

Molten

INVESTOR FLYER

Molten Ventures plc

Your capital is at risk

An introduction

Molten Ventures plc¹ (**Molten** or the **Company**) is a venture capital (**VC**) investor in privately held, rapidly growing technology companies in the UK and Europe. In addition to their investment activities, Molten also operates as an investment manager for third-party capital, generating income through management fees.

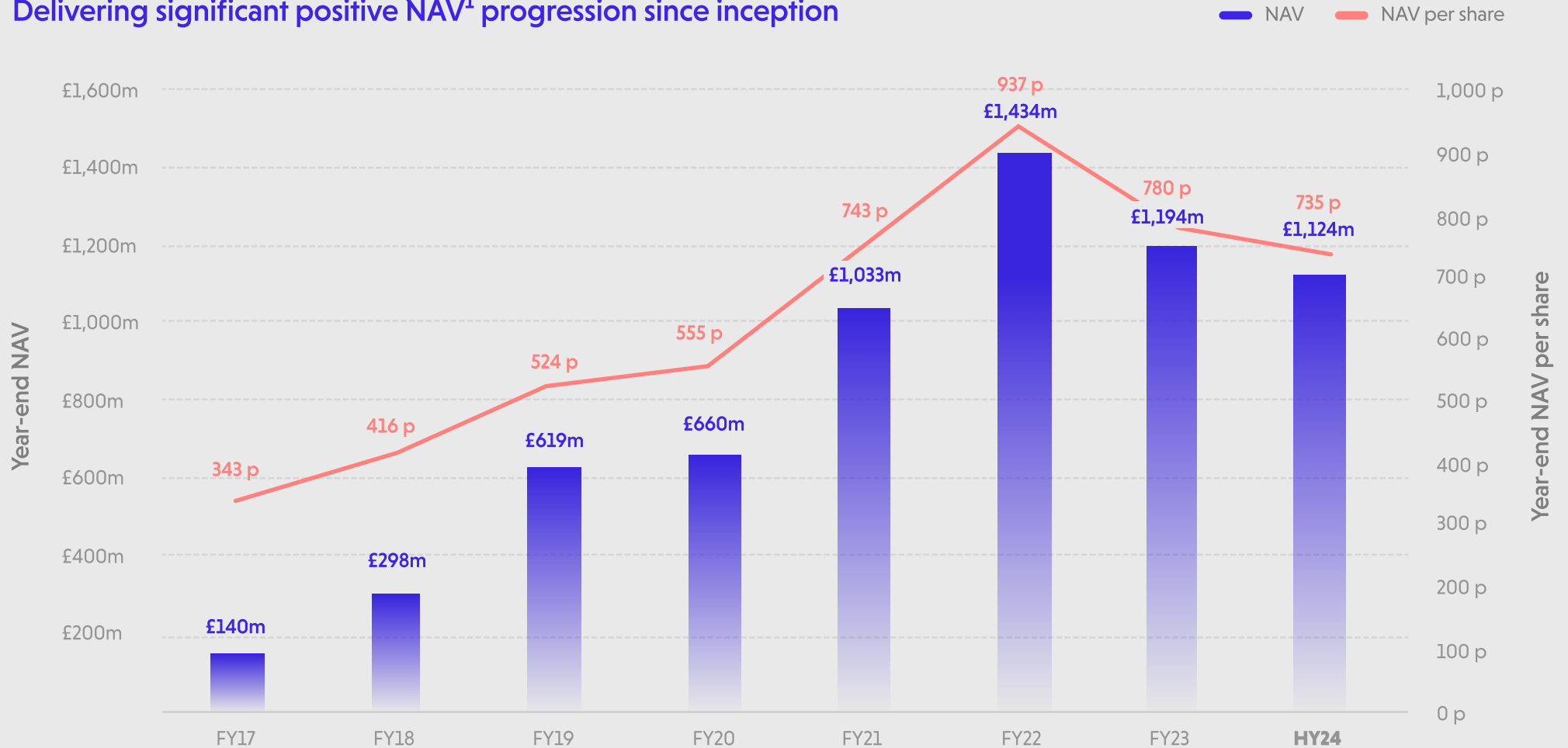
Molten has maintained a strong track record, providing an average annual return of **30% since its 2016 initial public offering (IPO)** when measured against its opening gross portfolio value². Additionally, the Company has successfully realised approximately £500 million in cash since its IPO, equating to an average percentage cash realisation of **16% per year based on its opening gross portfolio value.**

¹previously Draper Esprit plc.

