

SEED INNOVATIONS LIMITED

UNAUDITED CONDENSED HALF-YEARLY REPORT AND FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 30 SEPTEMBER 2024

SEED INNOVATIONS LIMITED

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www.seedinnovations.co

Incorporated under
the Companies (Guernsey) Law, 2008, as amended.
REGISTERED IN GUERNSEY No. 44403

SEED INNOVATIONS LIMITED

DIRECTORS & ADVISERS

Directors

Ian Burns (Non - Executive Director)

Edward McDermott (Executive Director)

Lance De Jersey (Executive Director)

Luke Cairns (Non-Executive Director)

Alfredo Pascual (Executive Director)

Advisers

Administrator, Secretary and Registered Office

Obsidian Fund Services Limited
Suite 8, Upper House
16-20 Smith Street
St. Peter Port
Guernsey
GY1 2JQ

Registrar

Share Registrars Limited
3 Millennium Centre
Crosby Way
Farnham
Surrey
GU9 7XX

Brokers

Shard Capital Partners LLP
6th Floor
51 Lime Street
London
EC3M 7DQ

Investor Relations

St Brides Partners Ltd
4th Floor
22 Bishopsgate
EC2N 4BQ

Nominated Adviser

Beaumont Cornish Limited
Building 3, Chiswick Park
566 Chiswick High Road
London
W4 5YA

Independent Auditor

Grant Thornton Limited
St James Place
St James Street
St Peter Port
Guernsey GY1 2NZ

Guernsey Legal Adviser to the Company

Collas Crill
Gategny Esplanade
St Peter Port
Guernsey
GY1 1WN

English Legal Adviser to the Company

Hill Dickinson LLP
The Broadgate Tower
20 Primrose Street
EC2A 2EW

SEED INNOVATIONS LIMITED

CHAIRMAN'S STATEMENT FOR THE PERIOD ENDED 30 SEPTEMBER 2024

I am pleased to present our interim results and provide an update on our ongoing commitment to generating value for our shareholders through disciplined strategic investment. Our track record speaks volumes, with a well-curated portfolio that has reliably produced liquidity events and delivered meaningful rewards to shareholders. Earlier in 2024, we reinforced our focus on delivering shareholder returns by implementing a Share Buyback programme and issuing a Special Dividend. As our current investments progress, we remain confident in our ability to provide similar high-value outcomes in the future.

As highlighted in the table below, our portfolio remains robust and diversified, featuring a mix of liquid assets and longer-term opportunities across high-growth life sciences and technology ventures. We are also creating value through our selectively opportunistic short-term trading strategy. Post period end, in early November, we demonstrated this strength with profits of approximately £87,000 achieved in just three months from our investment in Pantheon Resources representing circ. 35% uplift on our original investment

As of 29 November 2024, our market capitalisation stands at £2.89 million, trading at a notable discount to our estimated net asset value (NAV) of £10.6 million as at 30 September 2024. This disconnect underscores the inherent value within our portfolio, which was reinforced by share purchases in September 2024 by Ed McDermott, Chief Executive Officer and Lance de Jersey, Finance Director of the Company, signalling their belief in our strategy and long-term vision.

Our cash position remains strong, at £3.5 million at 30 September 2024 (increasing to over £3.8 million in November following the sale of the Pantheon position), providing SEED with both resilience and the flexibility to take advantage of emerging opportunities. To this end we have reviewed a number of potential investments and, currently, are exploring several promising, undervalued opportunities both in the UK and internationally. This review work is inevitably carried on outside the gaze of publicity, which may give the incorrect impression that the board is not working diligently. We remain committed to having the patience to make well-timed and strategic decisions rather than to make poor choices simply to be seen to be doing something. Additionally, we remain committed to capital discipline and during the period reduced costs 9% to £0.37 million (2023: £0.41 million).

In closing, I would like to thank all our shareholders for their ongoing support and reaffirm our commitment to delivering lasting value through careful portfolio management, strategic opportunity identification, and proactive engagement in the market.

