through profit or loss

The Group invests into Limited Companies and Limited Partnerships which are considered to be investment companies that invest for the benefit of the Group. These investment companies are measured at fair value through profit or loss based on their NAV at the year/period end. The Group controls these entities and is responsible for preparing their NAV, which is mostly based on the valuation of their unquoted investments. The Group's valuation of investments measured at fair value through profit or loss is, therefore, dependent upon estimations of the valuation of the underlying portfolio companies, plus market movements for timing differences.

The Group, through its controlled investment companies also invests in investment funds, which primarily focus on seed and early stage investments across Europe. These investments are considered to be "Fund of Funds investments" for the Group and are recognised at their NAV at the period-end date. These Fund of Funds investments are not controlled by the Group and some do not have coterminous year ends with the Group. To value these investments, management obtains the latest audited financial statements or partner reports of the investments and discusses further movements with the management of the funds (in the case of Earlybird). Where the Fund of Funds hold investments that are individually material to the Group, management perform further procedures to determine that the valuation of these investments has been prepared in accordance with the Group's valuation policies for portfolio companies outlined below and these valuations will be adjusted by the Group where necessary based on the Group valuation policy for valuing portfolio companies, plus market movements for timing differences.

The estimates required to determine the appropriate valuation methodology of investments means there is a risk of material adjustment to the carrying amounts of assets and liabilities. These estimates include whether to increase or decrease investment valuations and require the use of assumptions about the carrying amounts of assets and liabilities that are not readily available or observable.

Notes to the condensed consolidated interim financial statements CONTINUED

5. Critical accounting estimates and judgements CONTINUED

The fair value of investments is established with reference to the International Private Equity and Venture Capital Valuation Guidelines as well as the IPEV Board, Special Valuation Guidance issued on 31 March 2020 in response to the COVID-19 crisis ("IPEV Guidelines"). An assessment will be made at each measurement date as to the most appropriate valuation methodology.

The Group invests in early-stage and growth technology companies, through predominantly unlisted securities. Given the nature of these investments, there are often no current or short-term future earnings or positive cash flows. Consequently, although not considered to be the default valuation technique, the appropriate approach to determine fair value may be based on a methodology with reference to observable market data, being the price of the most recent transaction. Fair value estimates that are based on observable market data will be of greater reliability than those based on estimates and assumptions and accordingly where there have been recent investments by third parties, the price of that investment will generally provide a basis of the valuation. Recent transactions may include post-year/period-end as well as pre-year/period-end transactions depending on the nature and timing of these transactions.

If this methodology is used, its initial use and the length of period for which it remains appropriate to use the calibration of last round price depends on the specific circumstances of the investment, and the Group will consider whether this basis remains appropriate each time valuations are reviewed. In addition, the inputs to the valuation model (e.g. revenue, comparable peer group, product roadmap) will be recalibrated to assess the appropriateness of the methodology used in relation to the market performance and technical/product milestones since the round and the company's trading performance relative to the expectations of the round.

The Group considers alternative methodologies in the IPEV Guidelines, being principally price-revenue or price-earnings multiples, depending upon the stage of the asset, requiring management to make assumptions over the timing and nature of future revenues and earnings when calculating fair value. When using multiples, we consider public traded multiples as at measurement date (30 September 2022, 30 September 2021 and 31 March 2022 for this report) in similar lines of business, which are adjusted based on the relative growth potential and risk profile of the subject company versus the market and to reflect the degree of control and lack of marketability.

Where a fair value cannot be estimated reliably, the investment is reported at the carrying value at the previous reporting date unless there is evidence that the investment has since been impaired.

In all cases, valuations are based on the judgement of the Directors after consideration of the above and upon available information believed to be reliable, which may be affected by conditions in the financial markets. Due to the inherent uncertainty of the investment valuations, the estimated values may differ significantly from the values that would have been used had a ready market for the investments existed, and the differences could be material. Due to this uncertainty, the Group may not be able to sell its investments at the carrying value in these financial statements when it desires to do so or to realise what it perceives to be fair value in the event of a sale. See Note 19 for information on unobservable inputs used and sensitivity analysis on investments held at fair value through profit or loss.

Judgement:

b. Investment entity

The Group has a number of entities within its corporate structure and a judgement has been made regarding which should be consolidated in accordance with IFRS 10 and which should not. The Group consolidates all entities where it has control, as defined by IFRS 10, over the following:

- power over the investee to significantly direct the activities;
- exposure, or rights, to variable returns from its involvement with the investee; and
- the ability to use its power over the investee to affect the amount of the investor's returns.

The Company does not consolidate qualifying investment entities it controls in accordance with IFRS 10 and instead recognises them as investments held at fair value through profit or loss. An investment entity, as defined by IFRS 10, is an entity that:

- obtains funds from one or more investors for the purpose of providing those investor(s) with the investment management services;
- commits to its investor(s) that its business purpose is to invest funds solely for returns from capital appreciation, investment income, or both; and
- measures and evaluates the performance of substantially all of its investments on a fair value basis.

When judging whether an entity within the Group is an investment entity, the Group structure as a whole is considered. As a Group, the investment entities have the characteristics of an investment entity. This is because the Group has:

- more than one investment;
- more than one investor;
- unrelated investors; and
- equity ownership interests.

6. Changes in (losses)/gains on investments held at fair value through profit or loss

| | Period ended 30 Sep 2022 £'m | Period ended 30 Sep 2021 £'m |
|---|------------------------------------|------------------------------------|
| Changes in unrealised (losses)/gains on investments held at fair value through profit or loss | (247.4) | 188.5 |
| Changes in realised gains on investments held at fair value through profit or loss | 8.7 | 50.9 |
| Net foreign exchange gain on investments held at fair value through profit or loss | 82.8 | 12.6 |
| Total movements on investments held at fair value through profit or loss | (155.9) | 252.0 |

7. Net finance (expense)/income

| | Period ended 30 Sep 2022 £'m | Period ended 30 Sep 2021 £'m |
|---|------------------------------------|------------------------------------|
| Interest and expenses on loans and borrowings | (2.7) | (0.4) |
| Finance expense | (2.7) | (0.4) |
| Interest income on cash and cash equivalents | – | 0.1 |
| Net foreign exchange gain | 1.9 | 1.4 |
| Finance income | 1.9 | 1.5 |
| Net finance (expense)/income | (0.8) | 1.1 |

8. (Loss) / Earnings per share and net asset value

The calculation of basic earnings per weighted average shares is based on the profit attributable to Shareholders and the weighted average number of shares. When calculating the diluted earnings per share, the weighted average number of shares in issue is adjusted for the effect of all dilutive share options and awards.

Basic (loss) / earnings per ordinary share

| | (Loss)/Profit after tax £'m | No. of shares m | Pence per share |
|--------------------------|-----------------------------------|--------------------|--------------------|
| 30 September 2022 | (155.3) | 153.0 | (102) |
| 30 September 2021 | 218.0 | 147.2 | 148 |

Diluted (loss) / earnings per ordinary share

| | (Loss)/Profit after tax £'m | No. of shares ¹ m | Pence per share |
|--------------------------|-----------------------------------|---------------------------------|--------------------|
| 30 September 2022 | (155.3) | 154.4 | (101) |
| 30 September 2021 | 218.0 | 149.2 | 146 |

¹ The basic number of shares is 153.0m (period to 30 September 2021: 147.2m). This has been adjusted to calculate the diluted number of shares by accounting for options of 1.4m in the period (period to 30 September 2021: 2.0m) to get to the diluted number of shares of 154.4m (period to 30 September 2021: 149.2m).

Net asset value per share is based on the net asset attributable to Shareholders and the number of shares at the relevant reporting date. When calculating the diluted earnings per share, the number of shares in issue at balance sheet date is adjusted for the effect of all dilutive share options and awards.

Net asset value per ordinary share

| | Net assets £'m | No. of shares m | Pence per share |
|--------------------------|-------------------|--------------------|--------------------|
| 30 September 2022 | 1,279.9 | 153.0 | 837 |
| 31 March 2022 | 1,433.8 | 153.0 | 937 |

Diluted net asset value per ordinary share

| | Net assets £'m | No. of shares ¹ m | Pence per share |
|--------------------------|-------------------|---------------------------------|--------------------|
| 30 September 2022 | 1,279.9 | 154.8 | 827 |
| 31 March 2022 | 1,433.8 | 154.9 | 926 |

¹ The basic number of shares is 153.0m (FY22: 153.0m). This has been adjusted to calculate the diluted number of shares by accounting for options of 1.8m in the year (FY22: 1.9m) to get to the diluted number of shares of 154.8m (FY22: 154.9m).

