

Molten

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Molten

Make More Possible

Molten Ventures plc (formerly Draper Esprit plc)
Interim Results

FOR THE SIX-MONTHS ENDED 30 SEPTEMBER 2021

REGISTRATION NUMBER: 09799594

Molten

A new brand

The extensive rebranding effort is in response to the company's transformation of recent years, its accelerated company growth, and a recognition of its unique role in the democratisation of venture capital.

As part of a rebrand, Draper Esprit has changed its name to Molten Ventures. The Molten name is rooted in the team's long experience of transformation - both their own, and their successful efforts to help their portfolio do the same. The name was inspired by the natural process of state change, by which matter is transformed via the injection of energy - the first transformation is from solid to molten form. The Molten team believes that venture capital works best when VCs give their energy to help companies succeed. This 'energy' goes far beyond providing just capital, it also means experience, knowledge, relationships and a commitment for the long term.

This commitment extends to Molten's motto: Make More Possible, which reflects its unique contribution as a listed venture capital firm. Molten invests in Europe's best entrepreneurs and seed funds, helping them make more possible. Further, because it is listed, the rewards of Molten's investments make more possible for public market investors.

About Molten Ventures (formerly Draper Esprit)

Molten Ventures is one of the most active venture capital firms in Europe, developing and investing in disruptive, high-growth technology companies. We believe it is our role to support the visionary entrepreneurs who will invent the future. We fuel their growth with our 'energy' in the form of long-term capital, access to international networks and decades of experience building businesses. Currently, Molten Ventures is a shareholder in a diverse portfolio of companies including Revolut, UiPath, Trustpilot, Ledger and Graphcore.

For more information, please visit: www.moltenventures.com

Interim Highlights

Financial highlights

£1,350m

Gross Portfolio Value
(31 March 2021: £984m)

£1,357m

Net Assets
(31 March 2021: £1,033m)

887p

NAV per share
(31 March 2021: 743p)

£156m

Plc total available cash (including restricted cash) (31 March 2021: £161m Plc cash)

27%

Gross Portfolio fair value growth
(Six months to 30 September 2020: 10%)

£218m

Profit after tax
(Six months to 30 September 2020: £54m)

£67m

Cash proceeds from realisations
(Six months to 30 September 2020: £106m)

£108m

Net funds raised during the period

<1%

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

£165m

Cash invested in the period
(Six months to 30 September 2020: £32m)

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Operational highlights

- + Cash proceeds from realisations during the period of £67m, predominantly generated by the exits from SportPursuit, Conversocial and PremFina, selling down some of our shares held in publicly-listed Trustpilot and UiPath, as well as escrow receipts relating to previously announced disposals
- + Cash investments of £165m, increasing deployment in excess of levels initially anticipated for the full year. This is attributable to a higher level of follow-on opportunities in the existing portfolio, consistently leading rounds in primary investments and the continued expansion of the investment platform with further additions to the team
- + Committed to 12 new seed funds via our seed fund of funds programme, bringing the overall seed portfolio to 47 funds
- + Completed move to the Premium Segment of the Official List and to trading on the London Stock Exchange's Main Market, as well as to the secondary listing segment of the Official List of Euronext Dublin and to trading on the regulated market of Euronext Dublin
- + Continued to progress our ESG roadmap, including advancing our TCFD and carbon emission projects, release of our Board Diversity and Inclusion policy, and engaging with the portfolio on ESG

Post period-end

- + In November 2021, to reflect our ambition to transform venture capital, Draper Esprit unveiled a new name, Molten Ventures, a new website, moltenventures.com, and a new motto, "Make More Possible". The new brand reflects our ongoing transformation: the rapid acceleration of investment, our expanding team, and our recent inclusion in the FTSE250
- + Post period-end, we have deployed £36.6 million in investments including an investment in Satellite Vu, a British start-up using satellite technology to determine valuable insights into economic activity, energy efficiency and carbon footprint
- + We have realised cash proceeds of £26.1 million post period-end, as a result of further Trustpilot and UiPath share sales

The above figures contain alternative performance measures ("APMs") – see Note 23 for reconciliation of APMs to IFRS measures.

Chief Executive's review

Overview

Over the last six months we have achieved a huge amount. We have been active in investing and in further strengthening our business and the portfolio has performed exceptionally, supported by a buoyant market driven, in part, by wholesale changes to the way we live our lives.



Martin Davis
Chief Executive Officer

community. This proven, scalable investment platform is adaptable across investment cycles, through expanding the Fund of Funds programme, creating additional deployment opportunities, different sources of capital and/or additional fees.

During the period, we completed the move of our listing to the Premium Segment of the Official List and to trading on the London Stock Exchange's Main Market, as well as to the secondary listing segment of the Official List of Euronext Dublin and to trading on the regulated market of Euronext Dublin. The move was motivated by the growth and maturity of the business, and we believe the Main Market is the most appropriate platform for the Company's future development. In line with this, we have further strengthened our Board through the recent appointments of Sarah Gentleman and Gervaise Slowey as Non-Executive Directors.

When reporting our final results in June, we set out a number of priorities for the year ahead to further scale our AUM and further develop our infrastructure, teams, and processes. These included direct follow-on opportunities, an ability to participate in larger rounds, a potential growth fund for growth stage (Series B+) dealflow, the next Earlybird fund, Earlybird Fund VII, and our Fund of Funds programmes. I am pleased to report continued strong performance on all fronts.

In November 2021 (post period-end), we announced a name change from Draper Esprit plc to Molten Ventures plc. The rebrand is in response to the Company's transformation of recent years, accelerated company growth and recent inclusion in the FTSE250, and a recognition of its unique role in the democratisation of venture capital. We also announced our new motto, "Make More Possible", which reflects Molten's contribution as a listed venture capital firm to identify and fully support the vision of Europe's most successful companies and in doing so deliver value for our shareholders.

Financial performance

We are delighted with our strong financial performance across all our key measures: fair value growth; cash realisations; investments made; and available capital resources.

During the period, we experienced increased costs related to the one-off event associated with the Main Market move and the investment into the strengthening of the team. These costs for the period nevertheless remained within our target of less than one percent of NAV.

Increased deployment

Capital deployed over the first six months of the year was £165.0 million; as such, we have already exceeded our stated target of over £150m for FY2022 and the high quality opportunities we have been able to take advantage of have led to an increase from the £128.0 million deployed

in FY2021. Quality has remained a key focus for the Group, and it goes without saying that we continue to be disciplined with respect to the quality and number of the deals we choose to take part in. Key factors in our increased deployment have been the ability to lead more deals and back our portfolio companies that are scaling.

We have participated in new deals and follow-on rounds in investment segments including climate tech, marketplaces, and cloud native applications, sub-sectors we feel are poised for significant growth, through companies such as Cervest, SimScale, Thought Machine, and Form3.

Strong realisations

Our portfolio is balanced between more mature core portfolio companies and the emerging portfolio that includes the core companies of the future. Realisations, typically from more mature companies, have started strongly in the first half of FY2022, with £67.5 million already delivered. This allows us to reinvest further in the portfolio as part of our evergreen model. Additionally, two of our companies have gone public during the period, UiPath and Cazoo, following Trustpilot's IPO at the end of the prior year, creating further partial realisations during the period.

Broader market environment

The broader market environment continues to be very strong. As the year has progressed and the world has started to emerge from the pandemic, albeit unevenly, there has been a significant upwards gear shift in investment activity across the market. There is a trend towards increasingly larger rounds as European technology companies continue to mirror US investment trends.

The pandemic accelerated the shift to online and businesses were forced to rethink old ways of operating and adopt new and innovative approaches. The shape of the market today is also different to what we have experienced in the past. Businesses can now expand rapidly, with greater capital efficiency. This is through a growing reliance on the cloud, as well as availability of productivity apps and infrastructure tools such as payments infrastructure and website creation/ hosting, meaning they can operate from anywhere, anytime, with machine learning and AI enabling this to happen more efficiently and cost effectively.

The overall trajectory of the European VC market is positive and it is demonstrating signs of maturing; this comes with greater international recognition and competition for the best deals. In this environment, a flexible capital raising investment platform, access to the best seed deals, a disciplined approach to investment and the ability to continue to make follow-on deals represent the optimal way to maximise potential returns.

Sustainability

We're pleased to report a continued focus on ESG during

the first six months of the year. Our activities in H1 included the completion of unconscious bias training, launching our Board Diversity & Inclusion policy, further strengthening of the Board, roll-out of our blind recruitment policy, release of our UK Corporate Governance Code statement, and the start of our annual carbon emissions data collection and balancing project, which will feed into our Streamlined Energy and Carbon Reporting ("SECR") for the coming year-end. We have also kicked off our Task Force on Climate-Related Financial Disclosures ("TCFD") project. We are not required to report on TCFD as a Chapter 15 Company, but we are doing so voluntarily.

As a reminder, all prospective portfolio companies in which we consider making a direct investment are initially screened against our Exclusion List and thereafter assessed as part of our ESG due diligence process before a final decision is taken on the investment.

We continue to progress our ESG roadmap and look forward to providing further updates in due course.

Outlook

Clearly the pandemic is not behind us yet, however a pattern is emerging that helps us envisage how life may operate in a post pandemic world. With this in mind, I would like to take this opportunity to look forward and reflect on the various opportunities ahead. We have refreshed our Fund of Funds programme with an additional £75.0 million investment budget to be deployed over five years which gives us extra flexibility to identify potential dealflow opportunities from within seed stage portfolios.

Our exploration of a potential growth fund continues to progress and will be a continued focus for the next six months of the year. This is intended for growth stages aimed at Series B+ dealflow using third-party funds alongside our own to provide a greater ability to lead deals and secure influence and allocation.

As we see the impact on the technology sector of the fundamental shift in our way of living and working as a result of the accelerated transition to digital, I feel greatly encouraged by the strength of our position in the market. I am confident that Molten Ventures is well positioned to continue to support the most promising companies and to continue to drive value for our shareholders and "Make More Possible". We continue to see growth within our portfolio through revenue increases, financing rounds and exits, combined with a healthy pipeline of new investment opportunities. As a result, portfolio growth is already well ahead of our stated financial objective of 15% Gross Portfolio fair value growth for this financial year, and our portfolio continues to perform strongly. We therefore anticipate fair value growth in the region of 35% for the full year to 31 March 2022, subject to wider market conditions.

Martin Davis

Chief Executive Officer

Portfolio review

In FY2022, our strategy of balancing increased deployment in a fast-paced market with considered realisations continues.

During the first half of the financial year, Molten Ventures (formerly Draper Esprit) deployed capital in the increasing growth opportunities in the European venture capital market, including in segments such as climate tech, marketplaces, and cloud native applications – all areas which have benefited from the accelerated transition to digital we continue to see, resulting from the events of the last few years. We continue to be disciplined regarding the quality of our investment process, with our increased capital base giving us the opportunity to lead more rounds, as well as continue to support our portfolio companies as they scale in larger later rounds. The Company invested £165.0 million in the first six months of the financial year, exceeding our target for the year of over £150.0 million, following the acceleration of rounds for some existing companies, but also opportunities to invest in new companies, leading rounds and taking larger stakes.

Cash proceeds from realisations during the first half of the year of £67.5 million included proceeds from the exits from SportPursuit, Conversocial and PremFina, selling down some of our shares held in publicly listed Trustpilot and UiPath, as well as escrow receipts relating to previously announced disposals.

Our resilient portfolio continues to be a balance of mature core portfolio companies and our emerging portfolio, which includes the core companies of the future.

Portfolio valuations

The Gross Portfolio Value as at 30 September 2021 is £1,350.2 million, an uplift of £366.4 million to the 31 March 2021 value of £983.8 million. Of this 37% uplift, £12.6 million results from FX impact on the portfolio. The largest drivers of the fair value increase are Revolut, Trustpilot, Form3, and Ledger.

Our portfolio valuations are set against the backdrop of a strong recovery from the COVID-19 pandemic, especially in the technology sector as businesses embrace “digital transformation” and where equity markets are trading at close to their all-time highs and with a record number of companies achieving “unicorn” status.

At the end of FY2021, Trustpilot, one of our core companies, successfully IPO'd at £2.65 per share. During the first half of FY2022, UiPath (April 2021 IPO at US\$56.00 per share) and Cazoo (August 2021 via a SPAC merger) also became quoted investments within our portfolio. Their valuations are based on their quoted share price at 30 September 2021.

