

The information contained in this announcement is restricted and is not for publication, release or distribution in the United States of America, any member state of the European Economic Area (other than to professional investors in Belgium, Denmark, the Republic of Ireland, Luxembourg, the Netherlands, Norway and Sweden), Canada, Australia, Japan or the Republic of South Africa.

The information contained within this announcement is deemed by the Company to constitute inside information as stipulated under the Market Abuse Regulation (EU) No. 596/2014 which forms part of domestic law in the United Kingdom pursuant to The European Union Withdrawal Act 2018, as amended by The Market Abuse (Amendment) (EU Exit) Regulations 2019.

8 May 2025

Chrysalis Investments Limited ("Chrysalis" or the "Company")

Quarterly NAV Announcement and Trading Update

Net Asset Value

The Company announces that as at 31 March 2025 the unaudited net asset value ("NAV") per ordinary share was 152.62 pence.

The NAV calculation is based on the Company's issued share capital as at 31 March 2025 of 542,192,153 ordinary shares of no par value.

March's NAV per share represents a 4.0 pence per share (2.6%) decrease since 31 December 2024. The decrease in the fair value of the portfolio accounted for approximately 4.3 pence per share, with foreign exchange generating a headwind of approximately 1.7 pence per share. The share buyback led to 2.4 pence per share of accretion; other income, fees and expenses make up the balance.

Richard Watts and Nick Williamson, Managing Partners of Chrysalis Investment Partners LLP comment:

"Overall, the portfolio continues to perform well. The top five assets now account for 81% of net assets (85% of the portfolio) mainly due to the sale of Graphcore and Featurespace. Following the recent restructuring at wefox, all of the top five assets are now operating at breakeven or are profitable, resulting in 88% of the portfolio being profitable versus 44% in the prior year; this reflects the proactive measures our investee companies have taken.

Shortly post period end, the sale of InfoSum to WPP plc was announced at a 16.4% uplift to the Company's December carrying value, equating to an increase in NAV of approximately 1.2 pence per share. The Company has now received proceeds of approximately 63 million (£49 million), which significantly improves its liquidity position.

We continue to see a substantial opportunity to grow NAV over the coming years, driven by the performances of the major assets, which are well placed to capitalise on various growth opportunities and structural tailwinds. Starling remains the largest position within the portfolio, and we believe the company has multiple levers for growth, some of which have the potential to transform its valuation basis.

While it is disappointing that recent stock market volatility has delayed the IPO of Klarna, we do not believe these conditions will have a detrimental impact on its financial performance, placing it in a good position to float when uncertainty abates.

The Company currently has a gross liquidity position of approximately £153 million, equating to £83 million, net of the Barclays loan facility; these figures represent 30% and 16% of the Company's current market capitalisation."

Portfolio Activity

Chrysalis invested 3 million (c£2.4 million) into InfoSum in the period, as part of a dual track process involving a potential equity funding round and a trade sale. This investment generated a return for Chrysalis of over 6 million within approximately two months.

Over the period, the Company bought back approximately 25 million shares at an average share price of 100.5 pence, resulting in a total cost of £25.1 million. This led to 2.4p of positive accretion to NAV (circa 1.5% increase in NAV per share versus December 2024); as of 6 May 2025, the Company had spent £57.3 million on buying back shares.

Portfolio potential

The Investment Adviser continues to work with the portfolio companies to maximise their potential, which it sees as a likely key driver of future share price performance. The Investment Adviser is currently most focused on the development of the assets comprising its top five positions, as below.

To that end:

- Starling should have a substantial opportunity to accelerate growth in its core UK market over the coming year, as well as the potential to monetise its technology through Engine, its banking-as-a-service proposition.
- Klarna has recently announced partnerships with a number of strategic partners, ranging from ApplePay to Walmart. The Investment Adviser believes these will enable the company to continue to grow robustly in the coming years.
- Smart Pension is optimistic about potential regulatory changes in the UK, which should accelerate consolidation of the market. In addition, it also has significant opportunities to monetise its technology via its Keystone product.
- Brandtech continues to win awards for its Gen-AI capabilities. The application of Gen-AI to marketing is likely to lead to significant shifts in the industry and Brandtech should be well positioned to capitalise on them.
- The restructuring of wefox has enabled the Investment Adviser to enhance downside protection and reduce valuation risk. In addition, with the completion of the recent funding round, wefox now has a strong liquidity position and is well placed to continue growing organically and consolidating the MGA market across various territories.

Successful delivery of these investment opportunities is likely to be transformational to the Company's returns and drive significant NAV progression over the medium-term.