Notes to the condensed consolidated interim financial statements CONTINUED

9. Intangible assets

| | Goodwill ¹ £'m | Customer contracts ² £'m | Total £'m |
|---|------------------------------|---|--------------|
| 30 September 2022 | | | |
| Cost | | | |
| Cost carried forward as at 1 April 2022 | 10.4 | 1.1 | 11.5 |
| Additions during the period | – | – | – |
| Cost as at 30 September 2022 | 10.4 | 1.1 | 11.5 |
| Accumulated amortisation | | | |
| Amortisation carried forward as at 1 April 2022 | – | (0.8) | (0.8) |
| Charge for the period | – | (0.1) | (0.1) |
| Accumulated amortisation as at 30 September 2022 | – | (0.9) | (0.9) |
| Net book value: | | | |
| As at 30 September 2022 | 10.4 | 0.2 | 10.6 |
| | | | |
| 31 March 2022 | | | |
| Cost | | | |
| Cost carried forward as at 1 April 2021 | 10.4 | 1.1 | 11.5 |
| Acquisition of business | – | – | – |
| Cost as at 31 March 2022 | 10.4 | 1.1 | 11.5 |
| Accumulated amortisation | | | |
| Amortisation carried forward as at 1 April 2021 | – | (0.6) | (0.6) |
| Charge for the year | – | (0.2) | (0.2) |
| Accumulated amortisation as at 31 March 2022 | – | (0.8) | (0.8) |
| Net book value: | | | |
| As at 31 March 2022 | 10.4 | 0.3 | 10.7 |

1 During the year ended 31 March 2021, goodwill of £0.7 million arose on the step acquisition of all issued share capital in Elderstreet Holdings Limited. Elderstreet Holdings Limited is the holding company of Elderstreet Investments Limited, a VCT manager incorporated in the UK, on 9 February 2021 and represents the value of the acquired expertise and knowledge of the Elderstreet Investment Team. The Directors have identified the fund managers as the cash-generating unit ("CGU") being the smallest group of assets that generates cash inflows independent of cash flows from other assets or groups of assets. The fund managers are responsible for generating dealflow and working closely with the investee companies to create value and maximise returns for the Group. The Group tests goodwill annually for impairment comparing the recoverable amount using value in use calculations and the carrying amount. Value in use calculations are based on future expected cash flows generated by the CGU fee income from management fees over the next three years with reference to the most recent financial budget and forecasts. A three-year cash flow period was deemed appropriate for value in use calculation given the terms of the Investment Management Agreement. The key assumptions for the value in use calculations are the discount rate using pre-tax rates that reflect the current market assessments of the time value of money and risks specific to the CGU. The internal rate of return ("IRR") will be based on past performance and experience.

2 During the year ended 31 March 2021, an intangible asset of £0.3 million was recognised in respect of the anticipated profit from the participation in Elderstreet Investments Limited following the acquisition of the remaining issued share capital the Group did not previously own on 9 February 2021.

The amortisation charge for the period is shown in the "depreciation and amortisation" line of the condensed consolidated interim statement of comprehensive income.

10. Related undertakings

For further details of other related undertakings within the Group, see Note 4(b).

Please see below details of investments held by the Group's investment companies, where the ownership percentage or partnership interest exceeds 20%. These are held at fair value through the profit or loss in the condensed consolidated interim statement of financial position.

| Name | Address | Principal activity | Type of shareholding | Interest FD category* at reporting date/ partnership interest |
|---|---|---|--------------------------------------|--|
| Ravenpack Holding AG | Churerstrasse 135, CH-8808 Pfäffikon, Switzerland | Trading company | Ordinary shares Preference shares | D |
| Allplants Ltd | Solar House, 282 Chase Road, London, United Kingdom, N14 6NZ | Trading company | Ordinary shares | D |
| Earlybird GmbH & Co. Beteiligungs-KG IV | c/o Earlybird Venture Capital, Maximilianstr. 14, 80539, München | Limited partnership pursuant to which the Group holds certain investments | Partnership interest | 27% |
| Earlybird Special Opportunities LP | c/o Earlybird Venture Capital, Maximilianstr. 14, 80539, München | Limited partnership pursuant to which the Group holds certain investments | Partnership interest | 35% |
| Earlybird DWES Fund VI GmbH & Co. KG | c/o Earlybird Venture Capital, Maximilianstr. 14, 80539, München | Limited partnership pursuant to which the Group holds certain investments | Partnership interest | 57% |

* Fully diluted interest categorised as follows: Cat A: 0-5%, Cat B: 6-10%, Cat C: 11-15%, Cat D: 16-25%, Cat E: >25%.

Details of the fair value of the core companies are detailed as part of the Gross Portfolio Value table in the Financial Review.

Below sets out the latest publicly available accounts for the related undertakings above. These reflect the net asset and profit or loss position. These relate to historic periods. No other publicly available accounts for the related undertakings above are available.

- Allplants Ltd: Net assets at 31 August 2020 of £2.9 million and a loss for the 12 month period ending 31 August 2020 of £5.2 million. The numbers in these accounts are unaudited.

11. Financial assets held at fair value through profit or loss

The Group holds investments through investment vehicles it manages. The investments are predominantly in unquoted securities and are carried at fair value through profit or loss. The Group's valuation policies are set out in detail in the Annual Report and Accounts for the year ended 31 March 2022. The table below sets out the movement in the balance sheet value of investments from the start to the end of the period, showing investments made, cash receipts and fair value movements.

| | Unaudited as at 30 Sep 2022 £'m | Audited as at 31 Mar 2022 £'m |
|--|---------------------------------------|-------------------------------------|
| As at 1 April | 1,410.8 | 867.1 |
| Investments made in the period ¹ | 112.0 | 311.2 |
| Loans repaid from underlying investment vehicles | (12.9) | (126.3) |
| Carry external | – | 13.5 |
| Non-investment cash movement | (1.0) | 15.9 |
| Movements in fair value of investments held at fair value through profit or loss | (155.9) | 329.4 |
| As at period-end | 1,353.0 | 1,410.8 |

1 Investments and loans made in the period/year are amounts the Company has invested in underlying investment vehicles. This is not the equivalent to the total amount invested in portfolio companies as existing cash balances from the investment vehicles are reinvested.

12. Operating Segments

IFRS 8 Operating Segments defines operating segments as those activities of an entity about which separate financial information is available and which are evaluated by the Chief Operating Decision Maker to assess performance and determine the allocation of resource.

The Board of Directors have identified Molten's Chief Operating Decision Maker to be the Chief Executive Officer ("CEO"). The Group's investment portfolio engages in business activities from which it earns revenues and incurs expenses, has operating results which are regularly reviewed by the CEO to make decisions about resources and assess performance, and the portfolio has discrete financial information available. The Group's investment portfolio has similar economic characteristics, and investments are similar in nature. Dealflow for the investment portfolio is now consistent across all funds (except for the Legacy funds - see below) and the Group's Investment Committee reviews and approves (where appropriate) investments for all the investment portfolio in line with the strategy set by the Molten Ventures plc Board of Directors (approvals from the Molten Ventures plc Board of Directors is required for higher value investments where the proposed value of the investments to be made by the Company is above £15.0 million). Although the managers of our EIS funds, VCT funds and Plc funds have a management committee, the majority of those sitting on the committees are consistent across all. Taking into account the above points and in line with IFRS 8, the investment portfolio (across all funds) has been aggregated into one single operating segment.

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Legacy funds - the legacy funds (Esprit Capital I Fund No 1 LP, Esprit Capital Fund No 2 LP, Esprit Capital II LP, Esprit Capital III Fund LP and Esprit Capital IIIA fund LP) continue to be managed by the Group (Esprit Capital Partners LLP). These funds are in run-off. Although the investments held within these funds are not consistent with the rest of the investment portfolio (although there has been some cross-over in the past), they are similar in nature and the Group does not earn material revenue (neither is material expenditure incurred) from the management of these funds which would meet the quantitative thresholds set out in IFRS 8. Management does not believe that separate disclosure of information relating to the legacy funds would be useful to users of the financial statements.

As such and as the Group's investment portfolio represents a coherent and diversified portfolio with similar economic characteristics, the individual investments and funds have been aggregated into a single operating segment.

The majority of the Group's revenues are not from interest, and the chief operating decision maker does not primarily rely on net interest revenue to assess the performance of the Group and make decisions about resource allocation. Therefore, the Group reports interest revenue separately from interest expense.

There is accordingly one reportable segment under the provisions of IFRS 8.

13. Deferred tax

Deferred tax is calculated in full on temporary differences under the balance sheet liability method using the tax rate expected to apply when the temporary differences reverse. See breakdown below:

| | Unaudited as at 30 Sep 2022 £'m | Audited as at 31 Mar 2022 £'m |
|---|---------------------------------------|-------------------------------------|
| Arising on share-based payments | – | 1.6 |
| Deferred tax asset | – | 1.6 |
| Arising on share-based payments | (0.7) | – |
| Arising on business combinations | – | (0.1) |
| Arising on co-invest and carried interest | (0.3) | (0.3) |
| Arising on the investment portfolio | (21.9) | (25.6) |
| Other timing differences | (0.3) | (0.1) |
| Deferred tax liability | (23.2) | (26.1) |
| At the end of the period | (23.2) | (24.5) |

14. Share capital and share premium

Ordinary share capital

| 30 September 2022 - Allotted and fully paid | Number | Pence | £'m |
|---|--------------------|----------|------------|
| At the beginning of the period | 152,999,853 | 1 | 1.5 |
| Issue of share capital during the period for cash | – | – | – |
| At the end of the period | 152,999,853 | 1 | 1.5 |
| 31 March 2022 - Allotted and fully paid | Number | Pence | £'m |
| At the beginning of the period | 139,097,075 | 1 | 1.4 |
| Issue of share capital during the year for cash | 13,902,778 | 1 | 0.1 |
| At the end of the period | 152,999,853 | 1 | 1.5 |

In June 2021, the Company raised gross proceeds of £111.2 million at a placing price of 800 pence per share by the way of a placing of 13,902,778 new ordinary shares.

Share premium

| Allotted and fully paid | Period ended 30 Sep 2022 £'m | Year ended 31 Mar 2022 £'m |
|---|------------------------------------|----------------------------------|
| At the beginning of the period | 615.9 | 508.3 |
| Premium arising on the issue of ordinary shares | – | 111.2 |
| Equity issuance costs | – | (3.6) |
| At the end of the period | 615.9 | 615.9 |

The movement on share premium during the year ended 31 March 2022 has arisen as a result of the issue of 13,902,778 ordinary shares issued by way of a conditional placing in June 2021.