Ian Burns

Ian Burns
Non-Executive Chairman

02 December 2024

SEED INNOVATIONS LIMITED

REPORT OF THE CHIEF EXECUTIVE OFFICER FOR THE PERIOD ENDED 30 SEPTEMBER 2024

Although the UK government's recent budget initially raised concerns, its impact on AIM-listed companies has been relatively modest. Having said this, the outlined plans point towards a prolonged period of low economic growth. While this may pose challenges for many businesses, we believe that our diversified strategy and multinational investment portfolio leave us well-placed to navigate these headwinds and counteract potential drawbacks.

Despite the challenging investment landscape, with SEED trading at a significant discount to its NAV, a common trend among growth investment funds, we believe our strong portfolio and robust cash position set us apart, enabling us to take advantage of emerging opportunities and drive meaningful returns.

Our NAV is primarily composed of cash and four core investments, reflecting our focus on high-impact investments and medium-term value creation. Notably, these four core investments maintain strong cash positions and have proven their ability to attract capital, even in tough market conditions, with three having raised funds at premiums to SEED's initial investment.

We are confident in the long-term growth potential of the medical cannabis sector, particularly given the incoming US administration's stance on cannabis rescheduling. This has the potential to drive significant upside, addressing a key factor that has contributed to the sector's decline in recent years.

Accordingly, we believe that our two medical cannabis investee companies are primed for growth. Avextra AG's exclusive partnerships and proprietary cultivation facilities are yielding impressive results, while Little Green Pharma demonstrates equal strength, as evidenced by its recent record-breaking quarterly performance.

Meanwhile, Clean Food Group stands to benefit from a renewed focus on healthier food production in America, especially as its non-GM food oils offer a compelling alternative in a GM-dominated market. Furthermore, although established biotech and pharma companies may face challenges, the growing focus on longevity aligns with Juvenescence's mission to tackle age-related diseases, positioning it for success in a shifting healthcare landscape.

While our core investment strategy remains unchanged, we are exploring opportunities that align with shorter-term liquidity horizons and assets capable of generating free cash flow within 24 months. We remain mindful of global turbulence and its sectoral impacts but see these times as rich with opportunity. We believe we are approaching one or more liquidity events within our portfolio, underscoring our confidence in the months ahead.

Looking forward, we are committed to building on recent successes and unlocking growth potential in our target emerging markets over the next six months.

Ed McDermott

Ed McDermott
CEO

02 December 2024

SEED INNOVATIONS LIMITED

INVESTMENT REPORT FOR THE PERIOD ENDED 30 SEPTEMBER 2024

The period was marked by political, macroeconomic, market, and regulatory uncertainties, creating a challenging operating environment for our portfolio. Nevertheless, we were pleased that our largest investee companies (by percentage of NAV) maintained strong positions during this time.

Our strategy remains centred on maximising returns from a focused selection of unique opportunities where value can often be unlocked relatively independently of broader market trends. The Company typically holds substantial stakes in investee companies, enabling meaningful engagement as a significant shareholder. This approach inherently exposes the portfolio to concentration risk, as ongoing investments or divestments can substantially alter the relative weightings of holdings. We managed this risk by partially divesting our stake in Avextra in September 2023, achieving a premium of approximately 60% over our entry point. Despite that partial sale, Avextra remained as of 30 September 2024 our largest investment by NAV, albeit with reduced concentration than what would have been had we not partially sold our stake.

During the period, we evaluated numerous new investment opportunities to deploy our substantial cash reserves. However, we identified only a limited number of mid- or long-term prospects that aligned with our strategy. While some opportunities were near completion, they ultimately did not materialise. Instead, we capitalised on a short-term opportunity in Pantheon Resources, which we fully exited after the period end as already mentioned above. Throughout, we remained focused on supporting our portfolio companies and their management teams.

The NAV of the Company at 30 September 2024 was £10.6 million. (31 March 2024: £13.6 million), equal to net assets of 5.5p per Ordinary Share (31 March 2024: 6.7p per Ordinary Share). A substantial portion of the NAV reduction (c.75%) was attributable to shareholder distributions, including a £2 million Special Dividend paid in May 2024 and £0.2 million allocated to the share buyback programme between 1 April and 30 May.

At 30 September 2024, the Company held equity or debt investments in seven companies, compared to eight at the same point in 2023.

The table below lists the Company's holdings as of 30 September 2024, with comparisons to 31 March 2024.