²Gross 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.

Molten has built a strong track record since IPO

Delivering significant positive NAV¹ progression since inception













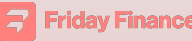











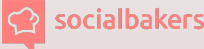












Past performance is not a reliable indicator of future returns.

Source: Molten Ventures Interim Results Investor Presentation, November 2023

¹NAV - Net Asset Value refers to the total value of a venture capital fund's assets minus its liabilities. For investors in venture capital funds, NAV serves as an indicator of the fund's performance and the value of their investments. It can fluctuate based on the valuations of the portfolio companies, exits (such as acquisitions or IPOs), or write-downs of underperforming investments within the fund. Please note that the share price has traded at significant premiums and discounts to NAV which implies considerable share price volatility.

Returns have been distributed across a variety of investments

Returns Multiple ¹	No return/valued at 0x	< 1x	1x < 3x	3x+
	    	       	            	        
% of Invested Capital ²	12%	24%	24%	40%
Return Proceeds	– ³	£17m	£90m	£377m

Source: Molten Ventures Interim Results Investor Presentation, November 2023

Note: Past performance is not a reliable indicator of future performance. This page includes larger realisations only and does not reflect certain realisations through underlying funds and relating to the syndication of the Fund of Funds programme.

¹Return Multiple is defined as Multiple on Invested Capital (MOIC) for fully realised assets or Valuation Multiples on Exit for partially realised assets. MOIC is a financial metric used to evaluate the return on investment by comparing the present value of all cash flows generated by an investment to the initial amount of capital invested. Essentially, MOIC measures how much value or return an investment has generated relative to the initial cash put into it. A MOIC greater than 1 indicates that the investment has yielded returns higher than the initial investment, while a MOIC less than 1 means the investment has not returned its initial capital.

²Percentage of Invested Capital refers to the proportion or fraction of the total capital that has been deployed or invested in an asset and has been calculated by reference to the total "Returns" on the companies that appear on this slide and includes exits, partial exits, write offs and interest payments on debt.

³Loss ratio as a percentage of invested capital is 7% which is calculated as the realised investment-related losses over the total cash invested by Molten since IPO.

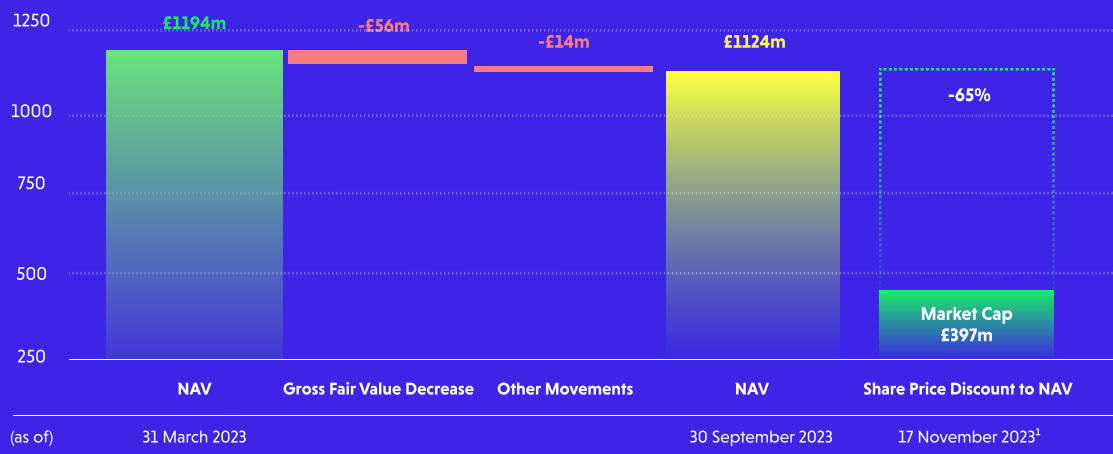
⁴Fluidic Analytics Limited went into administration post-period end in November 2023 and is included for visibility, but does not factor in the % of Invested Capital track record, which is calculated for the period to 30 September 2023.

⁵Partially realised.

Molten: a snapshot of recent results

Half-year results to September 2023

Net asset value bridge² (£m) and discount to NAV



Half-year Results Summary (to 30 September 2023)

- Molten announced a NAV of 735p;
- The Directors believe that the valuations environment is stabilising, evidenced by resilient portfolio performance and a fair value reduction of 4%;
- Core portfolio companies continue to generate strong revenue growth; revenues are forecast to grow at an average of over 55% for 2023, with a forecast average growth of c.50% for 2024;
- The portfolio is well-funded with over 80% of the Core portfolio having over 12 months' cash runway on current projections;
- Realisations generated cash proceeds for Molten in the period of £33 million, with realisations exceeding deployment.