15. Share-based payments

| | Date of Grant | b/f 1 April 2022 (No.) | Granted in the period (No.) | Lapsed in the period (No.) | Exercised in the period (No.) | c/f 30 Sep 2022 (No.) | Approved options | Vesting period | Exercise Price (pence) | Fair value per granted instrument (pence) |
|--|---------------|---------------------------------|-----------------------------------|----------------------------------|--|--------------------------------|---------------------|-------------------|------------------------------|---|
| | 28-Nov-16 | 522,419 | – | – | – | 522,419 | 25,350 | 3 years | 355 | 64.1 |
| | 28-Nov-16 | – | – | – | – | – | – | 3 years | 355 | 89.3 |
| | 11-Nov-17 | 120,000 | – | – | – | 120,000 | 8,356 | 3 years | 359 | 89.8 |
| | 28-Nov-17 | 306,384 | – | – | – | 306,384 | – | 3 years | 387 | 70.9 |
| | 28-Nov-17 | – | – | – | – | – | – | 3 years | 387 | 97.9 |
| Molten Ventures plc 2016 Company Share Option Scheme ("CSOP") | 30-Jul-18 | 664,450 | – | – | – | 664,450 | – | 3 years | 492 | 152.9 |
| | 30-Jul-18 | – | – | – | – | – | – | 3 years | 492 | 186.4 |
| | 12-Feb-19 | 556,868 | – | – | – | 556,868 | – | 3 years | 530 | 67.8 |
| | 12-Feb-19 | – | – | – | – | – | – | 3 years | 530 | 95.2 |
| | 26-Nov-19 | 200,000 | – | – | – | 200,000 | 6,424 | 3 years | 467 | 71.5 |
| | 30-Jun-20 | 200,000 | – | – | – | 200,000 | – | 3 years | 449 | 81.2 |
| | 26-Jul-21 | 53,270 | – | – | (9,932) | 43,338 | – | 1 year | 1 | 986.0 |
| | 30-Jun-20 | 561,577 | – | (14,337) | – | 547,240 | – | 3 years | 1 | 449.0 |
| Molten Ventures plc Long-Term Incentive Plan ("LTIP") | 16-Jul-21 | 560,887 | – | – | – | 560,887 | – | 1 year | 1 | 940.0 |
| | 17-Jun-22 | – | 479,587 | – | – | 479,587 | – | 3 years | 1 | 540.0 |
| | 17-Jun-22 | – | 543,609 | – | – | 543,609 | – | 5 years* | 1 | 540.0 |
| Molten Ventures plc Deferred Benefit Plan ("DBP") | 17-Jun-22 | – | 211,110 | – | – | 211,110 | – | 2 years | 1 | 540.0 |
| Total | | 3,745,855 | 1,234,306 | (14,337) | (9,932) | 4,955,892 | 33,706 | | | |

Both the CSOP and LTIP are, as of 30 September 2022, partly administered by the Molten Ventures Employee Benefit Trust ("Trust"). The Trust is consolidated in these consolidated financial statements. The Trust may purchase shares from the market and, from time to time, when the options are exercised, the Trust transfers the appropriate number of shares to the employee or sells these as agent for the employee. The proceeds received, net of any directly attributable transaction costs, are credited directly to equity. Shares held by the Trust at the end of the reporting period are shown as own shares in the consolidated financial statements. Of the 9,932 options exercised during the period, none were satisfied with new ordinary shares issued by Molten Ventures plc. All outstanding options have been assessed to be reportable as equity-settled.

For share options granted under the CSOP, the Black-Scholes Option Pricing Model has been used for valuation purposes. All options are settled in shares. Volatility was expected to be in the range of 20-30% based on an analysis of the Company's and peer group's share price. The risk-free rates used were taken from zero coupon United Kingdom government bonds on a term consistent with the vesting period. There are no non-market performance conditions attached to the unvested share options granted under the CSOP.

Share options granted during the period under the LTIP vest over the prescribed performance period to the extent that performance conditions are met. The performance conditions relate to realisations, assets under management (calculated in line with the relevant deed of grant), and Total Shareholder Return. These options are granted under the plan for no consideration and are granted at a nominal value of 1 pence per share option. The fair value of the LTIP shares is valued using the Black-Scholes model which includes a Monte Carlo simulation model. A six-monthly review takes place of non-market performance conditions and, as at 30 September 2022, the best estimate for expected vesting of unvested share options is 81%.

In the year ending 31 March 2022, it was agreed that 50% of the Executive team's bonus for that financial year would be deferred in shares of Molten Ventures plc. FY22 bonus amounts were paid in cash for an amount up to 100% of each Director's salary, with the balance being paid in the form of a deferred share award over a number of shares calculated based on the Volume Weighted Average Price per share for the five trading days immediately prior to the date of grant. The deferral period under the bonus scheme is two years from the date of the award. Vesting is not subject to any further performance conditions (other than continued employment at the date of vesting). The Black-Scholes Option Pricing Model has been used for valuation purposes.

The share-based payment charge for the period is £2.1 million (six-months ended 30 September 2021: £1.6 million).

*This is a vesting period of 3 years and a further 2-year holding period.

Notes to the condensed consolidated interim financial statements CONTINUED

16. Financial Liabilities

| | Unaudited as at 30 Sep 2022 £'m | Audited as at 31 Mar 2022 £'m |
|--|---------------------------------------|-------------------------------------|
| Current liabilities | | |
| Leases | (0.4) | (0.4) |
| Loans and borrowings | – | – |
| Total current financial liabilities | (0.4) | (0.4) |
| Non-current liabilities | | |
| Leases | (0.1) | (0.3) |
| Loans and borrowings | (88.7) | (29.7) |
| Total non-current financial liabilities | (88.8) | (30.0) |
| Total | (89.2) | (30.4) |

The below table shows the changes in liabilities from financing activities.

| | Borrowings £'m | Leases £'m |
|---|-------------------|---------------|
| At 31 March 2022 | (29.7) | (0.7) |
| Capitalisation of costs | 1.3 | – |
| Amortisation of costs | (0.3) | – |
| Drawdowns | (125.0) | – |
| Repayment of debt | 65.0 | – |
| Other changes – Interest payments (presented as cash flows) | – | – |
| Payment of lease liabilities | – | 0.2 |
| At 30 September 2022 | (88.7) | (0.5) |

a. Leases

The Group leases office buildings in London for use by its staff. Information about leases for which the Group is a lessee is presented below. The Group also has an office in Dublin, however this contract is classified as a service contract and not a lease. This is not deemed to be a lease as it has been assessed not to be controlled by the Group as these are managed offices with no alterations to the space allowed by the Group.

The Group leases IT equipment such as printers for use by staff. The Group has elected to apply the recognition exemption for leases of low value to these leases.

i. Amounts recognised on the condensed consolidated interim statement of financial position

| Right-of-use assets | Period ended 30 Sep 2022 £'m | Year ending 31 Mar 2022 £'m |
|---------------------|------------------------------------|-----------------------------------|
| Property | 0.4 | 0.6 |
| Total | 0.4 | 0.6 |

Lease liabilities

| | Period ended 30 Sep 2022 £'m | Year ended 31 Mar 2022 £'m |
|--------------|------------------------------------|----------------------------------|
| Current | (0.4) | (0.4) |
| Non-current | (0.1) | (0.3) |
| Total | (0.5) | (0.7) |

Additions to the right-of-use assets during the period ending 30 September 2022 were £Nil (year ending 31 March 2022: £Nil).

16. Financial Liabilities CONTINUED

ii. Amounts recognised in the condensed consolidated interim statement of comprehensive income

| | Period ending 30 Sep 2022 £'m | Period ending 30 Sep 2021 £'m |
|---|-------------------------------------|-------------------------------------|
| Interest on lease liabilities | – | – |
| Depreciation charge for the period on right-of-use assets | (0.2) | (0.2) |

The total cash outflow for leases in the 6 month period ending 30 September 2022 was £0.2 million (period ending 30 September 2021: £0.2 million).

b. Loans and borrowings

On 6 September 2022, the Company entered into a facility agreement relating to a new debt facility (the "Debt Facility") with J.P. Morgan Chase Bank N.A., London Branch ("JPM") and SVB UK Limited ("SVB"), with a JPM affiliate acting as the appointed agent.

The Debt Facility comprises a £90.0 million term loan ("Term Loan") and a revolving credit facility ("RCF") of up to £60.0 million on three- and two-year availability periods respectively. Repayment dates for both may be extended by two 12-month periods subject to the lenders' willingness to extend and satisfaction of various conditions. The headline interest rate applied on both the Term Loan and RCF includes a 'margin' of 5.50% per annum plus SONIA. The Debt Facility is secured against various Group assets, including bank accounts; listed shares; and LP interests, with a number of entities within the Group acting as guarantors.

The Company's ability to borrow under the Debt Facility and satisfy its financial and non-financial covenants is dependent on the value of the investment portfolio (excluding third party funds under management), with drawdowns being subject to a maximum loan to value ratio of 10% (1.10:1.00). The lenders may commission quarterly independent valuations of the investment portfolio.

The Debt Facility replaced the Company's previous revolving credit facility with SVB and Investec Bank plc of £65.0 million, which was repaid in full. In addition to repaying the previous facility, the Debt Facility may be used for general working capital purposes and to finance the purchase of portfolio companies, but cannot be used to fund share buybacks. The Group incurred transaction fees of £1.3 million which are presented within loans and borrowings on the statement of financial position and are amortised over the life of the facility, and to date professional fees of £0.3 million have been accrued arising from the negotiation of the Debt Facility Agreement which have been presented in General administrative expenses. Interest-related charges are reported in the consolidated statement of comprehensive income as finance costs (see Note 7).

On execution of the Debt Facility Agreement, the Group drew down £90.0 million of the Term Loan, with the RCF (£60.0 million, currently undrawn) being available for two years to September 2024 subject to any extension. After expiry of the availability period, a cash sweep on realisations will apply. Both the RCF and Term Loan must be fully repaid by the third anniversary of the date of the Debt Facility Agreement, subject to any extension.