The Core Portfolio is made up of 17 companies representing 68% of the Gross Portfolio Value. New entrants to the core are CoachHub, Form3, ISAR Aerospace, and N26, whilst Perkbox, Freetrade and Endomag are not above the threshold for the core in this period and we exited SportPursuit.

New companies

During the period, we invested £49.9 million into new entrants to the portfolio, taking advantage of opportunities to lead rounds in areas such as climate tech, fintech and the future of deliveries, whilst maintaining the quality and volume of investments made.

- FintechOS – we led a US\$60.0 million Series B funding round in FintechOS, supported by existing investors, including Earlybird Digital East. FintechOS is a global technology provider for banks, insurers and other financial services companies, whose low-code approach to digital transformation has seen rapid adoption in Europe. It allows institutions to build, test and scale new digital products and services in weeks rather than months.
- SimScale – we co-led a €25.0 million Series C extension round in SimScale during the period. SimScale is a SaaS platform, making high-fidelity simulation technically and economically accessible to engineers worldwide. SimScale's software is the world's first simulation software platform that is hosted on the cloud and it allows engineers to simulate and analyse the physical behaviour of their products with a standard web browser.
- Aktiia – we led a US\$17.5 million Series A round in Aktiia during the period. Aktiia has built a system for continuous blood pressure monitoring for remote patient monitoring in hypertension. Aktiia's core product is a CE-marked, non-invasive optical blood pressure monitoring device worn on the wrist that was launched in the UK and three European countries in 2021.
- Cervest – we led a US\$30.0 million Series A round in Cervest during the period. Cervest is the creator of the world's first AI Climate Intelligence platform. The platform combines public and private data sources, machine learning and cutting-edge statistical science to present a unified view of climate risk that has been previously impossible. Its EarthScan™ product gives enterprises and governments on-demand access to current, historical and predictive views of how combined risks, such as flooding, droughts and extreme temperatures can impact the assets they own or manage.

- Manna – we led a US\$25.0 million Series A round in Manna. Manna designs, builds and operates unmanned aerial vehicles which perform high-speed deliveries of takeaway food, groceries and pharmacy goods/supplies up to 3kgs in suburban last-mile settings. It is the most commercially progressed company of its kind in the world, currently trialling its service in Galway, Ireland and Balbriggan, Dublin.
- Allplants – we led a £38.0 million Series B funding round in Allplants, the D2C plant-based food business. Its plant-based meals are handmade, 24 hours a day, by 140 chefs in the company's own kitchen and delivered across Great Britain.
- Schüttfflix – we invested as part of their US\$50.0 million Series A round into Schüttfflix, a platform that connects material producers and freight forwarders with customers from different construction sectors, such as building, civil engineering, and landscaping. The invested amount in the period is a small part of our investment, with the larger balance to follow post period-end.

The final close of PrimaryBid's Series B, which we called out in our Annual Report for the year ending 31 March 2021, also forms part of the £49.9 million invested into new companies in the period.

New companies – co-investment strategy

As an extension of our existing strategy of deploying capital via other vehicles through our Fund of Funds programme, co-investments with some of our seed fund managers have enabled us to invest £17.6 million into three new additions to the portfolio during the period.

By leveraging our network of experts, we have been able to access exciting opportunities in forward-thinking European companies in the gaming, sustainable food supply, and business forecasting sectors.

Follow-on

We continue to support our existing portfolio as they grow, with our increased investment cadence allowing us to invest £76.9 million into follow-ons, including:

- Form3 – we participated with a further £25.0 million in a US\$160.0 million Series C round in platform payment technology provider, Form3. The round was led by new investor, Goldman Sachs, and also included existing investors Lloyds Banking Group, Nationwide Building Society, Barclays, Mastercard and 83North. Founded In 2016, Form3 is the leading platform payment technology provider and offers an alternative to the traditional payment infrastructure model, providing an always-on, cloud-native, Payments-as-a-Service platform. Form3 is trusted by some of the UK and Europe's biggest Tier 1 banks and fastest-growing fintechs to handle their critical payments architecture.
- Thought Machine - we participated with a further £15.4 million into the latest round in the cloud native core banking technology company, Thought Machine. Thought Machine was founded in 2014 with a mission to enable banks to deploy modern systems and move away from the legacy IT platforms of the banking industry. Their customers include Lloyds Banking Group, JPMorgan Chase, Standard Chartered, SEB, Atom Bank, and Curve, among others.
- CoachHub – we participated with a further £14.7 million investment in a US\$80.0 million Series B extension round in CoachHub, supported by existing investors RTP Global, HV Capital, Signals Venture Capital, Partech and Speedinvest. CoachHub is the leading global talent development platform and enables organisations to create a personalised, measurable, and scalable coaching program for the entire workforce, regardless of department and seniority level.

CoachHub uses artificial intelligence to match individuals with more than 2,500 certified business and well-being coaches in 70 countries across six continents, with coaching sessions available in more than 60 languages.

- Ledger – we invested £10.0 million in a US\$380.0 million Series C round in Ledger. We first invested in Ledger in 2018, as part of its US\$75.0 million Series B. Ledger allows investors to access the world of digital assets securely. The latest fundraising will allow the company to further innovate its hardware products, adding new transactional services to Ledger Live such as Decentralised Finance solutions, and significantly expand its enterprise capabilities. It will also use the fundraise to invest in its proprietary Operating System, which runs across all of Ledger's products and services, so that it can support the seamless integration of new third-party services.
- Lyst – we participated in a US\$85.0 million funding round in Lyst, joined by new investors Fidelity International, Novator Capital, Giano Capital and C4 Ventures. Lyst is the largest global fashion search platform that lets users search thousands of online fashion stores at once, bringing together 5 million products from 12,000 of the world's leading brands and retailers.
- Aircall – we participated in a US\$120.0 million Series D round with an investment of £3.6 million in Aircall. Aircall has now raised over US\$226.0 million, with Molten Ventures first investing in their Series B round in 2018. Aircall is an entirely cloud-based voice platform which integrates seamlessly with popular productivity and helpdesk tools.

Fund of funds

Our seed Fund of Funds programme continues to expand, providing access to earlier stage companies, as well as dealflow opportunities for the highest quality companies from within these portfolios. During the period, we committed to another 12 funds, bringing our total commitments to 47 funds. Total commitments to new and existing seed funds at 30 September 2021 are £89.6 million, of which £38.8 million has been drawn to period-end (£13.3 million during the period). It is anticipated the remaining £50.8 million will be drawn over the next 3-5 years.

Amongst the new funds within our portfolio are:

- Atlantic Food Labs – we have committed €4.0 million to this Berlin based fund, which focuses on sustainability, nutrition and health.
- Form Ventures – we have committed £1.8 million to this British fund, which focuses on UK start-ups with public policy exposure.
- Forward Partners – we have committed £2.0 million to this listed London based fund, which focuses on ecommerce and applied AI.

We have also shown support to some of our existing managers by committing to their new funds, such as ByFounders II, Join Capital II, and IQ Capital IV A in the current period.

Earlybird

During this period, we invested £7.3 million via our partnership with Earlybird into their Digital East Fund I, Growth Opportunities Fund, and Earlybird West's Fund VI and VII, continuing to access earlier stage companies in Germany and Europe with the benefit of Earlybird's expertise.

Portfolio review CONTINUED

Realisations

Cash proceeds of £67.5 million were received during the period to 30 September 2021, relating to the full exits from SportPursuit, PremFina, and Conversocial, as well as partial exits relating to Trustpilot and UiPath (now both publicly listed), and distributions of escrows relating to exits in prior periods.

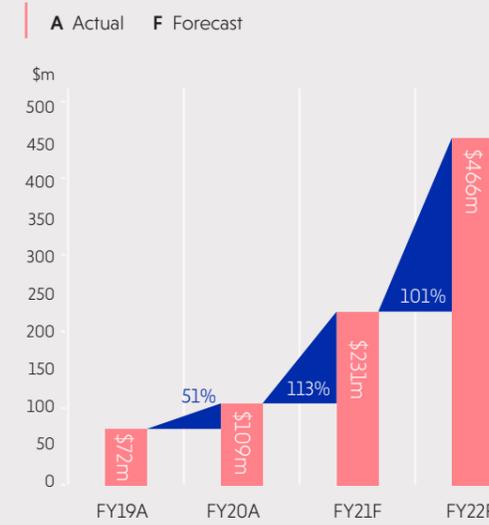
- SportPursuit – we exited our investment in the leading online private sales club in the UK and Germany, SportPursuit, as a consequence of an investment by private equity firm, bd-capital. We realised a total cash return of £22.8 million (including estimated escrow not yet received), above the £18.5 million fair value held at 31 March 2021. The Company first invested in SportPursuit in 2012 as part of a Series A round, providing the first institutional investment and has supported the company in each subsequent fund raising.
- Trustpilot – during the prior financial year, as part of Trustpilot's IPO in March 2021, Molten Ventures sold down part of its holding in the leading global review platform, generating proceeds during FY2021 of £75.5 million. At 30 September 2021, we held 31.1 million shares in Trustpilot PLC, having generated further proceeds of £2.5 million during the period. Post period-end, we sold further shares generating proceeds of £20.8 million. Since IPO, we have so far generated cash proceeds of £98.8 million.
- UiPath – UiPath listed on the New York Stock Exchange in April 2021. We have generated proceeds of £35.8 million during the period from related distributions from Earlybird Digital East and sale of shares and are recognising the remaining holding at 30 September 2021 at the period-end share price.

Post period-end

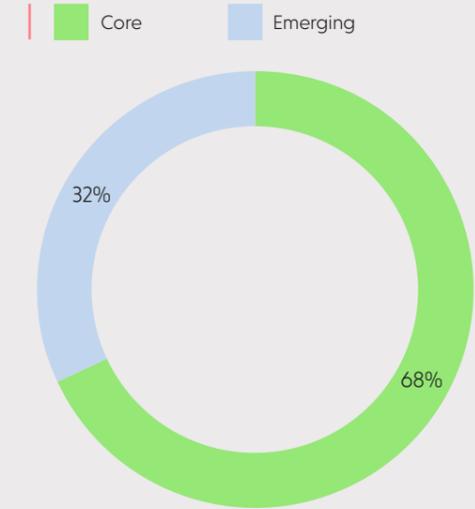
Post period-end, we have deployed £36.6 million in investments including an investment in Satellite Vu, a British start-up using satellite technology to determine valuable insights into economic activity, energy efficiency and carbon footprint.

We have realised cash proceeds of £26.1 million post period-end, as a result of further Trustpilot and UiPath share sales.

Average Core Revenues



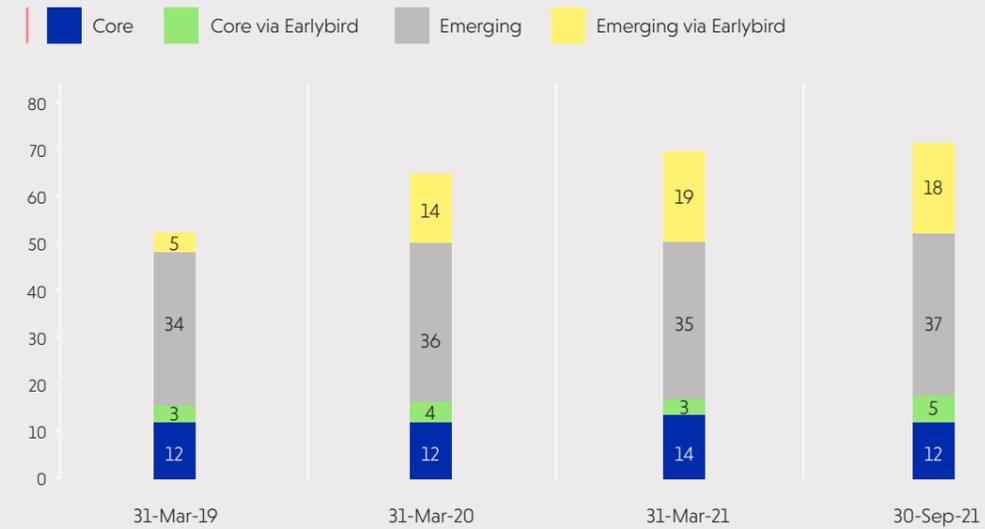
Core Holdings as % GPV as at 30 September 2021