Top 10 Investments³

Company Name	Thought Machine	CoachHub	aiven	LEDGER	FORM3	aircall	Revolut	M-Files	ICEYE	RavenPack
Value	£99.2m	£95.2m	£83.1m	£61.9m	£61.4m	£59.4m	£55.2m	£46.1m	£40.4	£38.5
GPV %	7.6%	7.3%	6.4%	4.8%	4.7%	4.6%	4.3%	3.5%	3.1%	3.0%

¹Source: London Stock Exchange Group | Data as at end of day on 17 November 2023.

²NAV bridge - The bridge helps investors understand significant factors behind changes in NAV.

³Early stage company valuations are extremely difficult to value accurately and are liable to change.

Key financials as at 30 September 2023

NAV PER SHARE	735p
SHARE PRICE (AS OF 17 NOVEMBER 2023) ¹	259.6p
SHARE PRICE DISCOUNT TO NAV	-65%

CALENDAR			
NAV	£1,124m	EGM*	14 DEC 23
MARKET CAPITALISATION	£397m	INTERIM RESULTS	22 NOV 23
TICKER CODE	GROW	FULL YEAR RESULTS	JUN 24

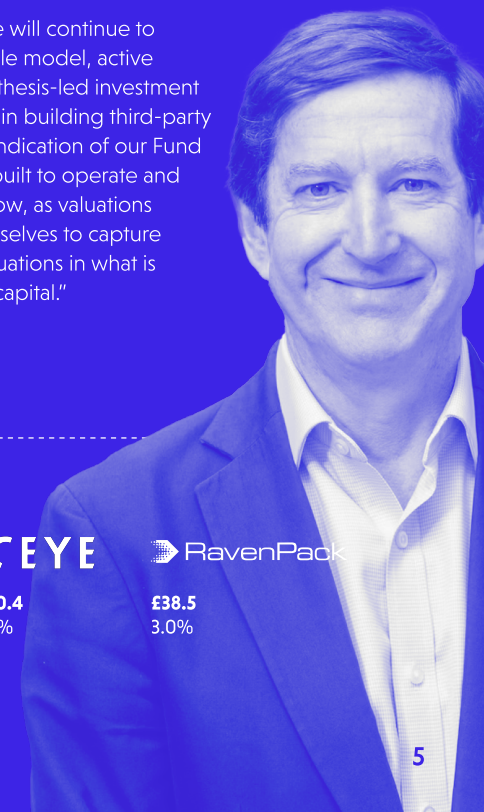
*Extraordinary General Meeting (EGM).

Outlook

"Even as economic headwinds persist, we will continue to deliver through our scalable and adaptable model, active approach to portfolio management, and thesis-led investment approach. We expect to further progress in building third-party assets and income, with the continued syndication of our Fund of Funds programme. Our platform was built to operate and invest through the cycle, and our focus now, as valuations continue to stabilise, is on positioning ourselves to capture exceptional opportunities at attractive valuations in what is increasingly a buyers' market for venture capital."

Martin Davis

Chief Executive Officer



Why is Molten raising capital?

The Board believes the current market dislocation is presenting a number of opportunities, particularly in the secondary market.

The net proceeds of the capital raise will allow the Company to:

- Purchase secondary assets¹ at valuations the Board believes are attractive;
- Provide follow-on capital in the enlarged portfolio² and take advantage of new investment opportunities;
- Make selective new investments in earlier-stage companies, capitalising on Forward Partners' investment strategy and capabilities;
- Gain a strategically aligned and long-term shareholder in Blackrock with a cornerstone commitment of up to £25 million;
- Retain capital allocation discipline in the enlarged portfolio;
- Enable Molten to capture value at the right time in the cycle and provide a pipeline of future growth opportunities.

¹A secondary asset is purchased from other investors, rather than from issuing companies themselves.

²The enlarged portfolio represents the combined assets of Molten Ventures and Forward Partners.

Transaction overview

- Molten plans to raise c.£50m at 270p;
- Blackrock has committed up to £25m at the placing price of 270p;
- British Patient Capital has subscribed for £10m at the placing price of 270p;
- The new shares equate to 12% of the issued share capital;
- The Placing is subject to a shareholder vote.