Portfolio Update

Starling

Starling's valuation was broadly unchanged over the period.

In January 2025, Starling Bank made notable additions to its executive team, with Joe Gordon appointed as the new Chief Operating Officer (COO), and Raghu Narula joining as Chief Banking Officer from NatWest Group. These appointments are part of CEO Raman Bhatia's efforts to strengthen the bank's leadership team following his own appointment in March 2024.

As of February 2025, Starling Bank discontinued interest payments on personal current account balances; previously, the bank offered a 3.25% interest rate on balances up to £5,000. To provide an alternative for savers, Starling introduced an easy-access savings account with a 4% interest rate; by March 2025, Starling said this "Easy Saver" account had reached £1.5 billion in deposits.

In March 2025, Starling Bank, along with partners GFT and Salt Bank, received multiple awards for their collaboration in developing Romania's first fully digital banking platform. The accolades included wins at the FS Tech Awards and the Fintech Breakthrough Award, highlighting their leadership in digital banking innovation.

Smart Pension

The carrying value of Smart was unchanged in the period.

In March 2025, Smart Pension announced it had surpassed 1.5 million members in its Master Trust, marking a significant increase in its customer base. In addition, the company was featured in The Times' list of top software companies, ranking 37th with an annual sales growth of 92% over three years. This acknowledgment highlights the company's significant expansion and its role as a major workplace pension provider in the UK.

Smart Pension also shared its thoughts on the Chancellor's Pensions Investment Review: the company welcomed the consultation and its proposals, particularly those aimed at making it easier for legacy contract-based schemes to consolidate, as long as competition is not restricted.

The Investment Adviser believes that the proposals as drafted are likely to lead to further consolidation in the industry, which should be beneficial to Smart, due to the efficiencies inherent in its technology platform. This should lead to an encouraging back drop for the Smart Pension Master Trust, which already has assets under management of over £6 billion.

Klarna

The value of Klarna fell in the period as a result of decreases in the valuations of listed peers.

In March, Klarna publicly filed a registration statement with the U.S. Securities and Exchange Commission for a proposed IPO. In early April, Klarna decided to pause its IPO plans due to market volatility, following the Trump administration's announcement of new trade tariffs, which led to significant market instability. Despite this, the Investment Adviser considers the company to still be 'IPO ready'.

The spate of recent relationship announcements continued, with DoorDash integrating Klarna's buy-now-pay-later (BNPL) payment options into its delivery app, allowing customers to pay for orders in instalments. In addition, Klarna has teamed up with OnePay to offer instalment loans to Walmart's customers in the US, a market which generated 462 billion of revenue for the latter in the year to January 2025.

The Investment Adviser believes relationships of this nature are likely to enable Klarna to continue growing GMV at rates well above that of general e-commerce and should help it to sustain these rates of growth for longer than otherwise would be the case.

Shortly post period end, Klarna marked the one-year anniversary of its subscription service, Klarna Plus, in the U.S. The service, which offers members exclusive benefits and savings, averaged nearly 35,000 signups per month since its launch in January 2024.

Brandtech

Brandtech saw a decrease in carrying value, due to falls in the valuations of listed peers.

In collaboration with Google, Brandtech hosted an event at Google's St. John's Terminal in New York City in January, declaring 2025 as "The Year of Tectonic AI Disruption." The event showcased advancements in Gen-AI and their implications for the marketing industry. The Investment Adviser attended a similar event at Google's UK HQ, which highlighted the significant

marketing industry. The Investment Adviser attended a similar event at Google's UK HQ, which highlighted the significant advances made over the last year in AI-generated content.

Brandtech managed to generate advertisements via AI for a group of key clients in early 2025 greater than 60% faster, more than 50% cheaper and with circa 40% better return on investment, versus traditional means. Currently, the company estimates only 1% of ads are created via Gen-AI globally.

Brandtech also announced a collaboration to integrate Google's video-generation model, Veo 2, into its generative AI marketing platform, Pencil. This integration aims to provide clients with advanced video generation tools, enhancing the efficiency and quality of AI-driven content creation. Additionally, Japan Airlines leveraged this partnership by deploying Veo 2 and Google's Gemini models to enhance passenger experiences. Select flights featured AI-generated films showcasing Japanese destinations, created in under 15 hours by teams from Brandtech's Jellyfish and Pencil units.

These developments underscore Brandtech's commitment to integrating cutting-edge AI technologies into marketing solutions, which the Investment Adviser believes underpins the company's claim to be the leader in Gen-AI marketing.

wefox

wefox was written up in the period, reflecting the terms of the recent funding round.