Gross Portfolio Value Progression



Number of primary portfolio companies



Portfolio review CONTINUED

£165m

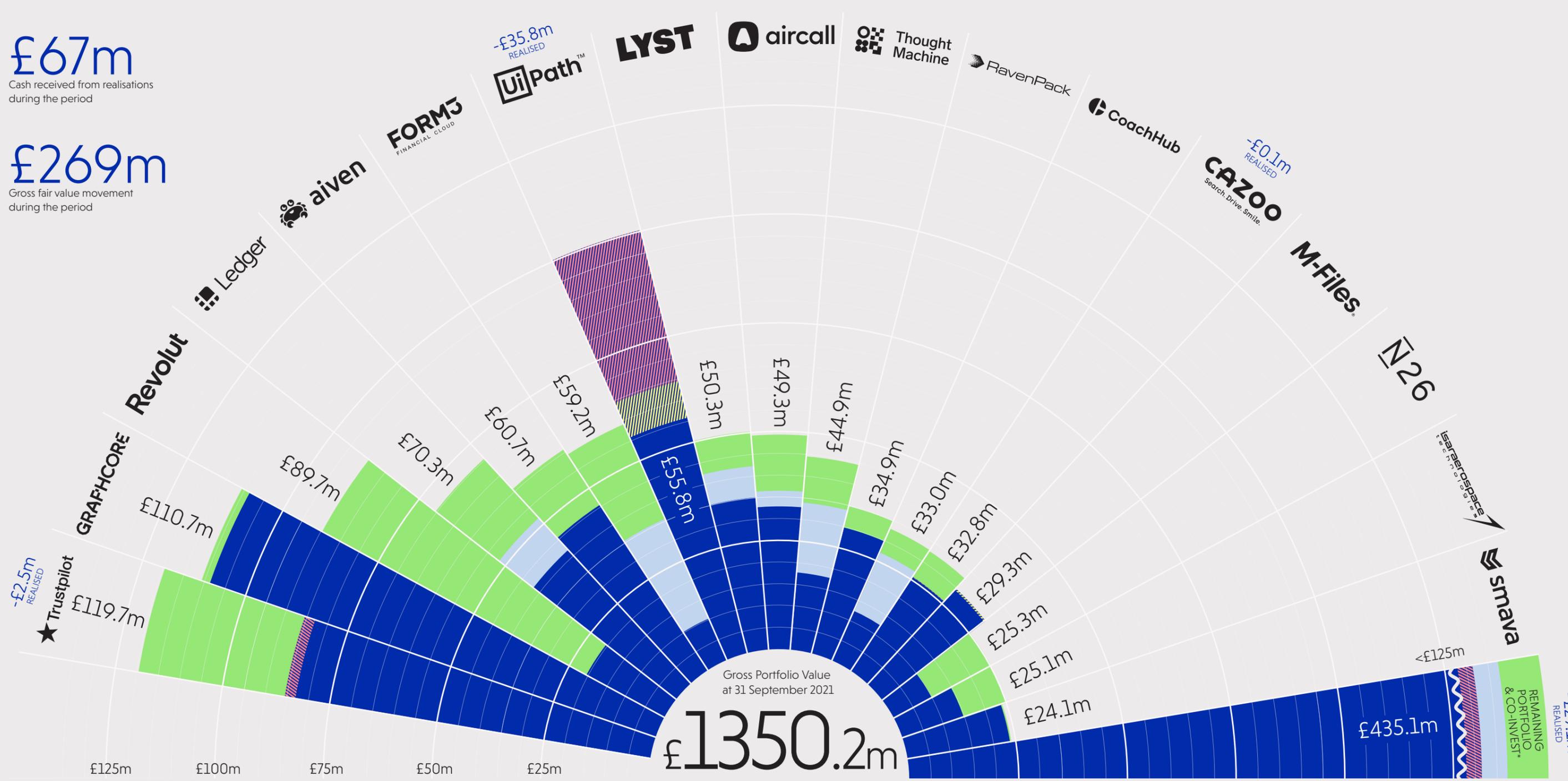
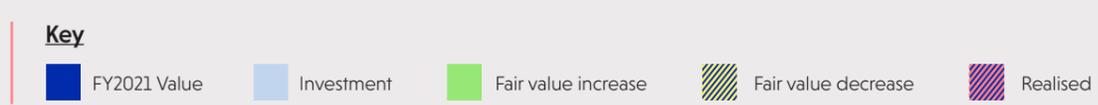
Cash invested during the period

£67m

Cash received from realisations during the period

£269m

Gross fair value movement during the period



*Not to scale
 £89.1m invested
 (-£29.1m) realised
 £36.4m fair value increase

Core Portfolio updates

The Molten Ventures (formerly Draper Esprit) Core Portfolio is made up of 17 companies representing 68% of the Gross Portfolio Value. New entrants to the core are CoachHub, Form3, ISAR Aerospace, and N26, whilst Perkbox, Freetrade and Endomag are not above the threshold for the core in this period and we exited SportPursuit.

Trustpilot

Copenhagen
Consumer technology

Remaining cost £15.1m
Fair value £119.7m

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.

- In March 2021, Trustpilot floated on the London Stock Exchange under the ticker TRST, its stock opened at £2.65 per share
- Joe Hurd was appointed to the board as a non-executive director
- Former Marketing Director of QuickBooks, Alicia Skubick was appointed Chief Marketing Officer (effective 4 October 2021)
- Launched integrations with Shopify, WooCommerce marketplace and PrestaShop

Graphcore

Bristol
Hardware & Deeptech

Invested £24.0m
Fair value £110.7m

Graphcore is a machine intelligence semi-conductor company, which develops Intelligent Processing Units ("IPUs") that enable unprecedented levels of AI compute. The IPUs' unique architecture enables AI researchers to undertake entirely new types of work, which drives advances in machine intelligence.

- In December 2020, Graphcore raised US\$222.0 million in a Series E funding round led by Ontario Teachers' Pensions Plan Board. Also participating in the round were Molten Ventures, funds managed by Fidelity International and Schroders, and Baillie Gifford
- The company continues to roll out partnerships and product integrations, such as Pytorch lightning and ATOS
- With new offices in Germany and Singapore and existing offices in Bristol, London, Cambridge, Palo Alto, Oslo, Beijing, Hsinchu, Seoul, New York, Seattle, and Austin, the global company continues to scale in size, increasing to 550+ employees from its previously reported 200+ employees
- Graphcore participated in research with University of Massachusetts Amherst and Facebook to publish a paper demonstrating that COVID-19 analysis using Approximate Bayesian Computation can be massively accelerated with IPU processors

Revolut

London
Consumer technology

Invested £7.4m
Fair value £89.7m

Revolut is a global financial services company that specializes in mobile banking, card payments, money remittance, and foreign exchange. Revolut is developing into a fintech super-app.

- Revolut appointed a number of new hires including; Paroma Chatterjee as CEO India to build and lead Revolut's subsidiary in India, Mikko Salovaara as Group CFO, Sid Jajodia, as Chief Banking Officer, and Joe Heneghan steps up to a new role as Chief Executive Officer, Europe
- In July 2021, Revolut raised US\$800.0 million Series E funding from SoftBank's Vision Fund 2 and Tiger Global, valuing the business at US\$33.0 billion
- The funding will be used to continue to build the first global financial super-app
- Launched Payday, to help employees access wages early to improve their financial wellbeing

Ledger

Paris
Hardware & Deeptech

Invested £27.7m
Fair value £70.3m

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.

- Former Apple Music exec, Parker Todd Brooks, joined the company as head of NFT division
- Hired Iqbal V. Gandham, who has been involved with crypto since 2016, as VP of Payments and Transactions, and Charles Hamel, founder of Crypto UK as VP of Product. The two join Ledger from eToro and Opera respectively
- In June 2021, Ledger raised US\$380.0 million, with Molten Ventures as lead investor, in their Series C round. The Series C round will enable the company to further innovate its hardware products adding new transactional services to Ledger Live, such as Decentralised Finance solutions, and significantly expanding its enterprise capabilities, as well as invest in its proprietary Operating System to allow seamless integration of new third-party services
- The company launched a new update of its Nano S Firmware Version 2.0.0 and announced its integration with Wyre

Aiven

Helsinki
Hardware & Deeptech

Invested £5.0m
Fair value £60.7m

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

- Aiven's most recent Series C funding round closed in March 2021, raising US\$100.0 million. As well as Earlybird, investors include Atomico, IVP (Institutional Venture Partners), World Innovation Lab, and Salesforce Ventures
- Since 2017, the company has grown to include 140 employees
- Aiven has released Aiven for OpenSearch and now Kubernetes Operator support for PostgreSQL and Apache Kafka

This investment is held via Earlybird.

Form3

London
Enterprise technology

Invested £30.1m
Fair value £59.2m

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

- Form3 announced US\$160.0 million Series C funding round led by Goldman Sachs Asset Management. Molten Ventures, alongside other existing investors, also participated
- Form3 made several new hires to its Executive Leadership team, including; Giles Hawkins as Chief Legal Officer, Simeon Lando as Chief Marketing Officer, and Jessica Letterman as Chief Customer Officer
- Form3 expects to continue to grow in people terms by around 60% in the next 12 months having seen annual recurring revenue in 2021 grow by 233%. Form3 already employs over 260 people in 22 countries
- Nationwide has partnered with Form3 to use their platform to help deliver the Building Society's future payments strategy

Core Portfolio updates CONTINUED

UiPath

New York
Hardware & DeepTech

Remaining cost £6.6m
Fair value £55.8m

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

- UiPath listed on 21 April 2021 on the New York Stock Exchange under the ticker PATH
- The company strengthened their leadership team with two new hires; former ServiceMax executive, Bettina Koblick, was appointed new Chief People Officer and Andreea Baciuc was appointed the company's first Chief Culture Officer
- Five UiPath executives were named in CRN's 2021 Women of the Channel List for their leadership, dedication and channel advocacy including: Cherlyn Chin (Vice President, Global Partners & Alliances), Janette Hausler (Vice President, Americas Marketing and Global Partner Marketing), Gena Phelps (Director, Americas Partner & Regional Marketing), Jessie Zhang (Global Partner Sales Director, Greater China), and Stacey Black (Director, Global Partner Programs & Operations)
- In September, UiPath announced second quarter results, with ARR of US\$726.0 million, growing 60% year on year

This investment is held via Earlybird.

Lyst

London
Consumer technology

Invested £13.2m
Fair value £50.3m

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 raised a US\$85.0 million funding round. Molten Ventures participated alongside several existing investors and were joined by new investors, Fidelity International, Novator Capital, Giano Capital and C4 Ventures
- GMV last year exceeded US\$500.0 million, following 1100% growth in new users on the Lyst app. Lifetime GMV is now over US\$2.0 billion
- The company announced a few appointments in senior management positions; Mateo Rando, previously at Spotify, as Chief Product Officer and Emma McFerran, formerly General Counsel and Chief People Officer, has been appointed COO and a new board member
- Lyst also released its own Conscious Fashion Report, a deep-dive into fashion lovers' changing sustainable habits and the creators driving that change from the company's insights and data analysis

Aircall

Paris
Enterprise technology

Invested £14.3m
Fair value £49.3m

The company's cloud-based platform integrates seamlessly with popular productivity and helpdesk tools and is accessible, transparent, and collaborative. It replaces 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.

- Aircall raised a US\$120.0 million Series D funding round. Goldman Sachs joined the round as the newest investor. Molten Ventures also participated alongside eFounders, NextWorld Capital, Adams Street Partners, DTCP, Swisscom Ventures, and Gaia Capital Partners
- The capital will be used to enrich Aircall's app ecosystem with new integrations across use cases, expand further globally with new European offices in London and Berlin and deeper investments in North America and APAC. It is also looking to partner with major telecommunications companies to bring its technology to a wider audience, as well as enhancing its technology with new AI capabilities and additional productivity features for call centres, such as transcription and speech analytics
- The company opened its Sydney office at the beginning of the year and has grown its team from 1 to 30, and reached the milestone of 1,000 customers
- Aircall continues to have a number of partnerships and integrations with platforms like HubSpot, CRM and Paytira

Thought Machine

London
Enterprise technology

Invested £31.9m
Fair value £44.9m

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

- Thought Machine's creative arm, Cauldron, launched as a standalone financial video game studio
- JP Morgan selected Thought Machine to overhaul its core banking systems across the bank's entire US retail network, Chase Bank

RavenPack

Marbella
Enterprise technology

Invested £7.5m
Fair value £34.9m

RavenPack, 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.

