

Molten Ventures VCT plc Manager's Investment Summary

£6.7m Limited Offer

Investing in growth- focused technology companies

The VCT offers the opportunity to invest in a highly rated venture capital trust with its consequent tax advantages.

The VCT is successful, with a high analyst score (new rating pending as at the date of publication), generating tax-free income from a portfolio focused on knowledge intensive technologies.

Since the deal sharing association with Molten Ventures plc was signed in November 2016, the prospects of the VCT have been transformed. Molten Ventures plc, as a leading venture capital investor in the UK and Europe, makes it an ideal co-investment partner for the VCT. As a consequence, and obviously bound by VCT regulations, the VCT has enjoyed participation in outstanding, and leading-edge investments.

To date, the Company has invested over £73 million into 44 new technology companies and has an unaudited NAV of £131m (at 31 August 2024).

At 31 August 2024 (unaudited), the Company's top 15 holdings, including two legacy investments made prior to the Company's association with Molten Ventures, represented 74% of the portfolio's NAV (excluding cash reserves) and an unrealised multiple of 1.7x their cost.

The top six investments ranked by carrying value, and including two legacy companies, represent 47% of portfolio NAV, an unrealised multiple of 2.4x their cost.

¹ NAV plus dividends paid in the period.

² Conflicts could arise between Molten Ventures VCT plc, Molten Ventures plc, and Molten Ventures EIS with respect to differing investment strategies, deployment and realisation needs, and the contemplated manner and timing of potential exits.

Capital at risk. Past performance is not indicative of future performance.

Early Investment Incentive

In recognition of the higher interest rate environment, bank interest earned on early subscriptions (pending allotment) will be shared with applicants as a discount against the Offer costs through the Pricing Formula.

This will be applied on a tiered basis for all accepted applications where the Receiving Agent is in receipt of funds **on or before** the following dates:

31 October 2024	1.25%
30 November 2024	1.00%
31 December 2024	0.75%
31 January 2025	0.50%
28 February 2025	0.25%

Applications received from 1 March 2025 onwards will not attract any discount.

High growth, technology focused investments

New investments will continue to expand the Molten Ventures VCT portfolio of high growth/high potential businesses with the aspiration of promising exit prospects via strategic M&A or IPO.

The main sectors where opportunities are expected to be identified are:

- Hardware and Deeptech
- Digital Healthcare and Wellness
- Enterprise Technology
- Consumer Technology

Established portfolio, yielding VCT dividends

Investors in any new share issues or buying Molten Ventures VCT plc shares in the market will gain exposure to the existing portfolio and to any potential tax-free dividends paid in the future.

The Board maintains its objective of paying tax free dividends equating to an annual return of 5% of NAV. For the current year ending 31 March 2025 dividends equating to 5.2% of the starting year NAV have been paid and/or declared.

Since its launch in 1998, the Company has paid cash dividends amounting to 116.1p per Ordinary Share (including the dividend paid in April 2024). With an unaudited Net Asset Value of 47.7p per Ordinary Share as at 31 August 2024, the Company has produced a total return since launch (cumulative dividends paid up to 31 August 2024 plus NAV) of 163.8p per Ordinary Share, a 104.8% tax-free uplift on the net investment (of 80p per share) of Shareholders who invested at inception.¹

Co-Investment model

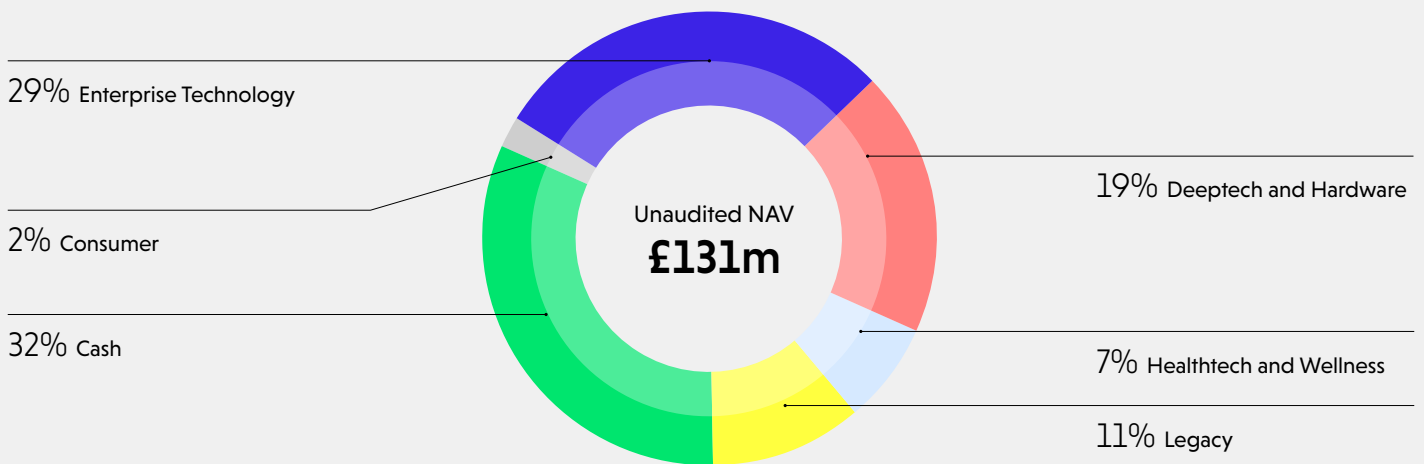
Molten Ventures VCT plc will co-invest into qualifying opportunities alongside Molten Ventures plc, Molten Ventures EIS and syndicate partners.