Alongside the equity fundraising, Molten is announcing the all-share acquisition of Forward Partners Group plc (**Forward Partners**), the manager of a well-balanced UK VC portfolio split across Seed and early stage assets.

Molten plans to offer 1 share for every 9 shares of Forward Partners. At the Placing Price of 270p this implies an Offer Price of 30p per Forward Partners' share, equity value of £40m and a 55% discount to the last reported Forward Partners' NAV¹.

The Placing will complete before, and is not conditional upon, the Acquisition. Note that Blackrock has a 70% shareholding in Forward Partners. Should the Acquisition complete, Forward Partners shareholders will own approximately 8% of the enlarged group based on a £50m fundraising.

¹Last reported Forward Partners NAV as at 30 June 2023.

Why is Molten acquiring Forward Partners?



Forward Partners is a London-listed VC firm specialising in supporting Seed and early-stage technology businesses in the UK. The Company has been making VC investments for ten years (mostly as an unlisted vehicle) and receives thousands of start-up funding applications every year.

Molten has a proven track record of acquiring and managing secondary VC assets and this period of market dislocation has provided the opportunity to acquire Forward Partners' high-quality and well-invested portfolio at a significant discount to NAV.

Molten is seeking to acquire Forward Partners for the following reasons:

- Forward Partners has a balanced portfolio of **43** assets, spread across a series of high-potential operating models spanning eCommerce, Marketplace and Applied AI;
- The underlying portfolio is well capitalised; over 70% of the top 15 companies have 18 months or more cash runway, are on a path to breakeven without the need for further funds, or are profitable;
- Despite macroeconomic headwinds, Forward Partners' portfolio has demonstrated good recent momentum with weighted average revenue growth of **133%**³;
- To provide a broader and more diverse pipeline by maturity and market segment.

KEY STATISTICS¹

£76.9M

Portfolio Fair Value²

£90.5M

Net Asset Value (NAV)

133%

Average revenue growth³

50%

Current discount to NAV⁴

OVERVIEW OF FORWARD PARTNERS' TOP ASSETS BY VALUE⁵

gravity
sketch

Other tech
3D Design Software

£9.8m



Robin

Applied AI
Legal-tech

£8.2m

SPOKE

Marketplace
D2C E-commerce

£5.8m

OutThink

Applied AI
Cybersecurity

£5.3m

ably

Other tech
Realtime experience platform

£4.5m



MAKERS

Other tech
Software training

£3.7m



Applied AI
Payments platform

£3.4m

¹ Forward Partners Interim Results to 30 of June 2023.

² Fair value reflects the ownership stake at a given measurement date and can be calculated using market multiples, the price of recent investments or a given discount to the last round price.

³ Weighted average revenue growth, Forward Partners Interim Results to 30 of June 2023.

⁴ As at 17 November 2023.

⁵ Early stage company valuations are extremely difficult to value accurately and are liable to change.

Risk Factors

01

Early stage investments

Many of Molten's investments are in early stage companies. There is no certainty that any of the businesses will reach profitability or generate any, or any significant, returns (e.g. dividends, proceeds from a share sale or a return on capital from an exit event). Numerous companies require extensive investment in research and development (R&D) to create intellectual property and gather commercial traction.

04

Liquidity

As a result of a confluence of geo-political and macro-economic factors, Molten shares are currently trading at a discount to net asset value (NAV), which may restrict Molten's future ability to raise capital via an equity fundraising. This may prevent Molten from capitalising on attractive new investment opportunities and, as regards existing portfolio companies, may either prevent them from raising sufficient further capital or result in Molten's interest being diluted.

02

Valuations are subject to change

Molten's investments include securities for which no or only a limited market exists. These investments are extremely difficult to value accurately and are liable to change. The aggregate value of Molten's investments may fluctuate and there can be no assurance that the values of investments reported by Molten will in fact be realised.

05

Share price

The price at which Molten shares trade are influenced by a large number of factors, some specific to Molten and its investments and some which may affect companies generally. There may not be a liquid market for the Molten shares and the share price may be subject to greater fluctuation on small volumes of trading. The Molten shares may be difficult to sell at a particular price or at all. The market price of Molten shares may not reflect the underlying NAV. Shares may and currently do trade at a discount to NAV.

03

Realisation proceeds

There can be no guarantee as to when an investment will ultimately be realised by Molten. Wider market conditions can have a significant impact on realisations. Molten anticipates that the IPO market will remain largely closed as an exit route in the near term and trade sale and M&A exit volumes will continue to be uncertain.