- Launched RavenPack Edge, a new AI platform that collects, reads, and analyses billions of documents to help businesses better monitor and mitigate emerging risks. RavenPack Edge is capable of understanding content in 13 different languages, Edge can extract insights from all types of documents – from short news articles to complex legal filings
- Launched the Credit Suisse RavenPack Artificial Intelligence Index, a rules-based multi-asset index applying a S&P 500® sector rotation process driven by news sentiment. This powers systematic investment strategies designed to provide exposure to sectors of the U.S. economy with stronger sentiment based on a news analytics algorithm powered by RavenPack

CoachHub

Berlin
Enterprise technology

Invested £27.1m
Fair value £33.0m

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, organisations are able to reap a multitude of benefits, including increased employee engagement, higher levels of productivity, improved job performance, and increased retention.

- CoachHub raised US\$80.0 million Series B2 funding, increasing total funding to US\$110.0 million. Molten Ventures, RTP Global, HV Capital, Signals Venture Capital, Partech, and Speedinvest all participated in the round
- Professor Jonathan Passmore was appointed as Senior Vice President of Coaching
- CoachHub acquired French market leader and a pioneer in digital coaching, MoovOne
- The company launched CoachHub Wellbeing, its new mental health coaching programme designed to improve employee wellbeing across the global workforce

Core Portfolio updates CONTINUED

Cazoo

London
Consumer technology

Invested £10.0m
Fair value £32.8m

Cazoo is the UK's fastest-growing digital business and leading online car retailer, which makes 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.

- In August 2021, Cazoo began trading on New York Stock Exchange under the ticker "CZOO"
- In the company's first 18 months it delivered over 25,000 cars
- Cazoo acquired automotive data insights platform, Cazana, and SMH Fleet Solutions
- Several new members joined the Board including; Duncan Tatton-Brown, Anne Wojcicki, Moni Mannings, and Luciana Berger
- Several hiring decisions were made including; the appointment of Veronica Sharma as Group Chief People Officer and Abhishek Roy as European Managing Director. Jonathan Dunkley also joined as Senior Strategic Adviser

M-Files

Tampere
Enterprise technology

Invested £6.5m
Fair value £29.3m

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.

- Karthik Shankar appointed as ANZ channel sales engineer
- M-Files acquired Hubshare, a collaborative and secure file sharing platform, for an undisclosed amount in April 2021
- The company received the highest score in two use cases in updated Gartner® Critical Capabilities for Content Services Platforms report

N26

Berlin
Consumer technology

Invested £10.6m
Fair value £25.3m

N26 provides mobile banking services for customers. Its mobile banking services offer online banking that includes making and handling of current accounts, fixed accounts, and other banking services, letting customers manage and control their banking details via a smartphone application easily.

- Raised US\$900+ million Series E Round led by Third Point Ventures and Coatue Management, and joined by Dragoneer Investment Group as well as existing N26 investors
- Launched on-demand insurance product N26 insurance, which will offer the digital bank's customers the option from the N26 app to purchase coverage, manage plans and initiate claims for a range of insurance plans from different providers. The offering is currently available in Europe
- Expanded its management team with the appointment of Thomas Grosse taking on the role of Chief Risk Officer (CRO), Dr. Stephan Niermann, as Group Money Laundering Reporting Officer (MLRO), and Dr. Volker Vonhoff as Director of Group Risk. Alongside the appointment of Dr. Jan Kemper as Chief Financial Officer (CFO) of the Group, Christian Strobl was also appointed as Austrian Market lead
- N26 announced a partnership with SumUp, lowering barriers for cashless payment acceptance for freelancers and self employed

This investment is held via Earlybird

Isar Aerospace

Munich
Hardware & Deeptech

Invested £4.5m
Fair value £25.1m

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

- Isar Aerospace extended its Series B funding round to over US\$165.0 million led by HV Capital, Porsche SE, and Lombard Odier. Other participants include existing investors Earlybird, Lakestar, Vsquared Ventures, and Apeiron
- The company has signed an agreement with Norwegian Andøya Space to secure exclusive access for a period of up to twenty years to one of its launch pads on the island Andøya. As a launch site operator, Andøya Space provides launch pads, payload integration facilities, as well as the technical infrastructure on site
- Airbus Defence and Space has committed to use Isar Aerospace for satellite launch services
- Partnership with OroraTech to launch satellites for tackling global wildfire crises

This investment is held via Earlybird.

Smava

Berlin
Enterprise Technology

Invested £14.5
Fair value £24.1m

Online loan comparison platform, Smava, brings private applicants together with a variety of banks and private investors, offering highly attractive interest rates for loans, providing customers a tailored online loan with the best conditions free of charge within seconds.

- Announced partnerships with Deutsche Bank and Younited Credit
- In February, Smava acquired Finanzcheck and became leading platform specialist in consumer loans in Germany

This investment is held via Earlybird

Interim financial review

The six-month period ended 30 September 2021 has included an equity raise of £107.7 million (net of costs) from new and existing investors, as well as strong returns on exits (cash proceeds of £67.5 million), providing more financial capacity to take advantage of the opportunities we are seeing in the market, which in turn has led to an accelerated rate of deployment.



B.D. Wilkinson
Chief Financial Officer

The net fair value gain on investments of £252.0 million is reflected in the condensed consolidated interim statement of comprehensive income. The deferred tax recognised on the Gross Portfolio Value has decreased in the period and a deferred tax liability in respect of the investment portfolio has been recognised in the condensed consolidated interim statement of financial position. This is to more closely align the recognition of deferred tax to the location in which it will likely become payable on realisation of the assets. Carry balances of £121.2 million are accrued to previous and current employees of the Group based on the current fair value at the period-end and deducted from the Gross Portfolio Value. The Gross Portfolio Value table on page 17 has been generated to reconcile the gross to net portfolio values and the movements between 31 March 2021 to 30 September 2021.

Total available liquidity for the Group at 30 September 2021 was £221.2 million, including £65.0 million undrawn on the Company's revolving credit facility (31 March 2021: £220.7 million, including £60.0 million undrawn on the Company's revolving credit facility). The cash balance at 30 September 2021 of £156.2 million is a decrease of £4.5 million from the balance at 31 March 2021. During the period, our fundraise generated net proceeds of £107.7 million and we received cash proceeds of £67.5 million. This was offset by investments made during the period of £165.0 million, as well as operating costs.

The Company's revolving credit facility was extended and increased by one year to £65.0 million (from £60.0 million) in May 2021. We have been in compliance with all covenants throughout the duration of the facility and at the period end. The facility was undrawn as at 30 September 2021; therefore, no borrowing liability is recognised in the consolidated statement of financial position. The balance recognised under borrowings of £0.5 million relates to capitalised fees from the setup and extension of the facility, which are being amortised over its life.

We have seen an increase in the net asset position as at 30 September 2021 of 31% to £1,357.4 million. This is mainly the result of the increase in investments discussed above, offset by the small decrease in cash and an increase in deferred income relating to management fees paid in advance.

Income recognised during the period ending 30 September 2021 comprises investment gains of £252.0 million (period ending 30 September 2020: £56.4 million), as well as fee income of £10.0 million (period ending 30 September 2020: £6.0 million), which is generated from management and directors' fees, including from our EIS and VCT funds. Increase in fee income is a result of consolidation of the manager of our VCT funds, as well as reflective of the growth in the portfolio within our internal management fees. General and administration costs of £11.2 million, compared to the £6.6 million recognised in the six months to 30 September 2020, have mainly increased due to growth in team and

infrastructure as the Group evolves. Our operating costs (net of fee income) continue to be less than our target of 1% of NAV. Exceptional costs of £2.4 million were recognised in the period relating to the Company's move to the Main Market. This includes all non-recurring costs relating to the Main Market move, such as legal, reporting accountant, exchange, and broker fees.

All related party transactions that took place in the six months ending 30 September 2021 are consistent in nature with the disclosures in Note 30 of the Annual Report and Accounts for the year ended 31 March 2021. Related party transactions which took place in the period and materially

affected performance or the financial position of the Group, together with any material changes in related party transactions as described in the Annual Report and Accounts for the year ended 31 March 2021 that could materially affect the performance or financial position of the Group are detailed in Note 20.

Post period-end:

- Deployment of £36.6 million, including in Satellite Vu
- Cash proceeds of £26.1 million received post period-end, as a result of further Trustpilot and UiPath share sales.

Gross Portfolio Value Table

Investments	Fair Value of Investments 31-Mar-21 £m	Investments £m	Realisations £m	Molten Ventures (Ireland) Limited [^] £m	Movement in Foreign Exchange £m	Movement in Fair Value £m	Fair Value of movement 30-Sep-21 £m	Fair Value of Investments 30-Sep-21 £m	Interest FD category* at reporting date
Trustpilot	85.5	–	(2.5)	–	–	36.7	36.7	119.7	B
Graphcore	108.8	–	–	–	2.4	(0.5)	1.9	110.7	A
Revolut	20.4	–	–	–	0.5	68.8	69.3	89.7	A
Ledger	41.8	10.0	–	–	0.4	18.1	18.5	70.3	B
Aiven	45.5	–	–	–	0.8	14.4	15.2	60.7	B
Form3	10.2	25.0	–	–	–	24.0	24.0	59.2	C
Ui Path	100.3	–	(35.8)	–	1.7	(10.4)	(8.7)	55.8	A
Lyst	35.1	7.2	–	–	1.0	7.0	8.0	50.3	C
Aircall	32.8	3.6	–	–	0.9	12.0	12.9	49.3	B
Thought Machine	18.4	15.4	–	–	–	11.1	11.1	44.9	B
Ravenpack	29.9	–	–	–	0.7	4.3	5.0	34.9	D
CoachHub	12.4	14.7	–	–	0.3	5.6	5.9	33.0	D
Cazoo	25.7	–	(0.1)	–	–	7.2	7.2	32.8	A
M-Files	29.7	–	–	–	0.3	(0.7)	(0.4)	29.3	B
N26	10.0	–	–	–	0.1	15.2	15.3	25.3	A
Isar Aerospace	14.8	–	–	–	–	10.3	10.3	25.1	B
Smava	23.8	–	–	–	0.3	–	0.3	24.1	A
Remaining Portfolio	336.1	89.1	(29.1)	–	3.2	33.4	36.6	432.7	
Total	981.2	165.0	(67.5)	–	12.6	256.5	269.1	1,347.8	
Co-Invest	2.6	–	–	–	–	(0.2)	(0.2)	2.4	
Gross Portfolio Value	983.8	165.0	(67.5)	–	12.6	256.3	268.9	1,350.2	
Carry External	(97.0)	–	–	–	–	(24.2)	(24.2)	(121.2)	
Portfolio Deferred tax	(20.0)	–	–	–	–	20.2	20.2	0.2	
Trading carry & co-invest	0.3	–	–	–	–	–	–	0.3	
MV Ireland Limited	–	–	–	12.9	–	(12.9)	(12.9)	–	
Net Portfolio value	867.1	165.0	(67.5)	12.9	12.6	239.4	252.0	1,229.5	

[^] Formerly Draper Esprit (Ireland) Limited. Name change occurred on 11 November 2021.

* 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%

Principal risks and uncertainties

A detailed explanation of the principal risks and uncertainties faced by the Group, the steps taken to mitigate these risks, and the governance process around risk management is set out in the Risk Management and Principal Risks sections of the Annual Report and Accounts for the year ending 31 March 2021. There have not been any material changes to the principal risks faced by the Group (or their impact and likelihood) as reported at the 31 March 2021 – please find a summary of the principal risks and uncertainties for the remaining six months of the financial year below.