The movements in value at this valuation point are all attributable to movements in the market price of listed investments and foreign exchange movements. On this occasion there have been no movements in the prices of privately held assets. The Company is optimistic of appreciation of some of these investment positions in the coming months, and in fact has already seen a step increase in the trading price of Little Green Pharma following the publication of strong quarterly results.

| Holding | Category | Valuations at 31 March 2024 £'000 | Valuations at 30 September 2024 £'000 | % of Nav |
|---|------------------|---|---|---------------|
| Avextra AG | Biotech/Cannabis | 2,740 | 2,669 | 25.1% |
| Juvenescence Limited | Biotech | 2,509 | 2,368 | 22.2% |
| Clean Food Group Ltd | Biotech | 1,182 | 1,182 | 11.1% |
| Little Green Pharma | Biotech/Cannabis | 529 | 341 | 3.2% |
| Inveniam Capital Partners, Inc. | Fintech | 344 | 325 | 3.1% |
| Portage Biotech Inc. | Biotech | 17 | 9 | 0.1% |
| Pantheon Resources Plc | Oil & Gas | - | 235 | 2.2% |
| Total Investment Value | | 7,321 | 7,128 | 67.0% |
| Cash and receivables, net of payables and accruals | | 6,283 | 3,518 | 33.0% |
| Net Asset Value | | 13,604 | 10,646 | 100.0% |

SEED INNOVATIONS LIMITED

INVESTMENT REPORT (continued) FOR THE PERIOD ENDED 30 SEPTEMBER 2024

Avextra AG (formally Eurox) ('Avextra')

Avextra is a leading European manufacturer and developer of Cannabis-based medicines located in Germany. Recent news includes the approval by the Italian Medicines Agency AIFA and the Italian Ministry of Health for a multi-centre Phase II study to evaluate safety, and efficacy of an Avextra oral formulation in managing the symptoms of patients suffering from Amyotrophic Lateral Sclerosis (ALS), Alzheimer's Disease and Parkinson's Disease. Post period end, in November, it announced the launch of an in-house breeding programme at its Portuguese cultivation facility. Aimed at establishing proprietary cannabis plant IP, this initiative highlights Avextra's dedication to R&D excellence in partnership with CESPU, a leading Portuguese research organisation.

Juvenescence Ltd ('Juvenescence')

UK based Juvenescence is a clinical-stage drug development company dedicated to extending healthy lifespan through innovative medicines. Its approach centres around developing medicines that target core pathways of aging to not only treat but prevent age-related diseases, ensuring that longevity comes with enhanced quality of life. Its portfolio companies represent strategic investments across a diverse array of technologies spanning platform technologies, cell therapies and regenerative medicines, as well as nutritional supplement businesses. These include LyGenesis, which recently dosed the first patient in its Phase 2a clinical trial of a first-in-class regenerative cell therapy for patients with end-stage liver disease.

Clean Food Group Limited ('CFG')

CFG, a UK-based food-tech company, provides sustainable oils and fats solutions for food and cosmetics manufacturers worldwide. Committed to offering scalable, healthier, and competitively priced ingredients, CFG aims to positively impact the planet's economic, environmental, and social wellbeing. Amongst other progress, in October 2024, CFG announced a partnership with THG LABS, a leading UK-based cosmetics manufacturer with end-to-end service capabilities. This collaboration has the potential to transform the cosmetics industry by introducing innovative, sustainable oil alternatives, reducing dependency on environmentally taxing ingredients like traditional, agriculture-intensive oils. With the global cosmetics market valued at approximately \$374 billion in 2023 and projected to nearly double by 2032, this partnership is strategically positioned to meet the rising demand for eco-friendly solutions.

Little Green Pharma ('LGP')

LGP (ASX: LGP), an Australian, vertically integrated medical cannabis company, reported record quarterly results for the period ending 30 September 2024. Revenue reached A\$10.2 million, with cash receipts at A\$10.8 million, marking 40% and 30% growth, respectively, quarter-over-quarter. LGP is outperforming competitors and generating positive cash flow from operations with minimal long-term debt and a strengthened cash position. Accordingly, SEED sees significant potential for its continued growth.

Inveniam Capital Partners ('Inveniam')

Inveniam is a private fintech company that built Inveniam.io, a technology platform using big data, AI and blockchain technology to provide surety of data and high-functioning use of that data in a distributed data ecosystem.