The Debt Facility contains financial and non-financial covenants which the Company and certain members of the Group must comply with throughout the term of the Debt Facility:

- Maintain a value to cost ratio of investments of at least 10% (1.10:1.00)
- Total financial indebtedness not to exceed 20% (10% on each utilisation) of the value of investments in the portfolio with adjustments for concentration limits (see below) together with the value of all amounts held in specified bank accounts subject to the security package
- Total aggregate financial indebtedness of the Company and certain members of the Group is not to exceed 35% (25% on each utilisation) of the value of secured investments in the portfolio with adjustments for concentration limits calculated by reference to specified assets and bank accounts subject to the security package
- The Company and certain members of its Group must maintain a minimum number of investments subject to concentration limits connected to sector, geography, joint or collective value, and/or listed status

Failure to satisfy financial covenants may limit the Company's ability to borrow and/or also trigger events of default which in some instances could trigger a cash sweep on realisations and/or require the Company to cure those breaches by repaying the Debt Facility (either partially or in full).

| | Period ended 30 Sep 2022 £'m | Period ended 30 Sep 2021 £'m | Year ended 31 Mar 2022 £'m |
|--|------------------------------------|------------------------------------|----------------------------------|
| Bank loan senior facility amount | 150.0 | 65.0 | 65.0 |
| Interest rate | SONIA Rate + 5.50% | BOE Base Rate + 6.25% | BOE base rate + 6.25% |
| Drawn at balance sheet date | (90.0) | – | (30.0) |
| Arrangement fees | 1.3 | (0.5) | 0.3 |
| Loan liability balance | (88.7) | (0.5) | (29.7) |
| Undrawn facilities at balance sheet date | 60.0 | 65.0 | 35.0 |

The Company was amortising costs relating to the inception, increase and extension over the life of the previous facility. On extinguishment of this liability, the costs were recognised in full in the condensed consolidated interim statement of comprehensive income. The interest reserve account previously held with SVB no longer forms part of the security package (balance on consolidated statement of financial position as at 31 March 2022: £2.3 million, balance as at 30 Sep 2022: nil).

Notes to the condensed consolidated interim financial statements CONTINUED

17. Own shares and other reserves

i. Own shares reserve

Own shares are shares held in Molten Ventures plc that are held by Molten Ventures Employee Benefit Trust ("Trust") for the purpose of issuing shares under the Molten Ventures plc 2016 Company Share Options Plan, Long-Term Incentive Plan and Deferred Bonus Plan. Shares issued to employees are recognised on a weighted average cost basis. The Trust holds 0.73% of the issued share capital at 30 September 2022.

| | Period ended 30 Sep 2022 | | Period ended 30 Sep 2021 | | Year ended 31 Mar 2022 | |
|--|--------------------------|-------|--------------------------|-------|------------------------|-------|
| | No. of shares m | £'m | No. of shares m | £'m | No. of shares m | £'m |
| Opening balance | (0.9) | (8.2) | (0.1) | (0.3) | (0.1) | (0.3) |
| Acquisition of shares by the Trust | (0.2) | (0.7) | (0.1) | (1.2) | (0.8) | (8.0) |
| Disposal or transfer of shares by the Trust* | - | - | - | - | - | 0.1 |
| Closing balance | (1.1) | (8.9) | (0.2) | (1.5) | (0.9) | (8.2) |

*Disposals or transfers of shares by the Trust also include shares transferred to employees net of exercise price with no resulting cash movements. Cash receipts in respect of sale of shares in the period ending 30 September 2022 were £Nil (year ending 31 March 2022: £Nil).

ii. Other reserves

The following table shows a breakdown of the "other reserves" line in the condensed consolidated interim statement of financial position and the movements in those reserves during the period. A description of the nature and purpose of each reserve is provided below the table.

| Period to 30 September 2022 | Merger relief reserve £'m | Share-based payments reserve resulting from Company share option scheme | Share-based payments reserve resulting from acquisition of subsidiary | Total other reserves £'m |
|--|------------------------------|--|--|--------------------------------|
| | | £'m | £'m | |
| Opening balance | 13.1 | 5.0 | 10.8 | 28.9 |
| Share-based payments | - | 2.1 | - | 2.1 |
| Share-based payments – exercised during the period | - | - | - | - |
| Closing balance | 13.1 | 7.1 | 10.8 | 31.0 |

| Period to 30 September 2021 | Merger relief reserve £'m | Share-based payments reserve resulting from Company share option scheme | Share-based payments reserve resulting from acquisition of subsidiary | Total other reserves £'m |
|--|------------------------------|--|--|--------------------------------|
| | | £'m | £'m | |
| Opening balance | 13.1 | 2.3 | 10.8 | 26.2 |
| Share-based payments | - | 1.6 | - | 1.6 |
| Share-based payments – exercised during the period | - | (0.3) | - | (0.3) |
| Closing balance | 13.1 | 3.6 | 10.8 | 27.5 |

| Year to 31 March 2022 | Merger relief reserve £'m | Share-based payments reserve resulting from Company share option scheme | Share-based payments reserve resulting from acquisition of subsidiary | Total other reserves £'m |
|--|------------------------------|--|--|--------------------------------|
| | | £'m | £'m | |
| Opening balance | 13.1 | 2.3 | 10.8 | 26.2 |
| Share-based payments | - | 3.7 | - | 3.7 |
| Share-based payments – exercised during the year | - | (1.0) | - | (1.0) |
| Closing balance | 13.1 | 5.0 | 10.8 | 28.9 |

Merger relief reserve

In accordance with the Companies Act 2006, a Merger Relief Reserve of £13.1 million (net of the cost of share capital issued of £80k) was created on the issue of 4,392,332 ordinary shares for 300 pence each in Molten Ventures plc as consideration for the acquisition of 100% of the capital interests in Esprit Capital Partners LLP on 15 June 2016.

Share-based payment reserve

Where the Group engages in equity-settled share-based payment transactions, the fair value at the date of grant is recognised as an expense over the vesting period of the options. The corresponding credit is recognised in the share-based payment reserve. Please see Note 15 for further details on how the fair value at the date of grant is recognised.

18. Adjustments to reconcile operating profit to net cash (outflow) in operating activities

| | Period ended 30 Sep 2022 £'m | Period ended 30 Sep 2021 £'m |
|---|------------------------------------|------------------------------------|
| Adjustments to reconcile operating profit to net cash (outflow) in operating activities: | | |
| Revaluation of investments held at fair value through profit or loss | 155.9 | (252.0) |
| Depreciation and amortisation | 0.4 | 0.4 |
| Share-based payments – resulting from Company share option scheme | 2.1 | 1.6 |
| Finance income | (1.9) | (1.5) |
| Finance expense | 2.7 | 0.4 |
| Deferred tax on investment portfolio | (0.2) | 29.7 |
| (Increase)/decrease in trade and other receivables and other working capital movements | (3.4) | 2.6 |
| (Decrease)/increase in trade and other payables | (8.8) | 1.3 |
| Adjustments to reconcile operating profit to net cash (outflow) in operating activities: | 146.8 | (217.5) |

Please see Note 16 for the changes in liabilities from financing activities.

19. Fair value measurements

i. Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are recognised and measured at fair value in the financial statements. This section should be read with reference to Note 5a and Note 11. As noted in Note 5a, valuation of unquoted equity investments at fair value through profit or loss is a critical accounting estimate and actuals may differ from estimates. Based on work performed so far, management have considered climate-related risks and consider these to be currently immaterial to the value of our portfolio for six months to 30 September 2022 (year ending 31 March 2022: immaterial). For further discussion of our climate-related risks, please see our TCFD and Principal Risks sections of the Strategic Report in the Annual Report for the year ending 31 March 2022.

The Group classifies financial instruments measured at fair value through profit or loss ("FVTPL") according to the following fair value hierarchy prescribed under the accounting standards:

- Level 1: inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2: inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3: inputs are unobservable inputs for the asset or liability.

All financial instruments measured at FVTPL in both periods presented are financial assets relating to holdings in high-growth technology companies. The Group invests in special purpose vehicles and limited partnerships which are considered to be investment companies that invest in equities for the benefit of the Group. These are held at their respective net asset values and, as such, are noted to be all Level 3 for both periods presented. For details of the reconciliation of those amounts please refer to Note 11. The additional disclosures below are made on a look-through basis and are based on the Gross Portfolio Value ("GPV"). In order to arrive at the Net Portfolio Value ("NPV"), which is the value recognised as investments held at FVTPL in the statement of financial position, the GPV is subject to deductions for the fair value of carry liabilities and adjustments for Irish deferred tax. UK deferred tax is recognised in the consolidated statement of financial position as a liability to align the recognition of deferred tax to the location in which it will likely become payable on realisation of the assets. For details of the GPV and its reconciliation to the investment balance in the financial statements, please refer to the extract of the Gross Portfolio Value table on the next page:

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19. Fair value measurements

CONTINUED

| Investments | Fair Value of Investments 31-Mar-22 £m | Investments £m | Realisations £m | Non-investment cash movement £m | Movement in Foreign Exchange £m | Movement in Fair Value £m | Fair Value movement 30-Sep-22 £m | Fair Value of Investments 30-Sep-22 £m |
|------------------------------|--|-------------------|--------------------|------------------------------------|------------------------------------|------------------------------|--|--|
| Total Portfolio | 1,529.7 | 112.0 | (12.9) | - | 82.8 | (262.7) | (179.9) | 1,448.9 |
| Co-Invest | 1.8 | - | - | - | - | (0.5) | (0.5) | 1.3 |
| Gross Portfolio Value | 1,531.5 | 112.0 | (12.9) | - | 82.8 | (263.2) | (180.4) | 1,450.2 |
| Carry External | (121.5) | | | | | 23.7 | 23.7 | (97.8) |
| Portfolio Deferred tax | 0.5 | | | | | (0.2) | (0.2) | 0.3 |
| Trading carry & co-invest | 0.3 | | | | | - | - | 0.3 |
| Non-investment cash movement | - | | | (1.0) | | 1.0 | 1.0 | - |
| Net Portfolio Value | 1,410.8 | 112.0 | (12.9) | (1.0) | 82.8 | (238.7) | (155.9) | 1,353.0 |

Carry external – this relates to accrued carry that is due to former and current employees or managers external to the group. These values are calculated based on the reported fair value, applying the provisions of the limited partnership agreements to determine the value which would be due to the carried interest partnerships.