Risk	Potential impacts	Management & mitigation
Global macro-economic environment Volatility of global public and private markets	<ul style="list-style-type: none"> + Loss of confidence in public markets + Market reassessment of private company valuations + Global economic recession could lead to changes in market and societal behaviours 	<ul style="list-style-type: none"> + Range of funding strategies + Depth of experience at Board-level + Strength of portfolio with a path to liquidity events + Strong investor relations
COVID-19 Direct and indirect impact of COVID-19 pandemic	<ul style="list-style-type: none"> + Share price volatility + Disrupted cross-border trade and impaired supply chains + Reduced growth for portfolio companies in directly impacted sectors + Physical/mental health risk to staff and/or dependants + Impacted business culture through remote working 	<ul style="list-style-type: none"> + Tech trends aligned to investment strategy + Business continuity plan + Adapted working practices + Cloud-based IT infrastructure + Resilience of majority of portfolio companies + Health and safety for home working + Safe return to office environment for those able to do so on part-time basis
Portfolio company valuations are subject to change	<ul style="list-style-type: none"> + Valuations subject to judgement and impacted by external factors + Illiquid assets susceptible to material recalibration of tech valuations 	<ul style="list-style-type: none"> + Diversification of the portfolio across geographies and sub-sectors + Measured approach to valuations, in line with IPEV and BVCA guidelines + Fund of Funds strategy + Strong governance and discipline in investment process
Climate change Need to navigate the energy transition	<ul style="list-style-type: none"> + Changing stakeholder expectations + Increase in carbon-related regulations + Potential lending conditions tied to climate and carbon performance + Employee attraction/retention aligned to attitudes toward climate change 	<ul style="list-style-type: none"> + Development and roll-out of ESG Policy + Working with external carbon experts (ITPEnergised) on carbon-related projects
Key personnel Ability to retain and attract talent	<ul style="list-style-type: none"> + Inability to grow as anticipated to meet financial objectives 	<ul style="list-style-type: none"> + Competitive packages offered to personnel + Long-term incentives aligned to Group strategy + Continued staff development + Programme of enhanced benefits
Impact of Brexit	<ul style="list-style-type: none"> + Economic, political and regulatory instability + Lost marketing passport rights into the EU + Impact on cross-border sales structure + FX risk + Flight risk of financial services work and dealflow from UK to continental Europe 	<ul style="list-style-type: none"> + Legal/regulatory advice taken + Dual-listing in London and Dublin + Partnership with Earlybird in Germany + Insulation of portfolio by global approach + Attractiveness of UK to tech talent + Government incentivising British business

Risk	Potential impacts	Management & mitigation
Geo-political protectionism National/international governmental protectionism	<ul style="list-style-type: none"> + Hurdle to portfolio cross-border M&A + Raised tariffs complicating supply chains and hardware procurement 	<ul style="list-style-type: none"> + Supporting portfolio with international structural optionality + Participation in lobbying efforts on UK government (e.g. through BVCA membership) + Increased trend for tech IPOs in the UK
Industry competition	<ul style="list-style-type: none"> + Greater deal competition for deals + Shortened period between investment rounds + Rise in pre-empted funding rounds + Competitive investment prices, structures, and terms 	<ul style="list-style-type: none"> + Experienced thesis-driven investment team + Differentiated model + Strong pipeline sourcing + Competitive pricing, terms and structure of proposed investments + Disciplined investment process + Evolving ESG credentials
Cyber security	<ul style="list-style-type: none"> + Business disruption + Financial liabilities linked to cyber risk + Loss of business critical or commercially sensitive information 	<ul style="list-style-type: none"> + Utilisation of reliable software and hardware + Appropriate IT security structures, policies and procedures in place + Cyber security subject to review, development and adaptation as necessary
FX exposure	<ul style="list-style-type: none"> + FX impact upon cash position or portfolio performance 	<ul style="list-style-type: none"> + Regular review of the possible impact of currency movements on cash and valuations + Portfolio companies generate revenues across a range of currencies – degree of natural hedge
Profile of venture investments	<ul style="list-style-type: none"> + Portfolio companies may fail or not be commercially viable + Increased funding requirements for companies at an earlier stage 	<ul style="list-style-type: none"> + Rigorous due diligence processes by investment team + Active management of portfolio with consent rights and board seats on portfolio companies
Non-controlling interest in portfolio companies	<ul style="list-style-type: none"> + Limited ability to protect the Group's position in investments by virtue of minority position 	<ul style="list-style-type: none"> + Active management, typically with a board seat in portfolio companies + Minority protections in place in legal documents for investments + Strong Group balance sheet provides enhanced capital solutions to protect investment position
Unpredictability of exit timing	<ul style="list-style-type: none"> + Unpredictability of realisations and cash returns 	<ul style="list-style-type: none"> + Maintenance of sufficient cash resources + Regular working capital reviews + Financial performance oversight by the Board and Executive Management team
Reputational risk associated with shareholders	<ul style="list-style-type: none"> + Reputational damage associated with shareholders who build a position in the company 	<ul style="list-style-type: none"> + Communication of culture and ideals by the Board and wider public relations function to actively seek like-minded investors

Principal risks and uncertainties CONTINUED

Risk	Potential impacts	Management & mitigation
Loss of Group regulated status Dependency upon Group fund managers permissions	+ Inability to perform investment manager function which is critical to the business model	+ Senior personnel internally vetted, assessed and appraised on an ongoing basis in line with SM&CR to ensure fitness and propriety + Robust governance processes and procedures + Enhanced compliance function, with external compliance advisory support + Clear lines of accountability and responsibility for senior management functions
Inadequate governance	+ Potential for decision-makers to fail to adequately discharge their duties or expose the Group to unacceptable levels of risk	+ Ongoing work to pro-actively fulfil FCA regulatory requirements + External compliance and legal advisors engaged to advise on an ongoing basis
Default on credit facility	+ The Company may be unable to draw further funds and/or could be required to repay any amounts loaned and pay unpaid interest	+ Substantial headroom within agreed debt covenants (which are closely monitored)
Concentration of value in portfolio	+ Potential material adverse impact on overall value of the portfolio if over-exposed to one or a small number of assets which underperform	+ Diversification across sub-sectors and stages + Investment financial structure set up to provide downside protection + Expanded size/scale of the portfolio provides additional protection of spreading investment risk, and via Fund of Funds strategy

The above summary of the principal risks and uncertainties should be considered in conjunction with the additional details provided in our Annual Report and Accounts for the year ended 31 March 2021, as well as the associated risk management processes discussed in the same report.

Directors' responsibilities statement

The Directors confirm that these unaudited condensed consolidated interim financial statements for the six months ended 30 September 2021 included in the Half-year 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 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 26 November 2021 and signed on its behalf by:

B.D. Wilkinson

Chief Financial Officer

26 November 2021

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 Results of Molten Ventures plc for the 6 month period ended 30 September 2021 (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, the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom's Financial Conduct Authority, and the Transparency (Directive 2004/109/EC) Regulations 2007.

What we have reviewed

The interim financial statements comprise:

- + the condensed consolidated interim statement of financial position as at 30 September 2021;
- + 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 Results 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, the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom's Financial Conduct Authority, and the Transparency (Directive 2004/109/EC) Regulations 2007.

Responsibilities for the interim financial statements and the review

Our responsibilities and those of the Directors

The Interim Results, including the interim financial statements, is the responsibility of, and has been approved by the Directors. The Directors are responsible for preparing the Interim Results in accordance with the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom's Financial Conduct Authority and in accordance with the Transparency (Directive 2004/109/EC) Regulations 2007.

Our responsibility is to express a conclusion on the interim financial statements in the Interim Results based on our review. 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 in accordance with the Transparency (Directive 2004/109/EC) Regulations 2007 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.

What a review of interim financial statements involves

We conducted our review in accordance with International Standard on Review Engagements (UK and Ireland) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' issued by the Auditing Practices Board 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 Results and considered whether it contains any apparent misstatements or material inconsistencies with the information in the interim financial statements.

PricewaterhouseCoopers LLP

Chartered Accountants
London

26 November 2021

Condensed consolidated interim statement of comprehensive income

for the period ended 30 September 2021

	Notes	Unaudited Period Ended 30 Sep 2021 £'m	Unaudited Period Ended 30 Sep 2020 £'m
Change in gains on investments held at fair value through profit and loss	6	252.0	56.4
Fee income		10.0	6.0
Total income		262.0	62.4
Operating expenses			
General administrative expenses		(11.2)	(6.6)
Depreciation and amortisation		(0.4)	(0.3)
Share-based payments – resulting from Company share option scheme		(1.6)	(0.3)
Investment and acquisition costs		(0.1)	(0.1)
Exceptional items	24	(2.4)	–
Total operating costs		(15.7)	(7.3)
Profit from operations		246.3	55.1
Finance income/(expense)			
Net finance income/(expense)	7	1.1	(1.5)
Operating profit before tax		247.4	53.6
Income taxes		(29.4)	0.2
Profit for the period		218.0	53.8
Other comprehensive income/(expense)		–	–
Total comprehensive income for the period		218.0	53.8
Earnings per share:			
Basic earnings per weighted average shares (pence)	8	148	45
Diluted earnings per weighted average shares (pence)	8	146	45

The Notes on pages 27 to 45 are an integral part of these condensed consolidated interim financial statements.

Condensed consolidated interim statement of financial position

As at 30 September 2021

	Notes	Unaudited 30 Sep 2021 £'m	Audited 31 Mar 2021 £'m
Non-current assets			
Intangible assets	9	10.8	10.9
Financial assets held at fair value through profit or loss	11	1,229.5	867.1
Property, plant and equipment		1.1	1.4
Total non-current assets		1,241.4	879.4
Current assets			
Trade and other receivables		1.1	3.7
Cash and cash equivalents		140.6	158.4
Restricted cash	16(ii), 19	15.6	2.3
Total current assets		157.3	164.4
Current liabilities			
Trade and other payables		(11.2)	(9.7)
Financial liabilities	16	(0.4)	(0.3)
Total current liabilities		(11.6)	(10.0)
Non-current liabilities			
Deferred tax	13	(29.7)	(0.4)
Financial liabilities	16	-	(0.3)
Total non-current liabilities		(29.7)	(0.7)
Net assets		1,357.4	1,033.1
Equity			
Share capital	14	1.5	1.4
Share premium account	14	615.9	508.3
Own shares reserve	17(i)	(1.5)	(0.3)
Other reserves	17(ii)	27.5	26.2
Retained earnings		714.0	497.5
Total equity		1,357.4	1,033.1
Net assets per share (pence)	8	887	743

The condensed consolidated interim financial statements were approved by the Board of Directors and authorised for issue on 26 November 2021.

B.D. Wilkinson

Chief Financial Officer

The Notes on pages 27 to 45 are an integral part of these condensed consolidated interim financial statements.

Condensed consolidated interim statement of cash flows

for the period ended 30 September 2021

	Notes	Unaudited Period Ended 30 Sep 2021 £'m	Unaudited Period Ended 30 Sep 2020 £'m
Cash flows from operating activities			
Profit for the period		218.0	53.8
Adjustments to reconcile operating profit to net cash flows used in operating activities:			
Revaluation of investments held at fair value through profit and loss		(252.0)	(56.4)
Depreciation and amortisation		0.4	0.3
Share-based payments – resulting from Company share option scheme	15	1.6	0.3
Net finance (income)/expense	7	(1.1)	1.5
Deferred tax on investment portfolio		29.7	-
Decrease/(increase) in trade and other receivables and other working capital movements		2.6	0.2
Increase/(decrease) in trade and other payables and other working capital movements		1.3	1.3
Purchase of investments		(165.0)	(32.3)
Proceeds from disposals in underlying investment vehicles		67.5	105.6
Net loans made (to)/returned from underlying investment vehicles and Group companies		(12.9)	(0.8)
Share options exercised and paid to employees		(1.8)	(0.5)
Net cash (used)/received in operating activities		(111.7)	73.0
Tax paid		-	-
Net cash (outflow)/inflow from operating activities		(111.7)	73.0
Cash flows from investing activities			
Payments for property, plant and equipment		(0.0)	(0.1)
Net cash (outflow) from investing activities		(0.0)	(0.1)
Cash flows from financing activities			
Net borrowing cash movements		(0.6)	(46.4)
Payment of lease liabilities		(0.2)	(0.2)
Interest received		0.1	0.2
Acquisition of treasury shares		(1.2)	-
Gross proceeds from issue of share capital		111.2	1.5
Equity issuance costs		(3.5)	-
Net cash inflow/(outflow) from financing activities		105.8	(44.9)
Net (decrease)/increase in cash and cash equivalents		(5.9)	28.0
Cash and cash equivalents at beginning of period		160.7	34.1
Exchange differences on cash and cash equivalents		1.4	-
Cash and cash equivalents at period-end		140.6	59.9
Restricted cash at period-end		15.6	2.2
Total cash and cash equivalents and restricted cash at period-end		156.2	62.1

The Notes on pages 27 to 45 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 2021

Period ended 30 September 2021 (unaudited)	Notes	Attributable to equity holders of the parent (£'m)					Total equity
		Share capital	Share premium	Own shares reserve	Other reserves	Retained earnings	
Brought forward as at 1 April 2021		1.4	508.3	(0.3)	26.2	497.5	1,033.1
Comprehensive income for the year						218.0	218.0
Profit for the year		-	-	-	-	218.0	218.0
Total comprehensive income for the year						218.0	218.0
Contributions by and distributions to the owners:							
Issue of share capital	14	0.1	-	-	-	-	0.1
Share premium	14	-	107.6	-	-	-	107.6
Options granted and awards exercised	15	-	-	-	1.3	(1.5)	(0.2)
Acquisition of own shares	17(i)	-	-	(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

Period ended 30 September 2020 (unaudited)	Notes	Attributable to equity holders of the parent (£'m)					Total equity
		Share capital	Share premium	Own shares reserve	Other reserves	Retained earnings	
Brought forward as at 1 April 2020		1.2	400.7	-	26.2	231.4	659.5
Comprehensive income for the year						53.8	53.8
Profit for the year		-	-	-	-	53.8	53.8
Total comprehensive income for the year						53.8	53.8
Contributions by and distributions to the owners:							
Issue of share capital	14	-	-	-	-	-	-
Share premium	14	-	1.1	-	-	-	1.1
Options granted and awards exercised	15	-	-	-	0.3	-	0.3
Total contributions by and distributions to the owners			1.1		0.3		1.4
Balance as at 30 September 2020		1.2	401.8	-	26.5	285.2	714.7

The Notes on pages 27 to 45 are an integral part of these condensed consolidated interim financial statements.