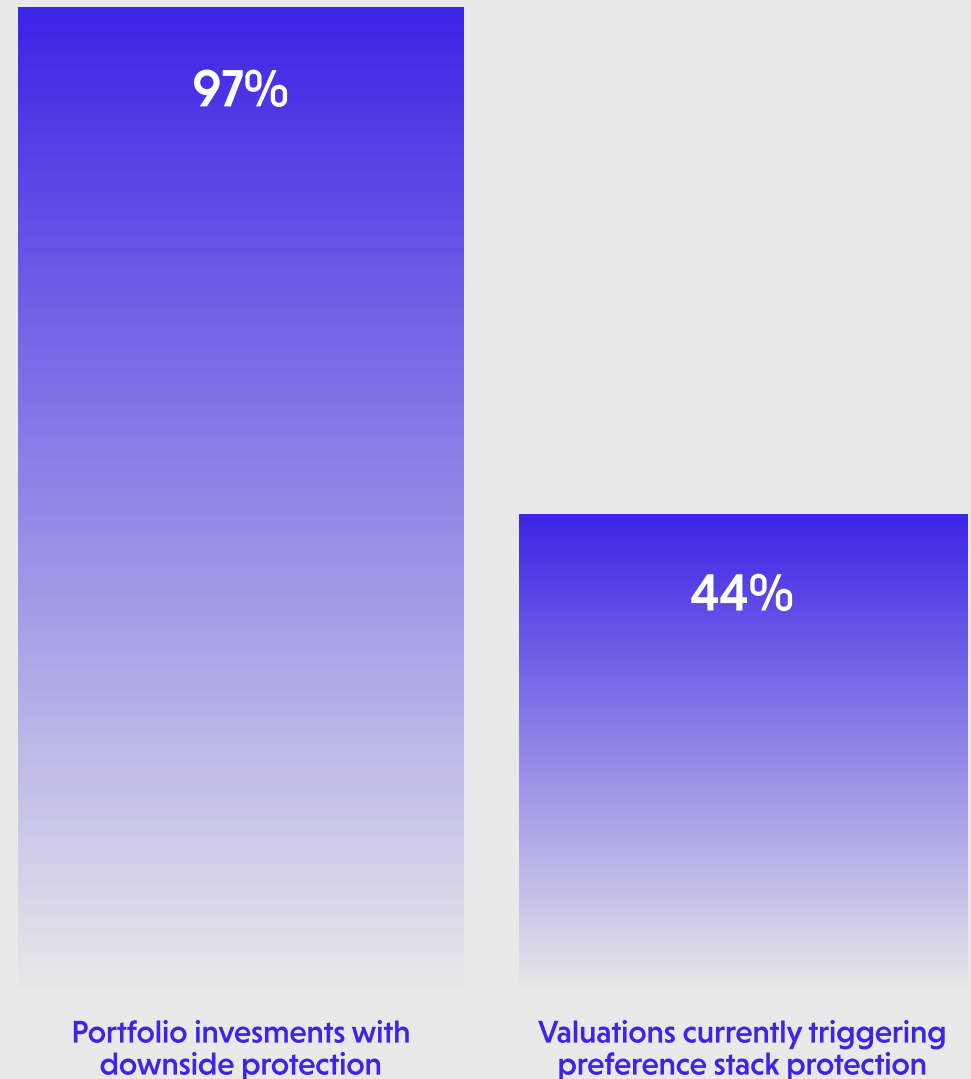
Appendix

97%

of Molten's portfolio investments are protected by favourable preference structures

Preferred equity (or preference shares) are often considered safer than common equity due to its preferential treatment and priority in receiving payments.

Percentage of portfolio with downside protection¹



Source: Molten Ventures Interim Results Investor Presentation, November 2023

¹Preference shares provide downside protection without limiting the upside, the share rights are reflected in the legal documents and do not have additional cost associated with them.

Risk warning

Investing in securities involves a significant degree of risk including loss of capital, rarity of dividends, lack of liquidity and should only be done as part of a diversified portfolio. The value of an investment and the income from it could go down as well as up. The return of your investment is not guaranteed and you may get back less than you originally invested. Past performance is not an indicator of future performance. If you are in any doubt as to whether an investment into a company is suitable, you should consult a regulated financial advisor. It is important that you read the risk warnings before considering any investment, including the Key Information Document and the 'Important Notices' section of the Announcement which includes a summary of the key risks.

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