The co-investment model allows the pooling of multiple sources of capital to give the VCT access to participate in larger deals, and, later stage companies.²

Molten Ventures VCT plc is managed by Elderstreet Investments Limited, which is authorised and regulated by the Financial Conduct Authority (FRN: 148527). Elderstreet Investments Limited is a 100% owned subsidiary of Molten Ventures plc. Prospective Investors are reminded that Molten Ventures VCT plc (LSE: MVCT) is distinct from Molten Ventures plc (LSE: GROW) and does not form part of its group.

VCT net asset value breakdown

VCT Net Asset Value Breakdown – 31 August 2024



Key features

The VCT targets a potential tax free dividend yield of 5% of NAV per annum

Investment into an existing mature portfolio

Investors gain immediate exposure to an existing portfolio.

Experienced manager with strong track record

Elderstreet Investments is one of the oldest VCT managers having made its entry into the VCT market in 1998.

Whilst awaiting a new rating for 2024 at the time of publication, in October 2023 the VCT scored 87/100 from Tax Efficient Review, a well-respected VCT analyst, increasing its score from 84/100 since January 2019, whilst Molten Ventures EIS funds were awarded the highest rated EIS rating by Tax Efficient Review running to June 2023 with a rating of 89/100, and have a current rating of 88/100 as at August 2023.

Access to larger more mature growth opportunities

Since 2016, Molten Ventures plc and its subsidiary and affiliated undertakings has scaled its platform to enable access to some of the best deal flow across Europe. The VCT (under the management of the Manager, part of the Molten Ventures group) is one of the funds which, together with Molten Ventures plc, the Molten Ventures EIS Funds and other funds under the management of Molten Ventures, make up that platform.

The participation of the VCT alongside these co-branded investment partners enable the VCT to obtain access to private technology company fundraisings that are rarely accessible to individual investors.

Molten Ventures plc's growing leadership in this field has enabled the entrepreneurs in the portfolio to access the capital they need to rapidly grow their businesses, while simultaneously providing VCT Investors with exposure to exciting early and growth-stage technology companies.

Target tax-free dividend of around 5%

Since incorporation, the Company has paid in total dividends of 115.1p per share, an average of 4.43p each year. The ability to pay dividends will be restricted by liquidity, the availability of sufficient distributable profits, capital resources and VCT regulations.

Shareholders are reminded that this is a target and the VCT's ability to pay dividends is not guaranteed and a dividend of 2.8% was paid last financial year. For the current year ending 31 March 2025 dividends equating to 5.2% of the starting year NAV have been paid and/or declared.³