Notes to the condensed consolidated interim financial statements

1. General information

Molten Ventures plc (formerly Draper Esprit 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 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. 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. The condensed consolidated interim financial statements for the period ended 30 September 2021 comprise the condensed consolidated interim financial statements of the Company and its subsidiaries (together, "the Group"). These condensed interim financial statements do not comprise statutory accounts within the meaning of section 434 of the Companies Act 2006 and have been reviewed, not audited. The Annual Report and Accounts for the year ended 31 March 2021 were approved by the Board of Directors on 11 June 2021 and delivered to the Registrar of Companies.

The report of the auditors on those accounts was unqualified, did not contain an emphasis of matter paragraph and did not contain any statement under section 498 of the Companies Act 2006.

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 by continuously monitoring 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 considered both the Group's current performance and future outlook, including:

- An assessment of the Group's liquidity and solvency position using a number of adverse scenarios to assess the potential impact on the Group's operations and portfolio companies. These downside scenarios include unpredictability of exit timing and portfolio company valuations subject to change. 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 30 September 2021, 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 the revolving credit facility with Silicon Valley Bank and Investec. An assessment of forecast covenant compliance was undertaken using a number of adverse scenarios on valuations. Under each adverse scenario the Group still had sufficient headroom in order to comply with the covenant obligations.

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 the foreseeable future. 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 2021, respectively. For further details on the Group's principal risks, as well as its risk management processes, please see the Principal Risks and Uncertainties section in 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 2021.

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 but 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.

Notes to the condensed consolidated interim financial statements CONTINUED

4. Significant accounting policies

Basis of accounting

These unaudited condensed consolidated interim financial statements for the six months ended 30 September 2021 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. On 31 December 2020, EU-adopted IFRS at that date was brought into UK law and became UK-adopted international accounting standards, with future changes being subject to endorsement by the UK Endorsement Board. The unaudited condensed consolidated interim financial statements have transitioned to UK-adopted international accounting standards from 1 April 2021. There was no impact or changes in accounting policies from the transition.

The unaudited condensed consolidated interim financial statements for the six months ended 30 September 2021 were approved by the Board of Directors for publication on 26 November 2021.

The annual financial statements of the Group for the year ended 31 March 2021 were prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006 which would have been consistent with International Financial Reporting Standards (IFRSs) adopted pursuant to Regulation (EC) No 1606/2002 as it applies in the EU. 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 2021.

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 2021, other than the following:

Exceptional items

The Group classifies items of income and expenditure as exceptional when the nature of the item or its size is likely to be material, to assist the reader of the financial statements to better understand the results of the operations of the Group. Such items by their nature are not expected to recur and are shown separately on the face of the consolidated statement of comprehensive income.

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 condensed consolidated interim 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 changes to the accounting estimates and judgements in the financial period ended 30 September 2021.

a. Valuation of unquoted equity investments at fair value through profit and 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 period/year-end. The Group controls these entities and is responsible for preparing their NAV, which is 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.

The Group, through its controlled investment companies also invests in investment funds, which primarily focus on German or seed investments. These investments are considered to be 'Fund of Fund investments' for the Group and are recognised at their NAV at the period/year-end date. These Fund of Fund investments are not controlled by the Group and some do not have coterminous year-ends with the Group. To value these investments, management obtain the latest financial statements of the investments and discuss further movements with the management of the companies. 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.

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 or not and require the use of assumptions about the carrying amounts of assets and liabilities that are not readily available or observable.

The fair value of investments is established with reference to the International Private Equity and Venture Capital Valuation Guidelines ("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 period-end, as well as pre period-end transactions depending on the nature and timing of these transactions.

5. Critical accounting estimates and judgements CONTINUED

If this methodology is used, its initial use and the length of time for which it remains appropriate to use the price of recent investment 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 also 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 publicly traded multiples 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 18 and 19 for information on unobservable inputs used and sensitivity analysis on investments held at fair value through profit and loss.

b. Control assessment

The Group has a number of entities within its corporate structure and a judgement has been made of which should be consolidated in accordance with IFRS 10, and which should not. The Group consolidates all entities where it has control 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 companies it controls in accordance with IFRS 10 and instead recognises them as investments held at fair value through profit and loss.

6. Change in gains on investments held at fair value through profit and loss

	Period ended 30 September 2021 £'m	Period ended 30 September 2020 £'m
Change in unrealised gains on investments held at fair value through profit and loss	188.5	(42.1)
Change in realised gains on investments held at fair value through profit and loss	50.9	73.2
Net foreign exchange gain/(loss) on investments held at fair value through profit and loss	12.6	25.3
Total movements on investments held at fair value through profit and loss	252.0	56.4

Notes to the condensed consolidated interim financial statements CONTINUED

7. Finance income/(expense)

	Period ended 30 September 2021 £'m	Period ended 30 September 2020 £'m
Interest and expenses on loans and borrowings (Note 16)	(0.4)	(1.6)
Finance costs	(0.4)	(1.6)
Net foreign exchange gain	1.4	-
Interest income on cash and cash equivalents	0.1	0.1
Finance income	1.5	0.1
Net finance income/(expense)	1.1	(1.5)

8. 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 earnings per ordinary share

	Profit after tax £'m	No. of shares m	Pence per share
30 September 2021	218.0	147.2	148
30 September 2020	53.8	119.0	45

Diluted earnings per ordinary share

	Profit after tax £'m	No. of shares m	Pence per share
30 September 2021	218.0	149.2	146
30 September 2020	53.8	119.5	45

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 2021	1,357.4	153.0	887
31 March 2021	1,033.1	139.1	743

Diluted net asset value per ordinary share

	Net assets £'m	No. of shares m	Pence per share
30 September 2021	1,357.4	155.0	876
31 March 2021	1,033.1	140.0	738

9. Intangible assets

	Goodwill ¹ £'m	Customer contracts ² £'m	Total £'m
30 September 2021			
Cost			
Cost carried forward as at 1 April 2021	10.4	1.1	11.5
Additions during the period	-	-	-
Cost as at 30 September 2021	10.4	1.1	11.5
Accumulated amortisation			
Amortisation carried forward as at 1 April 2021	-	(0.6)	(0.6)
Charge for the period	-	(0.1)	(0.1)
Accumulated amortisation as at 30 September 2021	-	(0.7)	(0.7)
Net book value:			
As at 30 September 2021	10.4	0.4	10.8

	Goodwill ¹ £'m	Customer contracts ² £'m	Total £'m
31 March 2021			
Cost			
Cost carried forward as at 1 April 2020	9.7	0.8	10.5
Acquisition of business	0.7	0.3	1.0
Cost as at 31 March 2021	10.4	1.1	11.5
Accumulated amortisation			
Amortisation carried forward as at 1 April 2020	-	(0.5)	(0.5)
Charge for the year	-	(0.1)	(0.1)
Accumulated amortisation as at 31 March 2021	-	(0.6)	(0.6)
Net book value:			
As at 31 March 2021	10.4	0.5	10.9

¹ In FY2021, 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 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 deal flow 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 In FY2021, 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.

Notes to the condensed consolidated interim financial statements CONTINUED

10. Related undertakings

Please see below details of investments held by the Group's investment companies, where the ownership percentage or partnership interest exceeds 20%:

Name	Address	Type of shareholding	Interest FD category* at reporting date/partnership interest
Bright Computing Holding B.V.	Kingsfordweg 151, 1043 GR Amsterdam, the Netherlands	Ordinary shares Preference shares	E
Ravenpack Holding AG	Churerstrasse 135, CH-8808 Pfäffikon, Switzerland	Ordinary shares Preference shares	D
Earlybird GmBH & Co. Beteiligung-KG IV	c/o Earlybird Venture Capital, Maximilianstr. 14, 80539, München	Partnership interest	27%
Earlybird DWES Fund VI GmbH & Co. KG	c/o Earlybird Venture Capital, Maximilianstr. 14, 80539, München	Partnership interest	56.5%
Earlybird Special Opportunities LP	c/o Earlybird Venture Capital, Maximilianstr. 14, 80539, München	Partnership interest	34.8%

*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 FV of the core companies are detailed as part of the Gross Portfolio Value table on page 17.

The latest publicly available accounts for the related undertaking above reflect the following net assets and profit or loss positions.

- Bright Computing Holding B.V.: Net liabilities as at 31 December 2019 of US\$9.5 million and a loss for the year ending 31 December 2019 of US\$2.6 million.

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 and loss. See further details on the fair value measurements of the Group's investments in Note 5(a) and Note 18. The Group's valuation policies are set out in detail in the Annual Report and Accounts for the year ended 31 March 2021. The table below sets out the movement in the balance sheet value of investments from the start to the end of the year, showing investments made, cash receipts and fair value movements.

	Unaudited As at 30 Sept 2021 £'m	Audited As at 31 Mar 2021 £'m
As at 1 April	867.1	657.3
Investments made in the period ¹	165.0	128.0
Investments settled in shares	–	–
Loans repaid from underlying investment vehicles	(67.5)	(206.3)
Loans made to underlying investment vehicles	12.9	11.8
Gains on the revaluation of investments	252.0	276.3
As at period-end	1,229.5	867.1

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 Chief Operating Decision Maker has been identified by the Board of Directors as the Chief Executive Officer. The Group has one operating segment identified, the investment portfolio of the Group, which is monitored closely, and strategic decisions are made on the basis of the investment portfolio performance.

13. Deferred tax

Deferred tax is calculated in full on temporary differences under the liability method using a tax rate of 19% (31 March 2021: 19%). The movement on the deferred tax account is shown below:

	Period ended 30 Sept 2021 £'m	Year ended 31 Mar 2021 £'m
Arising on investment portfolio	(29.7)	–
Arising on business combination	(0.1)	(0.1)
Arising on co-invest and carried interest	(0.3)	(0.6)
Other timing differences	0.4	0.3
At the end of the period	(29.7)	(0.4)

14. Share capital and share premium

Ordinary share capital

30 September 2021 – 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 period for cash ¹	13,902,778	1	0.1
At the end of the period	152,999,853	1	1.5

¹ In June 2021, the Company raised gross proceeds of £111.2 million at a placing price of 800 pence per share by way of a placing of 13,902,778 new ordinary shares.

30 September 2020 – Allotted and fully paid	Number	Pence	£'m
At the beginning of the period	118,918,124	1	1.2
Issue of share capital during the period for cash ¹	289,835	1	–
At the end of the period	119,207,959	1	1.2

¹ Between 18 August 2020 and 16 September 2020, 289,835 new 1 pence ordinary shares were issued in association with share options being exercised.

31 March 2021 – Allotted and fully paid	Number	Pence	£'m
At the beginning of the period	118,918,124	1	1.2
Issue of share capital during the period for share options being exercised ¹	359,131	1	–
Issue of share capital during the period for cash ²	19,819,820	1	0.2
At the end of the period	139,097,075	1	1.4

¹ Between August 2020 and March 2021, 359,131 new 1 pence ordinary shares were issued in association with share options being exercised.

² In October 2020, the Company secured commitments to raise gross proceeds of £110.0 million at a placing price of 555 pence per share by way of a conditional placing of 19,819,820 new ordinary shares.