SEED INNOVATIONS LIMITED

**INVESTMENT REPORT (continued)
FOR THE PERIOD ENDED 30 SEPTEMBER 2024**

Pantheon Resources plc ("Pantheon")

As part of its opportunistic short-term trading strategy, SEED invested £250,000 in Pantheon's oversubscribed c.US\$29 million fundraise and retail offer in August 2024. Post period end, on 11 November, SEED exited its entire position for gross proceeds of £336,918.90, delivering a profit of c.£87,000, or nearly 35%, in three months.

Portage Biotech, Inc ('Portage')

NASDAQ listed Portage (Ticker: PRTG) is a clinical-stage immuno-oncology company advancing multi-targeted therapies to extend survival and improve the lives of patients with cancer. SEED holds a small position in Portage and continues to monitor its share price with the intention to sell as appropriate.

SEED INNOVATIONS LIMITED

INVESTING POLICY FOR THE PERIOD ENDED 30 SEPTEMBER 2024

The Board proposes to invest in companies which, in normal circumstances, individual investors may have limited access.

Investments sought will be in sectors which have, or have the potential for, significant intellectual property, principally in the wellness and life sciences sectors (including biotech, longevity of life and pharmaceuticals) along with aligned technology sectors (including artificial intelligence and digital delivery). Equally the Board will consider investments in established industries where the business is applying new technologies and/or 'know how' to enhance its offering or taking established business models or products to new markets. In keeping with its desire to provide its shareholders with access to investments they may otherwise not be able to participate in, the Board also intends to apply a portion of the portfolio to opportunistic investments which may, by exception, fall outside the above criteria but represent good potential for short term returns. Such investments will be limited at 15% of the Company's NAV and would typically be in fundraisings by listed companies or as part of an IPO.

Initially the geographical focus will be North America and Europe but investments may also be considered in other regions to the extent that the Board considers that valuable opportunities exist and positive returns can be achieved.

In selecting investment opportunities, the Board will focus on businesses, assets and/or projects that are available at attractive valuations and hold opportunities to unlock embedded value. In line with the existing portfolio it is expected that investments will be in SMEs with sub £100m valuations but with the potential for significant growth. Where appropriate, the Board may seek to invest in businesses where it may influence the business at a board level, add its expertise to the management of the business, and utilise its industry relationships and access to finance. The extent that the Company will be a passive or active shareholder will depend on the interest held and the maturity of the investee company.

The Company's interests in a proposed investment and/or acquisition will range from minority positions to full ownership and will comprise multiple investments. The proposed investments may be in either quoted or unquoted companies; are likely to be made by direct acquisitions or investments; and may be in companies, partnerships, earn-in joint ventures, debt or other loan structures, joint ventures or direct or indirect interests in assets or businesses.

The Company will pursue a balanced portfolio of an even mixture of early stage, pre-liquidity event and liquid investments which it will aim to hold within the portfolio for 2-4 years, 6-24 months and up to 12 months respectively. Whilst the target is to have the portfolio split fairly evenly between the different stages of liquidity there will be no set criteria for which the Company will hold an investment and the proportion of the portfolio which will be represented by each investment type.

There is no limit on the number of projects into which the Company may invest. The Directors intend to mitigate risk by appropriate due diligence and transaction analysis. The Board considers that as investments are made, and new promising investment opportunities arise, further funding of the Company may also be required.

Where the Company builds a portfolio of related assets it is possible that there may be cross holdings between such assets. The Company does not currently intend to fund any investments with debt or other borrowings but may do so if appropriate. Investments are expected to be mainly in the form of equity, with debt potentially being raised later to fund the development of such assets. Investments in later stage assets are more likely to include an element of debt to equity gearing. The Board may also offer new Ordinary Shares by way of consideration as well as or in lieu of cash, thereby helping to preserve the Company's cash for working capital and as a reserve against unforeseen contingencies including, for example, delays in collecting accounts receivable, unexpected changes in the economic environment and operational problems.

The Board will conduct initial due diligence appraisals of potential businesses or projects and, where it believes that further investigation is warranted, it intends to appoint appropriately qualified persons to assist. The Board believes it has a broad range of contacts through which it is likely to identify various opportunities which may prove suitable.