Portfolio deferred tax – this relates to tax accrued against gains in the portfolio to reflect those portfolio companies where tax is expected to be payable on exits. These values are calculated based on unrealised fair value of investments at reporting date at the applicable tax rate.

Trading carry & co-invest – this relates to accrued carry that is due to the Group.

Non-investment cash movements – this relates to cash movements relating to management fees and other non-investment cash movements to the subsidiaries held at FVTPL.

During the six months ending 30 September 2022, there were no transfers between levels - see below for the breakdown of investments by fair value hierarchy and (iii) below for movements. The Group's policy is to recognise transfers into and out of fair value hierarchy levels as at the end of the reporting period.

| Fair value measurements At 30 September 2022 | Level 1 £'m | Level 2 £'m | Level 3 £'m | Total £'m |
|--|----------------|----------------|----------------|----------------|
| Financial assets at fair value through profit or loss | | | | |
| Quoted investments | 23.2 | - | - | 23.2 |
| Unquoted investments | - | - | 1,425.7 | 1,425.7 |
| Total financial assets | 23.2 | - | 1,425.7 | 1,448.9 |

ii. Valuation techniques used to determine fair values

The fair value of unlisted securities is established with reference to the IPEV Guidelines. In line with the IPEV Guidelines, the Group may base valuations on earnings or revenues where applicable, market comparables, calibrated price of recent investment in the investee companies, or on net asset values of underlying funds ("NAV of underlying funds"). An assessment will be made at each measurement date as to the most appropriate valuation methodology, including that for investee companies owned by third-party funds that Molten Ventures plc invests in and which are valued on a look-through basis. Financial instruments, measured at fair value, categorised as Level 3 can be split into three main valuation techniques:

- Calibrated price of recent investment
- NAV of underlying fund
- Revenue-multiple

Each portfolio company will be subject to individual assessment.

For a valuation based on a revenue-multiple, the main assumption is the multiple. The multiple is derived from comparable listed companies or relevant market transaction multiples. Companies in the same industry and geography, and, where possible, with a similar business model and profile are selected and then adjusted for factors including liquidity risk, growth potential and relative performance. They are also adjusted to represent our longer-term view of performance through the cycle based on our existing assumption. We select forward revenues from our portfolio companies mostly with reference to financial updates in their board packs, adjusted where required in the event we do not have forward-looking information. At half-year, we apply the portfolio company's "blended" revenue of the current and coming year.

For a valuation based on calibrated price of recent investment, the recent round enterprise value is calibrated against the equivalent value at year/period end using a revenue-multiple valuation methodology as well as in relation to technical/product milestones since the round and the company's trading performance relative to the expectations of the round.

Where the Group invests in Fund of Funds investments, the value of the portfolio will be reported by the fund to the Group. The Group will ensure that the valuations comply with the Group policy and that they are adjusted with any cash and known or estimated valuation movements where reporting periods do not align.

19. Fair value measurements

CONTINUED

iii. Fair value measurements using significant unobservable inputs (Level 3)

The table below presents the changes in Level 3 items for the year ended 31 March 2022 and period ended 30 September 2022.

| Level 3 valuations | £'m |
|--|----------------|
| Opening balance at 1 April 2021 | 895.7 |
| Investments | 309.1 |
| Gains | 435.7 |
| Realisations | (86.2) |
| Unadjusted closing balance at 31 March 2022 | 1,554.3 |
| Transfer to Level 1 | (88.6) |
| Closing balance at 31 March 2022 | 1,465.7 |
| Investments | 112.0 |
| Losses | (150.3) |
| Realisations | (1.7) |
| Unadjusted closing balance at 30 September 2022 | 1,425.7 |
| Transfer to Level 1 | - |
| Closing balance at 30 September 2022 | 1,425.7 |

iv. Valuation inputs and relationships for fair value

The following table summarises the methodologies used by the Group to measure the fair value of Level 3 instruments:

| Investments | Fair value £'m | Valuation technique | Significant input | Sensitivity – effect of % enterprise value movement on total fair value £'m | |
|-----------------|-------------------|---------------------------------------|---|--|----------------|
| | | | | +10% | -10% |
| | 904.3 | Calibrated price of recent investment | Calibrated round enterprise value – Pre and post period-end round enterprise values have been calibrated with appropriate discounts taken to reflect movements in publicly listed peer multiples, future revenue projections and timing risk. Discounts were applied to 83% of the fair value of investments measured at calibrated price of recent investment. The range of discounts taken is between 4%-82%. The weighted average discount taken is 27%. | 985.6 | 846.1 |
| | 282.4 | Market comparable | Revenue-multiples are applied to the revenue of our portfolio companies to determine their enterprise value. Implied revenue-multiple – the portfolio we have is diversified across sectors and geographies and the companies which have valuations based on revenue-multiples have a range of multiples of between 0.7x and 11.0x and a weighted average multiple of 7.2x. Revenue – we select forward revenues from our portfolio companies mostly with reference to financial updates in their board packs, adjusted where required in the event we do not have forward-looking information. | 310.8 | 257.4 |
| Unquoted equity | 239.0 | NAV of underlying fund | NAV of funds, adjusted where required – net asset values of underlying funds reported by the manager. These are reviewed for compliance with our policies and are calibrated for any cash and known valuation movements where reporting period do not align. Adjustments have been made to 47% of the investments held at NAV of underlying fund. The average adjustment made is 13%. | 263.0 | 215.2 |
| Total | 1,425.7 | | | 1,559.4 | 1,318.7 |

Notes to the condensed consolidated interim financial statements

CONTINUED

19. Fair value measurements

CONTINUED

31 March 2022

| Investments | Fair value £'m | Valuation technique | Significant input | Sensitivity – effect of % enterprise value movement on total fair value £'m | |
|-----------------|-------------------|---------------------------------------|---|--|----------------|
| | | | | +10% | -10% |
| | 806.7 | Calibrated price of recent investment | Calibrated round enterprise value – Pre and post year-end round enterprise values have been calibrated with appropriate discounts taken to reflect movements in publicly listed peer multiples, future revenue projections and timing risk. Discounts were applied to 52% of the fair value of investments measured at calibrated price of recent investment. The range of discounts taken is between 15%-89%. The weighted average discount taken is 25%. | 881.0 | 739.6 |
| | 418.1 | Market comparable | Revenue-multiples are applied to the revenue of our portfolio companies to determine their enterprise value. Implied revenue-multiple – the portfolio we have is diversified across sectors and geographies and the companies which have valuations based on revenue-multiples have a range of multiples of between 0.9x and 13.8x and a weighted average multiple of 7.8x. Revenue – we select forward revenues from our portfolio companies mostly with reference to financial updates in their board packs, adjusted where required in the event we do not have forward-looking information. | 458.0 | 378.3 |
| Unquoted equity | 240.8 | NAV of underlying fund | NAV of funds, adjusted where required – net asset values of underlying funds reported by the manager. These are reviewed for compliance with our policies and are calibrated for any cash and known valuation movements where reporting period do not align. | 264.9 | 216.8 |
| Total | 1,465.6 | | | 1,603.9 | 1,334.7 |

v. Valuations processes

The Audit, Risk and Valuations Committee is responsible for ensuring that the financial performance of the Group is properly reported on and monitored. In addition to continuous portfolio monitoring through the Board positions held in portfolio companies and the Investment Committee, a bi-annual strategy day is held every six months to discuss the investment performance and valuations of the portfolio companies. The Investment Team leads discussions focused on business performances and key developments, exit strategy and timelines, revenue and EBITDA progression, funding rounds and latest capitalisation table, and valuation metrics of listed peers. Valuations are prepared every six months by the Finance Team during each reporting period, with direct involvement and oversight from the CFO. Challenge and approvals of valuations are led by the Audit, Risk and Valuations Committee every six months, in line with the Group's half-yearly reporting periods.

20. Financial instruments risk

Financial risk management

Financial risks are usually grouped by risk type: market, liquidity and credit risk. These risks are discussed in turn below.

Market risk – Foreign currency

A significant portion of the Group's investments and cash deposits are denominated in a currency other than Sterling. The principal currency exposure risk is to changes in the exchange rate between GBP and USD/EUR. Presented below is an analysis of the theoretical impact of 10% volatility in the exchange rate on Shareholder equity.

Theoretical impact of a change in the exchange rate of +/-10% between GBP and USD/EUR would be as follows:

| | 30 Sep 2022 £'m | 31 Mar 2022 £'m |
|---|--------------------|--------------------|
| Foreign currency exposures – Investments | | |
| Investments – exposures in EUR | 701.2 | 614.3 |
| 10% decrease in GBP | 779.1 | 682.6 |
| 10% increase in GBP | 637.4 | 558.5 |
| Investments – exposures in USD | 369.0 | 484.5 |
| 10% decrease in GBP | 410.1 | 538.3 |
| 10% increase in GBP | 335.5 | 440.5 |

Certain cash deposits held by the Group are denominated in Euros and US Dollars. The theoretical impact of a change in the exchange rate of +/-10% between GBP and USD/EUR would be as follows:

| | 30 Sep 2022 £'m | 31 Mar 2022 £'m |
|--|--------------------|--------------------|
| Foreign currency exposures – Cash | | |
| Cash denominated in EUR | 8.3 | 24.5 |
| 10% decrease in EUR: GBP | 9.3 | 22.0 |
| 10% increase in EUR: GBP | 7.6 | 26.9 |
| Cash denominated in USD | 2.4 | 32.5 |
| 10% decrease in USD: GBP | 2.6 | 29.3 |
| 10% increase in USD: GBP | 2.2 | 35.8 |

The combined theoretical impact on Shareholders' equity of the changes to revenues, investments and cash and cash equivalents of a change in the exchange rate of +/- 10% between GBP and USD/EUR would be as follows:

| | 30 Sep 2022 £'m | 31 Mar 2022 £'m |
|--|--------------------|--------------------|
| Foreign currency exposures – Equity | | |
| Shareholders' Equity | 1,279.9 | 1,433.8 |
| 10% decrease in EUR: GBP/USD : GBP | 1,163.5 | 1,290.5 |
| 10% increase in EUR: GBP/USD : GBP | 1,422.1 | 1,577.3 |

Market risk – Price risk

Market price risk arises from the uncertainty about the future prices of financial instruments held in accordance with the Group's investment objectives. It represents the potential loss that the Group might suffer through holding market positions in the face of market movements. Valuation of unquoted equity investments at fair value through profit or loss is a critical accounting estimate and actuals may differ from estimates.