Share premium

	Period ended 30 Sep 2021 £'m	Period ended 30 Sep 2020 £'m	Year ended 31 Mar 2021 £'m
Allotted and fully paid	508.3	400.7	400.7
At the beginning of the period	508.3	400.7	400.7
Premium arising on the issue of ordinary shares	111.2	1.1	111.1
Equity issuance costs	(3.6)	–	(3.5)
At the end of the period	615.9	401.8	508.3

Notes to the condensed consolidated interim financial statements CONTINUED

15. Share-based payments

	Date of Grant	b/f1 April 2021	Granted in the period	Lapsed in the period	Exercised in the period	c/f 30 Sep 2021	Approved options	Vesting period	Exercise Price (pence)	Fair value per granted instrument (pence)
	28-Nov-16	612,959	-	-	(82,090)	530,869	33,800	3 years	355	64.1
	28-Nov-16	101,685	-	-	-	101,685	-	3 years	355	89.3
	11-Nov-17	120,000	-	-	-	120,000	8,356	3 years	354	89.8
Molten Ventures plc 2016 Company Share Option Scheme (formerly the Draper Esprit plc 2016 Company Share Option Scheme) ("CSOP")	28-Nov-17	368,335	-	-	(77,524)	290,811	-	3 years	387	70.9
	28-Nov-17	116,016	-	-	-	116,016	-	3 years	387	97.9
	30-Jul-18	842,550	-	-	(178,100)	664,450	-	3 years	492	152.9
	30-Jul-18	102,750	-	-	-	102,750	-	3 years	492	186.4
	12-Feb-19	735,302	-	-	-	735,302	-	3 years	530	67.8
	12-Feb-19	75,000	-	-	-	75,000	-	3 years	530	95.2
	26-Nov-19	200,000	-	-	-	200,000	-	3 years	467	71.5
	29-Jun-20	200,000	-	-	-	200,000	-	3 years	449	81.2
	26-Jul-21	-	54,792	-	-	54,792	-	1 year	1	986.0
Molten Ventures plc Long-Term Incentive Plan (formerly the Draper Esprit plc Long-Term Incentive Plan) ("LTIP")	29-Jun-20	581,696	-	(1,559)	-	580,137	-	3 years	1	449.0
	16-Jul-21	-	581,212	-	-	581,212	-	3 years	1	940.0
Total		4,056,293	636,004	(1,559)	(337,714)	4,353,024	42,156			

During the period, 0.1 million of options were granted under the CSOP and 0.6 million under the LTIP.

Both the CSOP and LTIP are, as of 30 September 2021, partly administered by the Molten Ventures Employee Benefit Trust (formerly the Draper Esprit Employee Benefit Trust) ("Trust"). The Trust is consolidated in these condensed consolidated interim 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 financial statements. Of the 0.3 million options exercised during the year, none were satisfied with new ordinary shares issued by Molten Ventures plc.

For share options granted under the Molten Ventures plc 2016 Company Share Options Plan (formerly the Draper Esprit plc 2016 Company Share Options Plan), the Black-Scholes Option Pricing Model has been used for valuation purposes. All options are settled in shares. Volatility is 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 performance conditions attached to the share options granted under the Molten Ventures plc 2016 Company Share Options Plan (formerly the Draper Esprit plc 2016 Company Share Options Plan).

Share options granted during the year under the LTIP vest if certain performance standards are met. The amount of options that will vest depends on performance conditions included within the agreement relating to realisations, assets under management, and Total Shareholder Return ("TSR"). These options are granted under the plan for no consideration and are granted at a nominal value of 1p. All options are settled in shares. The fair value of the LTIP shares will be valued using the Black-Scholes model. A six-monthly review takes place of non-market performance conditions and as at 30 September 2021, we are currently on target for LTIPs issued in 2020.

The share-based payment charge for the period is £1.6 million (six-months ended 30 September 2020: £0.3 million).

16. Financial liabilities

	Unaudited 30 Sep 2021 £'m	Audited 31 Mar 2021 £'m
Current liabilities		
Leases	(0.4)	(0.3)
Loans and borrowings	-	-
Total current financial liabilities	(0.4)	(0.3)
Non-current liabilities		
Leases	(0.5)	(0.7)
Loans and borrowings	0.5	0.4
Total non-current financial liabilities	-	(0.3)
Total financial liabilities	(0.4)	(0.6)

(i) Leases

This Note provides information for leases where the Group is a lessee. The Group is not a lessor.

Real Estate Leases

The Group leases office buildings in London for use by its staff. The Group also has an office in Dublin, however this contract is classified as a service contract and not a lease. Information about leases for which the Group is a lessee is presented below.

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.

a. Amounts recognised on consolidated statement of financial position

Right-of-use assets

	Period ending 30 Sep 2021 £'m	Year ending 31 Mar 2021 £'m
Property	0.8	1.0
Total	0.8	1.0

Lease liabilities

	Period ending 30 Sep 2021 £'m	Year ending 31 Mar 2021 £'m
Current	(0.4)	(0.3)
Non-current	(0.5)	(0.7)
Total	(0.9)	(1.0)

Additions to the right-of-use assets during the period ending 30 September 2021 were £Nil (year ending 31 March 2021: £Nil).

b. Amounts recognised in the consolidated statement of profit or loss. The following amounts relate to leases:

Amounts recognised in the interim condensed consolidated statement of profit or loss

	Period ending 30 Sep 2021 £'m	Period ending 30 Sep 2020 £'m
Interest on lease liabilities	-	-
Depreciation charge for the period on right-of-use assets	0.2	0.2
Expenses relating to short-term leases	-	-
Expenses relating to leases of low-value assets, excluding short-term leases of low-value assets	-	-

The total cash outflow for leases in the period ending 30 September 2021 was £0.2 million (period ending 30 September 2020: £0.2 million).

Notes to the condensed consolidated interim financial statements CONTINUED

16. Financial liabilities CONTINUED

(ii) Loans and borrowings

In May 2021, the Company's existing revolving credit facility with Silicon Valley Bank and Investec was extended to £65.0 million with a maturity of June 2024. The Company incurred costs of £0.3 million in respect of the increase and extension of the facility during the period, which are presented within loans and borrowings on the statement of financial position and are amortised over the life of the facility. Interest-related charges are reported in the condensed consolidated statement of comprehensive income as finance costs (see Note 7). The bank loans are secured on agreed assets of the Group within the asset class of investments, updated as agreed with the Financiers from time to time, and are subject to customary financial and non-financial covenant conditions which the Group must comply.

The facility agreement contains financial and non-financial covenants.

- There must be a minimum of ten core investments at all times (core investments are not defined in the same way as in this Interim Report (as it is more broadly defined));
- The ratio of the NAV of all investments (as defined in the agreement) to original investment cost should not be less than 1.1:1.0 at any time; and
- The ratio of the NAV (as defined in the agreement) plus amounts in the collateral account to financial indebtedness (as defined in the agreement) should not be less than 10:1 at any time.

In addition, the borrowing base (as defined in the agreement) must exceed the facility amount.

As collateral for interest payments, an amount equal to the aggregate amount of interest costs due for the coming six months, all being equal, must be held in an Interest Reserve Account at all times. The balance of this at 30 September 2021 was £2.3 million (31 March 2021: £2.3 million) and is reflected on the condensed consolidated interim statement of financial position as restricted cash.

The debt facility is repayable on maturity (June 2024) but may become repayable earlier if certain conditions are not met.

As at 30 September 2021, the Company has drawn down £Nil of the £65.0 million facility (31 March 2021: £Nil of the £60.0 million facility).

	Period ended 30 Sept 2021 £'m	Period ended 30 Sept 2020 £'m	Year ended 31 Mar 2021 £'m
Bank loan senior facility amount	65.0	60.0	60.0
Interest rate	BOE base rate + 6.25%/ 0.00% floor	BOE base rate + 6.75%/ 7.50% floor	BOE base rate + 6.75%/ 7.50% floor
Drawn at balance sheet date	–	–	–
Arrangement fees	(0.5)	(0.5)	(0.4)
Loan liability balance	(0.5)	(0.5)	(0.4)
Undrawn facilities at balance sheet date	65.0	60.0	60.0

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 (formerly the Draper Esprit Employee Benefit Trust) ("Trust") for the purpose of issuing shares under the Molten Ventures plc 2016 Company Share Options Plan and Long-Term Incentive Plan (formerly the Draper Esprit plc 2016 Company Share Options Plan and Long-Term Incentive Plan). Shares issued to employees are recognised on a weighted average cost basis. The Trust holds 0.1% of the issued share capital at 30 September 2021.

	Period ended 30 Sept 2021		Period ended 30 Sept 2020		Year ended 31 Mar 2021	
	No. of shares m	£'m	No. of shares m	£'m	No. of shares m	£'m
Opening balance	(0.1)	(0.3)	–	–	–	–
Acquisition of shares by the Trust	(0.1)	(1.2)	–	–	(0.3)	(2.3)
Disposal or transfer of shares by the Trust	–	–	–	–	0.2	2.0
Closing balance	(0.2)	(1.5)	–	–	(0.1)	(0.3)

17. Own shares and other reserves CONTINUED

(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 2021	Merger relief reserve £'m	Share-based payments reserve – resulting from company share option scheme £'m	Share-based payments reserve resulting from acquisition of subsidiary £'m	Total other reserves £'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

Period to 30 September 2020	Merger relief reserve £'m	Share-based payments reserve – resulting from company share option scheme £'m	Share-based payments reserve resulting from acquisition of subsidiary £'m	Total other reserves £'m
Opening balance	13.1	2.3	10.8	26.2
Share-based payments	–	0.3	–	0.3
Share-based payments – exercised during the year	–	–	–	–
Closing balance	13.1	2.6	10.8	26.5

Year to 31 March 2021	Merger relief reserve £'m	Share-based payments reserve – resulting from company share option scheme £'m	Share-based payments reserve resulting from acquisition of subsidiary £'m	Total other reserves £'m
Opening balance	13.1	2.3	10.8	26.2
Share-based payments	–	0.8	–	0.8
Share-based payments – exercised during the year	–	(0.8)	–	(0.8)
Closing balance	13.1	2.3	10.8	26.2

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 (formerly Draper Esprit 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.

Notes to the condensed consolidated interim financial statements CONTINUED

18. 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 5 and Note 11.

The Group classifies financial instruments measured at fair value through profit and 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 FY2021 and H12022 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 investment companies (as set out in Note 3(b) in the Annual Report and Accounts for the year ending 31 March 2021) are held at their respective net asset values and, as such, are noted to be all Level 3 for FY2021 and H12022. For details of the reconciliation of those amounts please refer to Note 11. However, the additional disclosures below are made on a look-through basis and are also based on the Gross Portfolio Value ("GPV"). For details of the GPV and its reconciliation to the investment balance in the financial statements, please refer to page 17.

Fair value measurements At 30 September 2021	Level 1 £'m	Level 2 £'m	Level 3 £'m	Total £'m
Financial assets				
Financial assets at fair value through profit or loss				
Quoted investments	210.7	–	–	210.7
Unquoted investments	–	–	1,137.1	1,137.1
Total financial assets	210.7	–	1,137.1	1,347.8

Fair value measurements At 31 March 2021	Level 1 £'m	Level 2 £'m	Level 3 £'m	Total £'m
Financial assets				
Financial assets at fair value through profit or loss				
Quoted investments	85.5	–	–	85.5
Unquoted investments	–	–	895.7	895.7
Total financial assets	85.5	–	895.7	981.2

During the period ended 30 September 2021, there were transfers out of Level 3 and into Level 1 following the listing of two investments, one of which is held via our partnership with Earlybird, as well as a listed addition to our Fund of Funds portfolio – see (iii) below for movements. No other transfers occurred in the period. The Group's policy is to recognise transfers into and out of fair value hierarchy levels as at the end of the reporting period.

18. Fair value measurements CONTINUED

ii. Valuation techniques used to determine fair values

The fair value of unlisted securities is established with reference to the International Private Equity and Venture Capital Valuation Guidelines ("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 (formerly Draper Esprit 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 of our existing assumption.

For a valuation based on calibrated price of recent investment, the recent round enterprise value is calibrated against the equivalent value 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 fund 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 calibrated with any cash and known valuation movements where reporting periods do not align.

See also Note 5(a) where valuation policies are discussed in more detail.

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

The table below presents the changes in Level 3 items for the period ending 30 September 2021 and year ending 31 March 2021.