SEED INNOVATIONS LIMITED

**INVESTING POLICY (continued)
FOR THE PERIOD ENDED 30 SEPTEMBER 2024**

The Board believes its expertise will enable it to determine quickly which opportunities could be viable and so progress quickly to formal due diligence. The Company will not have a separate investment manager. The Board proposes to carry out a comprehensive and thorough project review process in which all material aspects of a potential project or business will be subject to rigorous due diligence, as appropriate. Due to the nature of the sectors in which the Company is focused it is unlikely that cash returns will be made in the short to medium term on the majority of its portfolio; rather the Company expects a focus on capital returns over the medium to long term.

SEED INNOVATIONS LIMITED

**DIRECTORS' RESPONSIBILITIES STATEMENT
FOR THE PERIOD ENDED 30 SEPTEMBER 2024**

The Directors are responsible for preparing these unaudited condensed half-yearly financial statements, which have not been reviewed or audited by the Company's independent auditors, and are required to:

- prepare the unaudited half-yearly financial statements in accordance with International Accounting Standard 34: Interim Financial Reporting;
- include a fair review of important events that have occurred during the period, and their impact on the unaudited half-yearly financial statements, together with a description of the principal risks and uncertainties of the Company for the remaining six months of the financial year as detailed in the Chairman's Statement; and
- include a fair review of related party transactions that have taken place during the six-month period which have had a material effect on the financial position or performance of the Company, together with disclosure of any changes in related party transactions from the last annual financial statements which have had a material effect on the financial position of the Company in the current period.

The Directors confirm that the unaudited condensed half-yearly financial statements comply with the above requirements and are signed on behalf of the Board of Directors by:

Ian Burns

Lance De Jersey

Ian Burns
Director

Lance De Jersey
Director

02 December 2024

02 December 2024

SEED INNOVATIONS LIMITED

CONDENSED HALF-YEARLY STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 30 SEPTEMBER 2024

| | | 01 April 2024 to 30 September 2024 (unaudited) £'000 | 01 April 2023 to 30 September 2023 (unaudited) £'000 |
|---|-------|--|--|
| | Notes | | |
| Net realised gain / (loss) on disposal of financial assets at fair value through profit and loss | 5 | - | 1,112 |
| Net unrealised (loss)/gain on revaluation of financial assets at fair value through profit and loss | 5 | <u>(443)</u> | <u>(2,148)</u> |
| Total investment (loss)/income | | (443) | (1,036) |
| Other income | | | |
| Bank Interest income | | <u>73</u> | <u>43</u> |
| Total other income | | 73 | 43 |
| Expenses | | | |
| Directors' remuneration and expenses | 12 | (214) | (179) |
| Legal and professional fees | | (32) | (85) |
| Other Expenses | | (75) | (91) |
| Administration fees | | (20) | (20) |
| Adviser and broker's fees | | <u>(32)</u> | <u>(35)</u> |
| Total expenses | | (373) | (410) |
| Net (loss)/profit before losses and gains on foreign currency exchange | | <u>(743)</u> | <u>(1,403)</u> |
| Net foreign currency exchange gains/(loss) | | (10) | (17) |
| Total comprehensive (loss)/gain for the period | | <u>(753)</u> | <u>(1,420)</u> |
| (Loss)/earnings per Ordinary share - basic and diluted | 7 | (0.39p) | (0.67p) |

The Company has no recognised gains or losses other than those included in the results above.

All the items in the above statement are derived from continuing operations.

The accompanying notes on pages 16 to 22 form an integral part of these unaudited condensed half-yearly financial statements.

SEED INNOVATIONS LIMITED

CONDENSED STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2024

| | | 30 September 2024 (unaudited) | 31 March 2024 |
|---|-------|----------------------------------|----------------------|
| | Notes | £'000 | £'000 |
| Non-current assets | | | |
| Financial assets at fair value through profit or loss | 5 | <u>6,893</u> | <u>7,321</u> |
| | | 6,893 | 7,321 |
| Current assets | | | |
| Cash and cash equivalents | | 3,517 | 3,885 |
| Financial assets at fair value through profit or loss | 5 | 235 | - |
| Other receivables | | <u>22</u> | <u>2,426</u> |
| | | 3,774 | 6,311 |
| Total assets | | <u>10,667</u> | <u>13,632</u> |
| Current liabilities | | | |
| Payables and accruals | | <u>(21)</u> | <u>(28)</u> |
| | | (21) | (28) |
| Net assets | | <u>10,646</u> | <u>13,604</u> |
| Financed by | | | |
| Share capital | 11 | 1,929 | 2,020 |
| Other distributable reserve | | 8,717 | 11,584 |
| | | <u>10,646</u> | <u>13,604</u> |
| Net assets per Ordinary share | 10 | 5.52 | 6.73 |