The Group is exposed to equity price risk in respect of equity rights and investments held by the Group and classified on the balance sheet as financial assets at fair value through profit or loss (Note 11). These equity rights are held mostly in unquoted high growth technology companies and are valued by reference to revenue or earnings multiples of quoted comparable companies (taken as at the period/year-end date), last round price (calibrated against market comparable), or NAV of underlying fund, and also in certain quoted high growth technology companies. These valuations are subject to market movements.

The Group seeks to manage this risk by routinely monitoring the performance of these investments, employing stringent investment appraisal processes.

Theoretical impact of a fluctuation in equity prices of +/-10% would be as follows:

| £'m | Valuation methodology | | | | | | | |
|-------------------------|-----------------------|------|------------------|------|------------------------|------|---------------------------------------|------|
| | Quoted equity | | Revenue-multiple | | NAV of underlying fund | | Calibrated price of recent investment | |
| | -10% | +10% | -10% | +10% | -10% | +10% | -10% | +10% |
| As at 30 September 2022 | (2.3) | 2.3 | (25.0) | 28.4 | (23.9) | 23.9 | (58.1) | 81.3 |
| As at 31 March 2022 | (6.4) | 6.4 | (39.8) | 39.9 | (24.1) | 24.1 | (67.2) | 74.3 |

Notes to the condensed consolidated interim financial statements CONTINUED

20. Financial instruments risk CONTINUED

Given the impact on both private and public markets from current market volatility, which could impact the valuation of our unquoted and quoted equity investments, we further flexed by 20% in order to analyse the impact on our portfolio of larger market movements. For further details of movements in our quoted investments post period-end, please see the Note 26, Subsequent events. Theoretical impact of a fluctuation of +/- 20% would have the following impact:

| £'m | Valuation methodology | | | | | | | |
|-------------------------|-----------------------|------|------------------|------|------------------------|------|---------------------------------------|-------|
| | Quoted equity | | Revenue-multiple | | NAV of underlying fund | | Calibrated price of recent investment | |
| | -20% | +20% | -20% | +20% | -20% | +20% | -20% | +20% |
| As at 30 September 2022 | (4.6) | 4.6 | (51.8) | 54.4 | (47.8) | 47.8 | (116.8) | 158.8 |
| As at 31 March 2022 | (12.8) | 12.8 | (80.2) | 79.7 | (48.2) | 48.2 | (132.2) | 151.4 |

Liquidity risk

Cash and cash equivalents comprise of cash and short-term bank deposits with an original maturity of three months or less held in readily accessible bank accounts. Restricted cash is nil as at 30 September 2022 and in the prior year related to collateral for interest payments on the revolving credit facility. The carrying amount of these assets is approximately equal to their fair value. Responsibility for liquidity risk management rests with the Board of Molten Ventures plc, which has established a framework for the management of the Group's funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate reserves and by continuously monitoring forecast and actual cash flows. The utilisation of the loan facility and requirement for utilisation requests is monitored as part of this process. For the contractual maturities of the Group's liabilities see tables below.

| Contractual maturities of liabilities at 30 September 2022 | Less than 6 months | 6-12 months | Between 1 and 2 years | Between 2 and 5 years | Total contractual cash flows | Carrying amount |
|--|--------------------|--------------|-----------------------|-----------------------|------------------------------|-----------------|
| Trade and other payables | (7.9) | - | - | - | (7.9) | (7.9) |
| Fees on facility | - | - | - | - | - | - |
| Facility | (3.5) | (3.5) | (7.1) | (111.3) | (125.4) | (88.7) |
| Provisions | - | - | (0.3) | - | (0.3) | (0.3) |
| Current lease liabilities | (0.2) | (0.2) | - | - | (0.4) | (0.4) |
| Non-current lease liabilities | - | - | (0.1) | - | (0.1) | (0.1) |
| Total shown in the statement of financial position | (11.6) | (3.7) | (7.5) | (111.3) | (134.1) | (97.4) |

| Contractual maturities of liabilities at 31 March 2022 | Less than 6 months | 6-12 months | Between 1 and 2 years | Between 2 and 5 years | Total contractual cash flows | Carrying amount |
|---|--------------------|--------------|-----------------------|-----------------------|------------------------------|-----------------|
| Trade and other payables | (13.3) | (1.0) | - | - | (14.3) | (14.3) |
| Fees on facility | - | - | - | - | 0.3 | 0.3 |
| Facility | (1.2) | (1.2) | (2.3) | (30.3) | (35.0) | (35.0) |
| Provisions | - | - | (0.2) | - | (0.2) | (0.2) |
| Current lease liabilities | (0.2) | (0.2) | - | - | (0.4) | (0.4) |
| Non-current lease liabilities | - | - | (0.3) | - | (0.3) | (0.3) |
| Total shown in the statement of financial position | (14.7) | (2.4) | (2.8) | (30.3) | (49.9) | (49.9) |

Lease liabilities fall due over the term of the lease. The Debt Facility comprises a £90.0 million term loan and a revolving credit facility ("RCF") of up to £60.0 million on three- and two- year tenors respectively, both with one-year extensions up to five years. All other Group payable balances at balance sheet date and prior periods fall due for payment within one year.

As part of our Fund of Funds strategy, we make commitments to funds to be drawn down over the life of the fund. Projected drawdowns are monitored as part of the monitoring process above.

20. Financial instruments risk CONTINUED

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss. The Group is exposed to this risk for various financial instruments, for example by granting receivables to customers and placing deposits. As part of the Group's investments, the Group invests in debt instruments such as bridging loans and convertible loan notes (included within the investments held at FVTPL). This is not included below as the risk is considered as part of the fair value measurement. The Group's trade receivables are amounts due from the investment funds under management, or underlying portfolio companies. The Group's maximum exposure to credit risk is limited to the carrying amount of trade receivables, cash and cash equivalents, and restricted cash at each period end is summarised below:

| Classes of financial assets impacted by credit risk, carrying amounts | 30 Sep 2022 £'m | 31 Mar 2022 £'m |
|---|--------------------|--------------------|
| Trade and other receivables | 7.8 | 2.8 |
| Cash at bank and on hand | 28.5 | 75.8 |
| Restricted cash | - | 2.3 |
| Total | 36.3 | 80.9 |

The Directors consider that expected credit losses relating to the above financial assets are immaterial for each of the reporting dates under review as they are of good credit quality. In respect of trade and other receivables, the Group is not exposed to significant risk as the principal customers are the investment funds managed by the Group, and in these the Group has control of the banking as part of its management responsibilities. Investments in unlisted securities are held within limited partnerships for which Esprit Capital Partners LLP acts as manager, and consequently the Group has responsibility itself for collecting and distributing cash associated with these investments. The credit risk of amounts held on deposit is limited by the use of reputable banks with high quality external credit ratings and as such is considered negligible. The Group has an agreed list of authorised counterparties. Authorised counterparties and counterparty credit limits are established within the parameters of the Group Treasury Policy to ensure that the Group deals with creditworthy counterparties and that counterparty concentration risk is addressed. Any changes to the list of authorised counterparties are proposed by the CFO after carrying out appropriate credit worthiness checks and any other appropriate information, and the changes require approval from the Board. Cash at 30 September 2022 is held with the following institutions: (1) Barclays Bank plc; (2) SVB UK Limited; (3) Investec Bank plc; and at 31 March 2022, also EFG Private Bank Limited.

Capital management

The Group's objectives when managing capital are to:

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for Shareholders and benefits for other stakeholders, and
- maintain an optimal capital structure.

The Group is funded through equity and debt at balance sheet date. During the period, the Group has repaid a revolving credit facility and replaced with a term loan (as well as an undrawn revolving credit facility). During the year, the previous credit facility of £65.0 million was repaid with a term loan of £90.0 million. Please refer to Note 16b for further details regarding the loan.

In order to maintain or adjust the capital structure, the Group may make distributions to Shareholders, return capital to Shareholders, issue new shares or sell assets between related parties or otherwise to manage cash.

Interest rate risk

The Group's interest rate risk arises from borrowings on the £90.0 million loan facility with JPM and SVB which was entered into in September 2022 and the fully repaid £65.0 million loan facility with SVB and Investec (31 March 2022: £30.0 million drawn). The Group's borrowings are denominated in GBP and are carried at amortised cost.

Drawdowns of £90.0 million were made during the six-month period to 30 September 2022 at an interest rate of SONIA (prior debt facility LIBOR) plus 5.50% on the loan facility with JPM and SVB. This balance remains outstanding at the period end. There was an additional draw down from the previous debt facility with SVB and Investec of £35.0 million in the period (total borrowings post drawdown of £65.0 million) at an interest rate of LIBOR plus 6.25%. The £65.0 million debt facility was fully repaid in the period. (31 March 2022: £30.0 million had been drawn down from the previous facility which has now been repaid). The Debt Facility agreement (new) has an interest rate calculated with reference to the SONIA with a margin of 5.50%. The interest charged on future drawdowns will fluctuate with the movements on SONIA.

If the the base rate (SONIA or LIBOR) rate had been 2.5% higher during the six-month period to 30 September 2022, the difference to the consolidated statement of comprehensive income would have been an increase in finance costs of £0.4 million.