In January, wefox Insurance AG transferred a run-off portfolio-including motor damage, third-party liability, private liability, and property business across Germany, Italy, and Switzerland-to DARAG, a legacy acquirer focused on the European and UK markets. In addition, wefox Holding AG agreed to sell its Liechtenstein-based insurance carrier, wefox Insurance AG, to a consortium of Swiss companies led by BERAG, an independent Swiss pension service provider. These disposals reflect the ongoing strategic realignment of wefox Group towards insurance distribution.

With new management and funding, the Investment Adviser is cautiously optimistic that wefox can build a valuable European business.

Cash Update

As of 31 March, the Company had gross cash and equivalents of approximately £114 million and a position in Wise of approximately £3 million, to give a total liquidity position of approximately £117 million. The gross cash position decreased over the quarter as a result of the ongoing share buyback being pursued by the Company.

Portfolio Composition

As of 31 March 2025, the portfolio composition was as follows:

Portfolio Company	31-Mar	
	Carrying Value (£ millions)	% of NAV
Starling	271.0	32.8%
Klarna	125.7	15.2%
Smart Pension	123.4	14.9%
wefox	86.1	10.4%
Brandtech	62.5	7.6%
InfoSum	48.9	5.9%
Deep Instinct	34.8	4.2%
Secret Escapes	19.0	2.3%
Featurespace	10.5	1.3%
Wise	2.8	0.3%
Sorted	0.3	0.0%
Graphcore	0.1	0.0%
Gross cash and cash equivalents	113.7	13.7%

Source: Chrysalis Investments Limited. The above percentages are based on a net asset value of approximately £827 million for 31 March 2025 and include deferred proceeds receivable on sold investments.

Factsheet

An updated Company factsheet will shortly be available on the Company's website: <https://www.chrysalisinvestments.co.uk>.

-ENDS-

For further information, please contact

Montfort Communications (Media):
Charlotte McMullen / Imogen Saunders

+44 (0) 7921 881 800
chrysalis@montfort.london

Chrysalis Investment Partners LLP:
James Simpson

+44 (0) 20 7871 5343

G10 Capital Limited (AIFM):
Maria Baldwin

+44 (0) 20 7397 5450

Panmure Liberum:
Chris Clarke / Darren Vickers

+44 (0) 20 3100 2000

Deutsche Numis:
Nathan Brown / Matt Goss

+44 (0) 20 7260 1000

IQEQ Fund Services (Guernsey) Limited:
Aimee Gontier/Elaine Smeja

+44 (0) 1481 231852

LEI: 213800F9SQ753JQHSW24

A copy of this announcement will be available on the Company's website at <https://www.chrysalisinvestments.co.uk>

The information contained in this announcement regarding the Company's investments has been provided by the relevant underlying portfolio company and has not been independently verified by the Company. The information contained herein is unaudited.

This announcement is for information purposes only and is not an offer to invest. All investments are subject to risk. Past performance is no guarantee of future returns. Prospective investors are advised to seek expert legal, financial, tax and other professional advice before making any investment decision. The value of investments may fluctuate. Results achieved in the past are no guarantee of future results. Neither the content of the Company's website, nor the content on any website accessible from hyperlinks on its website for any other website, is incorporated into, or forms part of, this announcement nor, unless previously published by means of a recognised information service, should any such content be relied upon in reaching a decision as to whether or not to acquire, continue to hold, or dispose of, securities in the Company.

The Company is an alternative investment fund ("AIF") for the purposes of the AIFM Directive and as such is required to have an investment manager who is duly authorised to undertake the role of an alternative investment fund manager ("AIFM"). G10 Capital Limited is the AIFM to the Company. Chrysalis Investment Partners LLP is the investment adviser to G10 Capital Limited. Chrysalis Investment Partners LLP is an appointed representative of G10 Capital Limited which is authorised and regulated by the Financial Conduct Authority.

This information is provided by RNS, the news service of the London Stock Exchange. RNS is approved by the Financial Conduct Authority to act as a Primary Information Provider in the United Kingdom. Terms and conditions relating to the use and distribution of this information may apply. For further information, please contact rs@seg.com or visit www.ms.com.

RNS may use your IP address to confirm compliance with the terms and conditions, to analyse how you engage with the information contained in this communication, and to share such analysis on an anonymised basis with others as part of our commercial services. For further information about how RNS and the London Stock Exchange use the personal data you provide us, please see our [Privacy Policy](#).

END

MSCQDLFBELXBBZ