Level 3 valuations	£'m
Opening balance at 1 April 2020	701.1
Investments	128.0
Gains	357.8
Realisations	(205.7)
Unadjusted closing balance at 31 March 2021	981.2
Transfer to Level 1	(85.5)
Closing balance at 31 March 2021	895.7
Investments	163.0
Gains	232.0
Realisations	(65.0)
Unadjusted closing balance at 30 September 2021	1,225.7
Transfer to Level 1	(88.6)
Closing balance at 30 September 2021	1,137.1

Notes to the condensed consolidated interim financial statements CONTINUED

18. Fair value measurements CONTINUED

iv. Valuation inputs and relationships to fair value

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

H1'FY2022		Sensitivity – effect of % enterprise value movement on total fair value £'m			
Investments	Fair value £'m	Valuation technique	Significant input	+15%	-10%
	504.7	Calibrated price of recent investment	Calibrated round enterprise value - recent round enterprise value is calibrated against the equivalent value using a revenue-multiple valuation methodology, amongst other factors.	566.2	447.0
Unquoted equity	465.6	Market comparables	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 1.1x – 19.0x and a weighted average multiple of 10.9x.	528.2	412.8
	166.8	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 periods do not align.	191.9	150.2
Total	1,137.1			1,286.3	1,010.0

FY21		Sensitivity – effect of % enterprise value movement on total fair value £'m			
Investments	Fair value £'m	Valuation technique	Significant input	+15%	-10%
	450.5	Calibrated price of recent investment	Calibrated round enterprise value - recent round enterprise value is calibrated against the equivalent value using a revenue-multiple valuation methodology, amongst other factors.	518.1	405.4
Unquoted equity	326.6	Market comparables	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 0.6x–9.1x and a weighted average multiple of 4.8x.	375.5	294.0
	118.6	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 periods do not align.	136.4	106.8
Total	895.7			1,030.0	806.2

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. 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 Chief Financial Officer ("CFO"). Challenge and approvals of valuations are led by the Audit, Risk and Valuations Committee every six months, in line with the Groups' half-yearly reporting periods.

19. 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 2021 £'m	31 Mar 2021 £'m
Foreign currency exposures – Investments		
Investments denominated in EUR	489.9	286.6
10% decrease in GBP	544.3	318.4
10% increase in GBP	445.3	260.5
Investments denominated in USD	414.1	477.8
10% decrease in GBP	460.1	530.8
10% increase in GBP	376.5	434.4

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 2021 £'m	31 Mar 2021 £'m
Foreign currency exposures – Cash		
Cash denominated in EUR	29.0	40.6
10% decrease in EUR: GBP	26.1	36.5
10% increase in EUR: GBP	31.9	44.6
Cash denominated in USD	23.3	26.3
10% decrease in USD: GBP	21.0	23.6
10% increase in USD: GBP	25.6	28.9

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 2021 £'m	31 Mar 2021 £'m
Foreign currency exposures – Equity		
Shareholders' Equity	1,357.4	1,033.1
10% decrease in EUR: GBP/USD: GBP	1,221.7	929.8
10% increase in EUR: GBP/USD: GBP	1,493.2	1,136.5

Notes to the condensed consolidated interim financial statements CONTINUED

19. Financial instruments risk CONTINUED

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.

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 and loss (Note 18). These equity rights are held in unquoted high growth technology companies and are valued by reference to revenue or earnings multiples of quoted comparable companies, calibrated price of recent investment, or NAV of underlying fund – as discussed more fully in Note 5(a). 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		
	Revenue-multiple	NAV of underlying fund	Calibrated price of recent investment
As at 30 September 2021	52.7	16.7	57.8
As at 31 March 2021	32.6	11.8	45.1

We further flexed by 15% given the volatility resulting from the COVID-19 pandemic. Theoretical impact of a fluctuation in equity prices of +/-15% would be as follows:

£'m	Valuation methodology		
	Revenue-multiple	NAV of underlying fund	Calibrated price of recent investment
As at 30 September 2021	62.6	25.0	61.5
As at 31 March 2021	48.9	17.8	67.6

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 includes £2.3 million of collateral for interest payments on the revolving credit facility (see Note 16(iii)) as well as fixed term deposits with a maturity date of more than 3 months from 30 September 2021 of £13.3 million. 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.

All trade payable amounts are short term.

Lease liabilities fall due over the term of the lease – see Note 16 for further details. The debt facility has a term of 3 years – for further details, see Note 16. All other Group payable balances at balance sheet date and prior periods fall due for payment within one year.

As part of our seed 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. For further details, see Note 21.

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, placing deposits. 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 30 September, as summarised below:

Classes of financial assets impacted by credit risk, carrying amounts	30 Sept 2021	31 Mar 2021
	£'m	£'m
Trade receivables	0.2	2.5
Cash at bank and on hand	140.6	158.4
Restricted cash	15.6	2.3
Total	156.4	163.2

The Directors consider that all the above financial assets that are not impaired or past due for each of the reporting dates under review 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.

19. Financial instruments risk CONTINUED

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 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 2021 is held with the following institutions: (1) Barclays Bank Plc; (2) Silicon Valley Bank Plc; (3) Investec Bank Plc; and (4) 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 at balance sheet date. The Group has a revolving credit facility in place, with no drawdowns at 30 September 2021 (31 March 2021: no drawdowns). Please refer to Note 16(ii) for further details regarding the revolving credit facility.

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 to manage cash.

Interest rate risk

The Group's interest rate risk arises from borrowings on the £65.0 million loan facility with Silicon Valley Bank and Investec, which was entered into in June 2019. Prior to the period ending 30 September 2019, the Group did not have any borrowings. The Group's borrowings are denominated in GBP and are carried at amortised cost.

No drawdowns were made on the facility during the period and nothing is drawn as at 30 September 2021. The facility agreement has an interest rate calculated with reference to the Bank of England base rate (currently 0.1%) with a margin of 6.25%. The agreement does not have an interest rate floor. As such, if the base rate increases, the interest charged on future drawdowns will increase.

20. 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 (board seats) and its key management personnel. In addition, the Company has related parties in respect of its subsidiaries in the form of management fees and expense recharges.

The Group may require that one of its members be appointed to the board of a portfolio company in a non-executive role. In certain cases, an administration fee is charged to the portfolio company for the provision of director services. At times, expenses incurred relating to director services can be recharged to portfolio companies. These are immaterial.

During the prior year ending 31 March 2021, a loan was repaid along with accrued interest (£3.7 million loaned as well as £0.4 million of accrued interest) from Esprit Capital I Fund No.1 & No.2 LP to the Company. No movements related to this loan occurred in the current period.

For the period ending 30 September 2021, management fees of £5.4 million from related parties (the unconsolidated structured entities described below) are included in the condensed consolidated interim statement of comprehensive income (6-month period to 30 September 2020: £4.6 million, year to 31 March 2021: £9.2million). Total management fees for the period also included £4.5 million from the EIS/VCT funds (6-month period to 30 September 2020: £1.5 million).

The EIS funds also paid Encore Ventures LLP performance fees of £1.7 million for Encore Ventures LLP to pay on wards in line with the Performance Fee Deeds executed in July and September 2015.

During the period, ending 30 September 2021, carry payments to key management personnel of £0.3 million were made (6-month period to 30 September 2020: £Nil) by the Esprit Capital III LP carry partner, Esprit Capital III Carried Interest LP. A cash payment of £0.4 million was also made to Esprit Capital I (GP) Limited in respect of carried interest by Esprit Capital III Founder LP.

During the period, employees of Molten Ventures plc, including key management personnel, were granted and exercised share options – see Note 15 for further details.

Notes to the condensed consolidated interim financial statements CONTINUED

20. Related party transactions CONTINUED

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 ending 30 Sep 2021 £'m	Period ending 30 Sep 2020 £'m
Wages and salaries	1.9	1.1
Short-term non-monetary benefits	-	-
Defined contribution pension costs	0.1	0.1
Share-based payment expense	-	-
Social security contributions and similar taxes	0.3	0.2
Carried interest paid	0.3	-
Total	2.6	1.4

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 (formerly Draper Esprit (Ireland) Limited). These are controlled by the Group and not consolidated, but they are held as investments at fair value through profit and loss on the consolidated balance sheet in line with IFRS 10 (see Note 3(b) of the Company's Annual Report and Accounts for the year ended 31 March 2021 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 2021 £'m	31 Mar 2021 £m
Esprit Investments (1) (B) LP	20 Garrick Street, London, WC2E 9BT	Limited Partnership	100%	England	18.1	12.0
Esprit Investments (2) (B) LP	20 Garrick Street, London, WC2E 9BT	Limited Partnership	100%	England	266.9	157.6
Molten Ventures (Ireland) Limited	32 Molesworth Street, Dublin 2, Ireland	Investment company	100%	Ireland	920.5	670.6

Molten Ventures (Ireland) Limited invests via the following limited partnerships: Esprit Investments (1) LP, Esprit Investments (2) LP, Esprit Capital IV LP, Esprit Capital III LP.

The investments balance in the condensed consolidated interim 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 (see Note 3(b) of the Company's Annual Report and Accounts for the year ended 31 March 2021 for further details). The exposure to these entities is immaterial.

21. Capital commitments

The Group has made commitments to seed funds as part of its investment activity. At 30 September 2021, the Group was committed to approximately £89.6 million (translated at period end rates) (31 March 2021: £67.2 million) in relation to investments in Fund of Funds vehicles, of which £38.8 million of this has been drawn at 30 September 2021 (31 March 2021: £25.5 million).

The Group has also made commitments to a number of Earlybird funds. These commitments total £155.6 million (31 March 2021: £151.8 million), with undrawn commitments across all Earlybird entities of £21.7 million (translated at period end exchange rates) (31 March 2021: £26.5 million). Total exposure to Earlybird for the Group is £304.5 million of investments (31 March 2021: £287.0 million).

22. Ultimate controlling party

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

23. 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

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. 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 page 17 for a reconciliation to the net investment balance. This table also shows the Gross to Net movement, which is 91% in the current year calculated as the net investment value divided by the GPV. The table reflects a Gross fair value movement of £268.9 million, which is 27 % as a percentage of the 31 March 2021 GPV, which is described in the report as the Gross fair value increase.

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.

24. Exceptional items

Exceptional costs were recognised in the six-month period to 30 September 2021 relating to the Company's Main Market Move of £2.4 million (30 September 2020: £Nil). The majority of these costs include fees relating to brokers, legal advisory, listing, reporting accountant, NED recruitment, remuneration advisory, IT consultancy, and PR services.

25. Subsequent events

Post period-end, we have deployed £36.6 million in investments including an investment in Satellite Vu, a British start-up using satellite technology to determine valuable insights into economic activity, energy efficiency and carbon footprint.

We have realised cash proceeds of £26.1 million post period-end, as a result of further Trustpilot and UiPath share sales.

There are no further post balance sheet events requiring comment.

Glossary

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

"Admission" or "IPO"	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 (formerly Draper Esprit (Ireland) Limited).
"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.
"Carry Liabilities"	Carried interest liabilities relating to the vested and unvested carried interest due on the Gross Portfolio.
"Chapter 15 Company"	a closed-ended investment fund applying for, or with, a premium listing.
"Company" or "Molten Ventures" or "Plc"	Molten Ventures plc (formerly Draper Esprit 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" or "Core Portfolio Companies"	the top companies by value that represent approximately 70% of the overall portfolio value.
"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 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 Draper Esprit EIS, and each an "Encore Fund". Draper Esprit EIS will shortly be rebranded to Molten Ventures EIS.
"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 (formerly known as Draper Esprit 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.
"Euronext Dublin"	the trading name of the Irish Stock Exchange Plc.
"Euronext Growth"	the Euronext Growth securities market (formerly the Enterprise Securities Market) operated and regulated by the Irish Stock Exchange Plc (trading as "Euronext Dublin").
"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.
"Fund of Funds"	seed fund LPs invested in by the Group.
"Gross Portfolio fair value growth"	the increase in the fair 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.
"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.
"Growth Opportunities fund"	Earlybird Growth Opportunities Fund I GbmH % Co. KG
"HMRC"	HM Revenue & Customs.
"IFRS" or "IFRSs"	International accounting standards in conformity with the requirements of the Companies Act 2006.
"IPO"	Initial Public Offering.
"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.
"IRR"	the internal rate of return.
"Main Market move"	Molten Ventures plc's (formerly Draper Esprit plc) 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 and the regulated market of Euronext Dublin.
"NAV" / "Net Asset Value"	the value, as at any date, of the assets of the Company and/or Group after deduction of all liabilities determined in accordance with the accounting policies adopted by the Company and/or Group 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 7 More London Riverside, London, SE1 2RT.
"SECR"	Streamlined Energy and Carbon Reporting.
"SM&CR"	the Senior Managers and Certification Regime.
"SVB"	Silicon Valley Bank.
"TCFD"	Task Force on Climate-Related Financial Disclosures.
"VC"	venture capital.
"VCT" / "VCT funds"	the VCT funds of Draper Esprit 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. Draper Esprit VCT plc will shortly be rebranded to Molten Ventures VCT plc.