Notes to the condensed consolidated interim financial statements CONTINUED

21. Related party transactions

The Group has various related parties stemming from relationships with Limited Partnerships managed by the Group, its investment portfolio, its advisory arrangements/Directors' fees (board seats) and its key management personnel.

Key management personnel compensation

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Group, and are considered to be the Directors of the Company.

| | Period ended 30 Sep 2022 £'m | Period ended 30 Sep 2021 £'m |
|---|------------------------------------|------------------------------------|
| Wages and salaries | 1.8 | 1.9 |
| Short-term non-monetary benefits | – | – |
| Defined contribution pension costs | – | 0.1 |
| Share-based payment expense | – | – |
| Social security contributions and similar taxes | 0.3 | 0.3 |
| Carried interest paid | 0.6 | 0.3 |
| Total | 2.7 | 2.6 |

During the six-month period to 30 September 2022, employees of Molten Ventures plc, including key management personnel were granted and exercised share options – see Note 15 for further details.

Transactions with other related parties

In addition to key management personnel, the Company has related parties in respect of its subsidiaries and other related entities.

On 30 March 2022, Molten Ventures plc entered into an agreement with Softcat plc to provide Molten Ventures plc with fractional CIO services. Karen Slatford is both the Chair of Softcat plc's Board and the Chair of Molten Ventures plc's Board. Fees in relation to these services for the period ending 30 September 2022 are £0.1 million (period to 30 September 2021: £Nil).

Management fees

Fees are received by the Group in respect of the EIS and VCT funds as well as unconsolidated structured entities managed by Esprit Capital Partners LLP, which is consolidated into the Group. The EIS funds are managed by Encore Ventures LLP under an Investment Management Agreement; Encore Ventures LLP is a consolidated subsidiary of the Group. Molten Ventures VCT plc is managed under an Investment Management Agreement by Elderstreet Investments Limited, which is a consolidated subsidiary of the Group. Management fees are received by the Group in respect of these contracts. See Note 4(b) for further information on consolidation.

| | Period ended 30 Sep 2022 £'m | Period ended 30 Sep 2021 £'m |
|--|------------------------------------|------------------------------------|
| Management fees recognised in the statement of comprehensive income resulting from related party transactions | | |
| Management fees from unconsolidated structured entities ¹ | 8.6 | 5.4 |
| Management fees from EIS and VCT funds ² | 3.3 | 4.5 |

¹ Management fees from unconsolidated structured entities are based on the cost of investments within the entities less cost of realisations.

² Management fees from EIS and VCT are dependent on the activity within the period. This also includes a fee from Encore Ventures LLP to Molten Ventures Plc which is eliminated on consolidation.

Directors' fees

Administration fees for the provision of Director services are received where this has been agreed with the portfolio companies. These amounts are immaterial. At times, expenses incurred relating to Director services can be recharged to portfolio companies – these are also immaterial. Molten Ventures does not exercise control or management through any of these non-executive positions.

Carry payments

Carry was paid to 15 beneficiaries in the period, of which the below was to related parties. Carry payments have been made in respect of Esprit Capital III LP and Esprit Capital IV LP to key management personnel in the periods presented.

| | Period ended 30 Sep 2022 £'m | Period ended 30 Sep 2021 £'m | Year ended 31 Mar 2022 £'m |
|----------------|------------------------------------|------------------------------------|----------------------------------|
| Carry payments | 0.6 | 0.3 | 2.6 |

21. Related party transactions CONTINUED

Performance fees

No performance fees have been paid during the period by the EIS and VCT funds to Encore Ventures LLP. At 30 September 2022, Enil was unpaid (31 March 2022: £0.8m, 30 September 2021: £nil).

| | Period ended 30 Sep 2022 £'m | Period ended 30 Sep 2021 £'m | Year ended 31 Mar 2022 £'m |
|------------------|------------------------------------|------------------------------------|----------------------------------|
| Performance fees | – | 1.7 | 2.5 |

Unconsolidated structured entities

The Group has exposure to a number of unconsolidated structured entities as a result of its venture capital investment activities.

The Group ultimately invests all funds via a number of limited partnerships and some via Molten Ventures plc's wholly owned subsidiary, Molten Ventures (Ireland) Limited. These are controlled by the Group and not consolidated, but they are held as investments at fair value through profit or loss on the consolidated statement of financial position in line with IFRS 10 (see the 31 March Annual Report for further details and for the list of these investment companies and limited partnerships). The material assets and liabilities within these investment companies are the investments, which are held at FVTPL in the consolidated accounts. Please see further details in the table below.

| Name of undertaking | Registered office | Activity | Holding | Country | 30 Sep 2022 £'m | 31 Mar 2022 £'m |
|-----------------------------------|---|---|---------|----------------|--------------------|--------------------|
| Esprit Investments (1)(B) LP | 20 Garrick Street, London, WC2E 9BT | Limited Partnership pursuant to which the Group makes certain investments | 100% | England | 19.1 | 18.0 |
| Esprit Investments (2)(B) LP | 20 Garrick Street, London, WC2E 9BT | Limited Partnership pursuant to which the Group makes certain investments | 100% | England | 215.9 | 240.0 |
| Molten Ventures (Ireland) Limited | 32 Molesworth Street, Dublin 2, Ireland | Investment entity | 100% | Ireland | 1,098.1 | 1,121.7 |
| Esprit Capital III LP | 20 Garrick Street, London, WC2E 9BT | Limited Partnership pursuant to which the Group makes certain investments | 100% | England | 33.3 | 50.8 |
| Esprit Capital IV LP | 20 Garrick Street, London, WC2E 9BT | Limited Partnership pursuant to which the Group makes certain investments | 100% | England | 20.5 | 34.8 |
| DFJ Europe X LP | c/o Maples Corporate Services Limited at PO Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands | Limited Partnership pursuant to which the Group makes certain investments | 100% | Cayman Islands | 7.8 | 15.8 |
| Esprit Investments (1) LP | 20 Garrick Street, London, WC2E 9BT | Limited Partnership pursuant to which the Group makes certain investments | 100% | England | 198.4 | 248.3 |
| Esprit Investments (2) LP | 20 Garrick Street, London, WC2E 9BT | Limited Partnership pursuant to which the Group makes certain investments | 100% | England | 845.3 | 787.2 |

Molten Ventures (Ireland) Limited invests via the following limited partnerships: Esprit Investments (1) LP, Esprit Investments (2) LP, Esprit Capital IV LP (which also holds investments via DFJ Europe X LP), Esprit Capital III LP. Molten Ventures (Ireland) Limited also holds an investment in Earlybird Fund VI Management Company of £0.6 million.

The investments balance in the consolidated statement of financial position also includes investments held by consolidated entities.

The Group also co-invests or historically co-invested with a number of limited partnerships. The exposure to these entities is immaterial.

Vested but unrealised carried interest of £0.7 million is recognised by the Group via Encore I Founder LP (14.5% aggregate carry LP interest) and Esprit Capital III Carried Interest LP (2.2% aggregate carry LP interest).

Notes to the condensed consolidated interim financial statements CONTINUED

22. Capital commitments

The Group makes commitments to seed funds (including funds invested in as part of our partnership with Earlybird) as part of its investment activity, which will be drawn down as required by the funds over their investment period. Contractual commitments for the following amounts have been made as at 30 September 2022 but are not recognised as a liability on the consolidated statement of financial position:

| | 30 Sep 2022 £'m | 31 Mar 2022 £'m |
|-----------------------------|--------------------|--------------------|
| Undrawn capital commitments | 80.7 | 74.2 |
| Total capital commitments | 301.4 | 263.5 |

Total exposure for the Group to these seed funds (including Earlybird) is £387.9 million of investments (31 March 2022: £399.5 million).

23. Ultimate controlling party

The Directors of Molten Ventures plc do not consider there to be a single ultimate controlling party of the Group.

24. Alternative Performance Measures ("APM")

The Group has included the APMs listed below in this report as they highlight key value drivers for the Group and, as such, have been deemed by the Group's management to provide useful additional information to readers of this report. These measures are not defined by IFRS and should be considered in addition to IFRS measures.

Gross Portfolio Value ("GPV")

The GPV is the gross fair value of the Group's investment holdings before deductions for the fair value of carry liabilities and any deferred tax (in Molten Ventures (Ireland) Limited). The GPV is subject to deductions for the fair value of carry liabilities and deferred tax to generate the net investment value, which is reflected on the consolidated statement of financial position as financial assets held at FVTPL. Please see Note 19 for a reconciliation to the net investment balance. This table also shows the Gross to Net movement, which is 93% at the current period end calculated as the net investment value (£1,353.0 million) divided by the GPV (£1,450.2 million). The table reflects a Gross fair value movement of -£180.4 million, on an opening balance of £1,531.5 million, which is a -12% change on the 31 March 2022 GPV. This is described in the report as the Gross fair value decrease.

Net Portfolio Value ("NPV")

The NPV is the net fair value of the Group's investment holdings after deductions for the fair value of carry liabilities and any deferred tax (via Ireland) from the GPV. The NPV is the value of the Group's financial assets classified at "fair value through profit or loss" on the statement of financial position.

NAV per share

The NAV per share is the Group's net assets attributable to Shareholders divided by the number of shares at the relevant reporting date. See the calculation in Note 8.

25. Exceptional items

Exceptional costs related to the Company's Main Market move were £Nil for the period ending 30 September 2022 (six-month period ended 30 September 2021: £2.4 million). The majority of these costs for the period ended 30 September 2021 related to brokers fees, legal advisory, listing, reporting accountant, NED recruitment, remuneration advisory, IT consultancy, and PR services.

26. Subsequent events

Post period-end, we have received £6.4 million cash proceeds from the acquisition of portfolio company Roomex, with further escrow expected. The realised fair value (including escrow) is higher than our reported fair value at 31 March 2022.

At 30 September 2022, we held interests in listed companies. Their valuations are based on their quoted share price on 30 September 2022. Their value using the market price on 16 November 2022 and FX rates on the same date where relevant was £29.2 million.