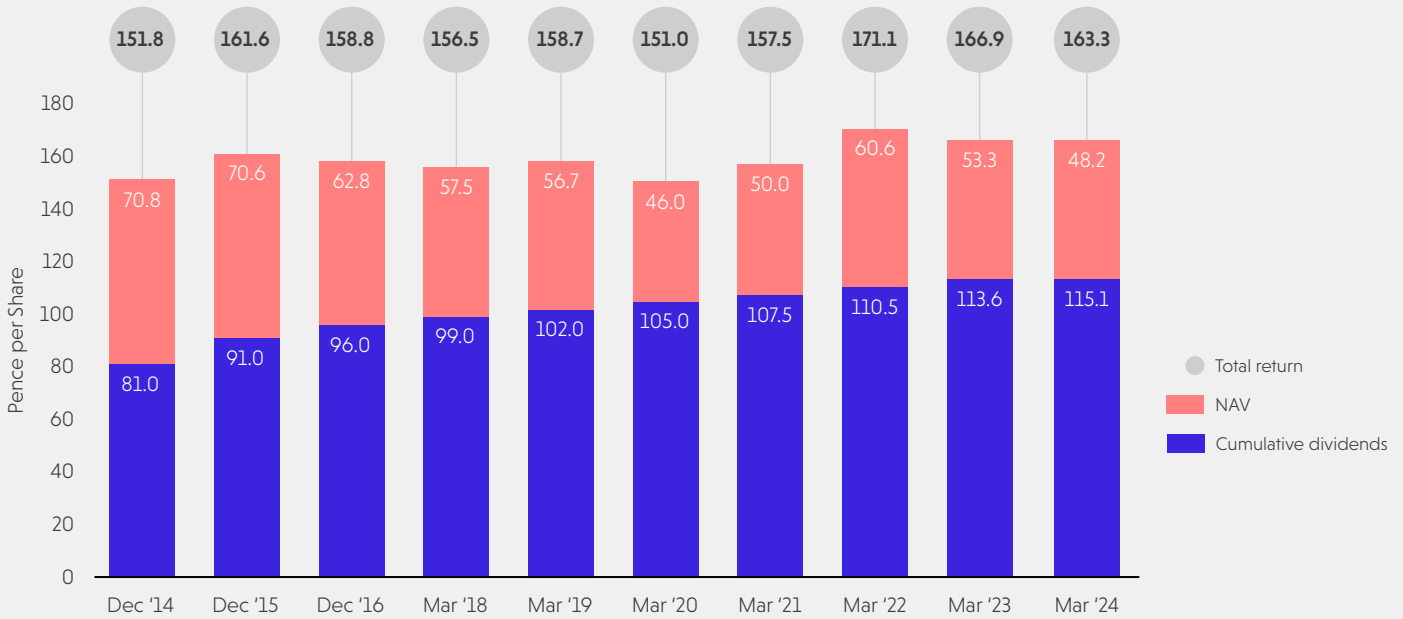
Dividend Reinvestment Scheme

Shareholders can elect to have their dividends reinvested into the Company for additional Ordinary Shares. By reinvesting dividends, Investors are able to increase the size of their holding without incurring any additional offer costs, and, subject to their personal circumstances, will receive an additional 30% income tax relief on amounts reinvested on their total VCT investments of up to £200,000 per tax year, subject always to the prevailing VCT rules and limits.

³ Capital at risk. Past performance is not indicative of future performance.

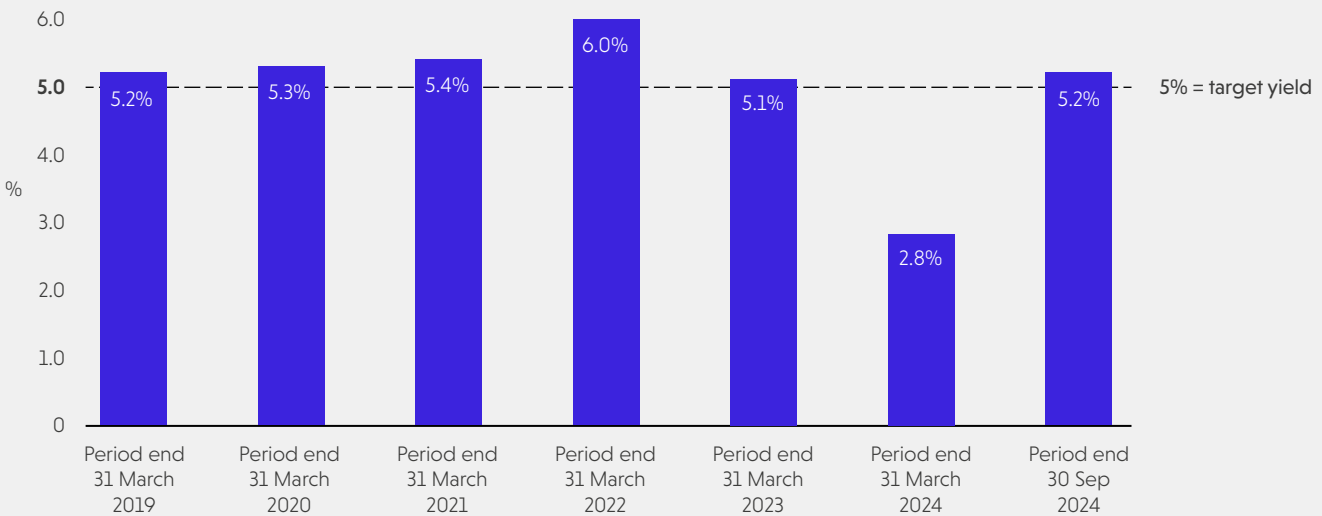
Performance

NAV Total Return over 10 years – to 31 March 2024



Data as at 30 September 2024.

Historic Dividend Yield



The Annual Dividend for the period is calculated by dividing the total dividends paid in the period by the starting NAV.
Data as at 30 September 2024.

Recent Exit

In July 2024, the Company sold its holding in **Endomag Ltd**, a manufacturer of medical devices focused on cancer localisation and lymph node identification, to NASDAQ listed Hologic Inc.

The first investment was made in 2018, and a further investment in 2020, and returned a multiple of 3.9x and an IRR of 32% over the investment period. The devices were used in the treatment of over 500,000 patients up to the point of the sale transaction.

The initial consideration was £8.3 million with further escrow payments of up to £0.8 million due over 3 years, subject to target criteria.

3.9x IRR 32%



Sample portfolio companies

Hardware and DeepTech



Thought Machine is a software business that is developing core banking systems for the modern era. This is large scale, mission critical, complex software.

Thought Machine's approach enables decades-old, legacy platforms to be replaced with scalable, internet-based technologies.

Customers include Lloyds Banking Group, SEB and Standard Chartered.

Thought Machine's founder is a successful, serial entrepreneur whose last business was acquired by Google.

www.thoughtmachine.net

Enterprise Technology



BeZero Carbon provides independent, risk-based, project level carbon ratings for the voluntary carbon market.

Since its launch in 2022, a meaningful relationship has emerged between a credit's BeZero Carbon Rating and the price it commands.

Credits rated 'A' or higher are resulting in greater price premiums and greater demand across the voluntary carbon market compared to those rated lower on the scale.

www.bezerocarbon.com

Hardware and DeepTech



Riverlane aims to dramatically reduce the cost of the first quantum computer by developing a 'portable' operating system for quantum computers with the first high impact application. Unlocking the full spectrum of quantum computing application requires new hardware and software tools to control inherently unstable qubits and comprehensively correct system errors ten billion times or more per second.

Riverlane's vision is to bring quantum computing to the world; making quantum computers as accessible and as ubiquitous as the PC.

www.riverlane.com

EXIT CASE STUDY



Pod Point is a leading provider of EV (Electric Vehicle) charging points across the UK. Its products cover home charging, workplace charging and commercial charge points.

Molten Ventures plc first backed the company in 2017 and Molten Ventures VCT plc participated in a subsequent growth round investment in 2018. Pod Point was acquired by EDF Energy in 2020, yielding a 2.2x gross return and IRR of 63% for Molten Ventures VCT plc.



2.2x gross return

Acquired by EDF

EXIT CASE STUDY



In November 2022, the VCT sold its holding in **Roomex** a travel and expenses management solution, specifically designed for businesses with a large mobile workforce.

The sale returned a multiple of 1.3x cost. The investment was made in October 2018 and exited in November 2022 with an IRR of 7.1%.

1.3x gross return

Details of the Offer

Maximum Raise

£6.7 million

Minimum Investment

£6,000 per investor and applications should be in multiples of £1,000.

Maximum Investment

£200,000 per investor in VCTs, in total, for the current tax year.

Initial Charge

3.0% of the amount subscribed for those investing via an intermediary (3.5% for direct applicants).⁴

Annual Costs

The annual running costs (including VAT) of the Company are capped at 3.5% of its Net Assets with any excess being refunded by way of a reduction in the fees payable to the Manager.

However, it should be noted that for the year ended 31 March 2024 the Ongoing Charges Figure (OCF) was 2.4% (using a weighted NAV); 31 March 2023 the OCF was 2.5%; 31 March 2022 the OCF was 2.4%; 31 March 2021 the OCF was 2.4%; 31 March 2020 the OCF was 3.3%.

⁴ The Promotion Fee for direct applicants is higher than for those submitted via an intermediary due to the additional work undertaken by the Company and Manager. Shareholders are strongly encouraged to obtain independent advice with respect to any (re)investment in the Company.

Further information regarding the management of the VCTs and the performance fees is set out in the Offer Document (particular attention is drawn to Part 1: Risk Factors).

Risk Warning: This is a financial promotion for the purposes of the Financial Services and Markets Act 2000 (as amended) issued and approved by Elderstreet Investments Limited, as manager of Molten Ventures VCT plc is authorised and regulated by the Financial Conduct Authority. FCA No. 148527. Whilst information contained within may pertain to Molten Ventures VCT plc, this document has not been issued or approved for its own purposes or on its behalf. Prospective Investors should note that past performance should not be seen as an indication of future performance. The value of an investment can fall as well as rise and investors may not get back the amount originally invested. Your capital is at risk. Therefore, you should only make investments in the VCT which you can afford to lose without having any significant impact on your overall financial position or commitments. Taxation levels, bases and reliefs may change if the law changes and the tax benefits of products will vary according to your personal circumstances; independent advice should therefore be sought. As a VCT shareholder, you do not have the right to complain to the Financial Ombudsman Service (FOS) about the management of the VCT. You are unlikely to be able to make a claim to the Financial Services Compensation Scheme (FSCS) about Molten Ventures VCT plc in the event that Molten Ventures VCT plc found itself in a position where it was unable to pay out.

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