There are no further post balance sheet events requiring comment.

Board, management and administration

Directors

Karen Slafford (Non-Executive Director)
 Martin Davis (Chief Executive Officer)
 Stuart Chapman (Executive Director)
 Ben Wilkinson (Chief Financial Officer)
 Gervaise Slowey (Non-Executive Director)
 Grahame Cook (Non-Executive Director)
 Richard Pelly (Non-Executive Director)
 Sarah Gentleman (Non-Executive Director)

Registered office

20 Garrick Street, London, England, WC2E 9BT

Website

www.moltenventures.com

investors.moltenventures.com/investor-relations/plc

Broker and Joint Financial Adviser

Numis Securities Limited
 45 Gresham Street
 London
 EC2V 7BF
 United Kingdom

Broker and Euronext Dublin Sponsor

Goodbody Stockbrokers UC
 Ballsbridge Park
 Ballsbridge
 Dublin 4
 Ireland

Legal Advisers to the Company (as to English law)

Gowling WLG (UK) LLP
 4 More London Riverside
 London
 SE1 2AU
 United Kingdom

Legal Advisers to the Company (as to Irish law)

Maples and Calder
 75 St. Stephen's Green
 Dublin 2
 Ireland

Depositary

Langham Hall UK Depositary LLP
 1 Fleet Place
 8th Floor
 London
 EC4M 7RA
 United Kingdom

Independent Auditors

PricewaterhouseCoopers LLP
 7 More London Riverside
 London
 SE1 2RT
 United Kingdom

Public Relations Adviser

Powerscourt Limited
 1 Tudor Street
 London
 EC4Y 0AH
 United Kingdom

Investor Relations Adviser

Equitory
 1 Poultry
 London
 EC2R 8EJ

Principal Bankers

Barclays Bank plc
 1 Churchill Place
 London
 E14 5HP
 United Kingdom

JP Morgan Chase Bank, N.A., London Branch
 25 Bank Street
 London
 E14 5JP

Silicon Valley Bank UK Limited
 Alphabeta
 14-18 Finsbury Square
 London
 EC2A 1BR

Registrar

Equiniti Limited
 Aspect House
 Spencer Road
 Lancing
 West Sussex
 BN99 6DA
 United Kingdom

Company Secretary

Gareth Faith

Glossary

In this document, where the context permits, the expressions set out below shall bear the following meaning:

| | |
|---|--|
| “Act” | the UK Companies Act 2006. |
| “AIM” | AIM, the market of that name operated by the London Stock Exchange. |
| “Audit, Risk and Valuations Committee” | the Audit, Risk and Valuations Committee of the Board. |
| “AUM” | assets under management. |
| “BoE” | Bank of England. |
| “BVCA” | British Private Equity & Venture Capital Association. |
| “Company” or “Molten” or “Molten Ventures” or “plc” | Molten Ventures plc, a company incorporated in England and Wales with registered number 09799594 and having its registered office at 20 Garrick Street, London, WC2E 9BT. |
| “Core Portfolio”, “Core Portfolio Companies”, “Core Companies” or “Core” | the companies that generally represent highest fair value to Molten which account for approximately 64% of the overall portfolio value based on fair values as at 30 September 2022. |
| “COVID-19” | Coronavirus disease, the infectious disease caused by a new strain of coronavirus in 2019/20. |
| “DEF” or “Digital East Fund” | Digital East Fund 2013 SCA SICAR |
| “Directors” or “Board” | the Directors of the Company from time to time. |
| “EB GO” / “Earlybird Growth Opportunities fund” | Earlybird Growth Opportunities Fund I GmbH & Co. KG |
| “EB IV” / “Earlybird Fund IV” | Earlybird GmbH & Co. Beteiligungs-KG IV |
| “EB VI” / “Earlybird Fund VI” | Earlybird DWES Fund VI GmbH & Co. KG |
| “EB VII” / “Earlybird Fund VII” | Earlybird DWES Fund VII GmbH & Co. KG |
| “EIS” | The EIS funds managed by Encore Ventures LLP. EIS funds being Enterprise Investment Scheme under the provisions of Part 5 of the Income Tax Act 2007. |
| “Elderstreet” | Elderstreet Investments Limited, a private company limited by shares incorporated in England and Wales under registration number 01825358 with its registered office at 20 Garrick Street, London, WC2E 9BT. |
| “Encore Funds” / “EIS funds” | DFJ Esprit Angels' EIS Co–Investment Fund, DFJ Esprit Angels' EIS Co–Investment II, DFJ Esprit EIS III, DFJ Esprit EIS IV, Draper Esprit EIS 5, and Molten Ventures EIS and each an “Encore Fund”. |
| “Encore Ventures” | Encore Ventures LLP, a limited liability partnership incorporated in England and Wales under the registration number OC347590 with its registered office at 20 Garrick Street, London, WC2E 9BT. |
| “ESG” | Environmental, Social and Governance. |
| “Esprit Capital” / “ECP” | Esprit Capital Partners LLP, a limited liability partnership incorporated in England and Wales under the registration number OC318087 with its registered office at 20 Garrick Street, London, WC2E 9BT, the holding vehicle of the Group immediately prior to IPO. |
| “Esprit funds” | Esprit Capital I Fund No.1 Limited Partners and Esprit Capital I Fund No.2 Limited Partnership, Esprit Capital II LP, Esprit Capital Fund III(i) LP and Esprit Capital Fund III(i) A LP and each an “Esprit Fund”. |
| “Euronext Dublin” | the trading name of the Irish Stock Exchange plc. |
| “Exclusion list” | the Group's exclusion list setting out the sectors, businesses and activities in which the Group will not invest due to having as their objective or direct impact any of the following: 1. Slavery, human trafficking, forced or compulsory labour, or unlawful/harmful child labour. 2. Production or sale of illegal or banned products, or involvement in illegal activities. 3. Activities that compromise endangered or protected wildlife or wildlife products. 4. Production or sale of hazardous chemicals, pesticides and wastes. 5. Mining of fossil fuels. 6. Manufacture, distribution or sale of arms or ammunitions which are not systems or services generally regarded as having defensive/non-offensive objectives as their core focus. 7. Manufacture of, or trade in, tobacco or alcohol. 8. Manufacture or sale of pornography. 9. Trade in human body parts or organs. 10. Animal testing other than for the satisfaction of medical regulatory requirements. 11. Production or other trade related to unbonded asbestos fibres. |
| “FCA” | the UK Financial Conduct Authority. |

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|--|---|
| “Fund of Funds” | seed and early stage funds invested in by the Group. |
| “Gross Portfolio fair value movement” | the increase or decrease in the fair value of the portfolio of investee companies held by funds controlled by the Company before accounting for deferred tax (via Molten Ventures (Ireland) Limited), external carried interest and amounts co-invested. |
| “Gross Portfolio Value” | gross portfolio value is the value of the portfolio of investee companies held by funds controlled by the Company before accounting for deferred tax, external carried interest and amounts co-invested. |
| “Group” | the Company and its subsidiaries from time to time and, for the purposes of this document, including Esprit Capital LLP and its subsidiaries and subsidiary undertakings. |
| “HMRC” | HM Revenue & Customs. |
| “IFRS” or “IFRSs” | International Financial Reporting Standards, as adopted for use in the United Kingdom. |
| “International Private Equity and Venture Capital Valuation Guidelines” / “IPEV Guidelines” | the International Private Equity and Venture Capital Valuation Guidelines, as amended from time to time. |
| “IPO” | initial public offering, which in the context of Molten Ventures means the Admission of the enlarged share capital to trading on AIM and Euronext Growth (formerly the Enterprise Securities Market operated and regulated by the Irish Stock Exchange) on 15 June 2016 and such admission becoming effective in accordance with the AIM Rules and the Euronext Growth Rules respectively. The IPO included the acquisition of Esprit Capital Partners LLP and Molten Ventures (Ireland) Limited. |
| “IRR” | the internal rate of return. |
| “Investment Committee” | voting members of the Investment Committee of ECP. |
| “Investment Team” | The Partnership Team and Platform Team as described on the Company's website. |
| “JPM” | J.P. Morgan Chase Bank N.A. |
| “Main Market move” | Molten Ventures plc's admission to the premium listing segment of the Official List of the Financial Conduct Authority and the secondary listing segment of the Official List of the Irish Stock Exchange plc, trading as Euronext Dublin and to trading on the London Stock Exchange plc's main market for listed securities and the regulated market of Euronext Dublin. |
| “Main Market” | the London Stock Exchange plc's main market for listed securities. |
| “NAV” / “Net Asset Value” | the value, as at any date, of the assets of the Company after deduction of all liabilities determined in accordance with the accounting policies adopted by the Company from time to time. |
| “Net Portfolio Value” | the value of the portfolio of investee companies held by funds controlled by the Company after accounting for deferred tax, external carried interest and amounts co-invested and recognised on the statement of financial position. |
| “Ordinary Shares” | ordinary shares of £0.01 pence each in the capital of the Company. |
| “PricewaterhouseCoopers” or “PwC” | PricewaterhouseCoopers LLP, a limited liability partnership registered in England and Wales with registered number OC303525 and having its registered office at 1 Embankment Place, London, WC2N 6RH. |
| “SECR” | Streamlined Energy and Carbon Reporting. |
| “SM&CR” | the Senior Managers and Certification Regime. |
| “SONIA” | is the Sterling Overnight Index Average, an interest benchmark administered by the Bank of England |
| “SVB” | Silicon Valley Bank UK Limited. |
| “TCFD” | Task Force on Climate-Related Financial Disclosures. |
| “VC” | venture capital. |
| “VCT” / “VCT funds” | the VCT funds of Molten Ventures VCT plc (Co. Reg. No.03424984), under the management of Elderstreet. VCT being Venture Capital Trusts under the provisions of part 6 of the Income Tax Act 2007 |