The financial statements on pages 12 to 22 were approved by the Board of Directors on 02 December 2024 and were signed on their behalf by:

Ian Burns

Lance De Jersey

Ian Burns
Director

Lance De Jersey
Director

The accompanying notes on pages 16 to 22 form an integral part of these unaudited condensed half-yearly financial statements.

SEED INNOVATIONS LIMITED

**CONDENSED HALF-YEARLY STATEMENT OF CHANGES IN EQUITY
AS AT 30 SEPTEMBER 2024**

| | Share Capital £'000 | Other distributable reserve £'000 | Total £'000 |
|---|------------------------|--|----------------|
| Balance as at 31 March 2024 | 2,020 | 11,584 | 13,604 |
| Total comprehensive income for the period | - | (753) | (753) |
| Acquisition of Treasury shares | (91) | (116) | (207) |
| Dividend payment | | (1,998) | (1,998) |
| Balance as at 30 September 2024 | 1,929 | 8,717 | 10,646 |
| Balance as at 31 March 2023 | 2,127 | 13,905 | 16,032 |
| Total comprehensive loss for the period | - | (1,420) | (1,420) |
| Balance as at 30 September 2023 | 2,127 | 12,485 | 14,612 |

The accompanying notes on pages 16 to 22 form an integral part of these unaudited condensed half-yearly financial statements.

SEED INNOVATIONS LIMITED

CONDENSED HALF-YEARLY STATEMENT OF CASHFLOWS
FOR THE PERIOD ENDED 30 SEPTEMBER 2024

| | <i>01 April 2024 to 30 September 2024 (unaudited) £'000</i> | <i>01 April 2023 to 30 September 2023 (unaudited) £'000</i> |
|---|---|---|
| | Notes | |
| Cash flows from operating activities | | |
| Total comprehensive (loss)/income for the period | (753) | (1,420) |
| <i>Adjustments for:</i> | | |
| Unrealised loss/(gain) on fair value adjustments on financial assets at FVTPL | 443 | 2,148 |
| Realised loss/(gain) on disposal of financial assets at FVTPL | - | (1,112) |
| Foreign exchange movement | 10 | 17 |
| <i>Changes in working capital:</i> | | |
| (Increase)/decrease in other receivables and prepayments | 2,404 | (4,901) |
| Decrease in other payables and accruals | (7) | (39) |
| Net cash outflow from operating activities | <u>2,097</u> | <u>(5,306)</u> |
| Cash flows from financing activities | | |
| Ordinary Share buyback | (207) | - |
| Dividend | (1,998) | - |
| Net cash inflow/(outflow) from financing activities | <u>(2,205)</u> | <u>-</u> |
| Cash flows from investing activities | | |
| Acquisition of financial assets at fair value through profit or loss | 5 (250) | (216) |
| Disposal of financial assets at fair value through profit or loss | 5 - | 7,695 |
| Net cash inflow/(outflow) from investing activities | <u>(250)</u> | <u>7,479</u> |
| (Decrease)/Increase in cash and cash equivalents | <u>(358)</u> | <u>2,172</u> |
| Cash and cash equivalents brought forward | 3,885 | 30 |
| (Decrease)/Increase in cash and cash equivalents | (358) | 2,172 |
| Foreign exchange movement | (10) | (17) |
| Cash and cash equivalents carried forward | <u>3,517</u> | <u>2,185</u> |

The accompanying notes on pages 16 to 22 form an integral part of these unaudited condensed half-yearly financial statements.

SEED INNOVATIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2024

1. General Information

SEED Innovations Limited (the "Company") is an authorised closed-ended investment scheme. The Company is domiciled and incorporated as a limited liability company in Guernsey. The registered office of the Company is Suite 8, Upper House, 16-20 Smith Street, St. Peter Port, Guernsey GY1 2JQ.

The Company's objective is set out in its Investing Policy which can be found at <https://seedinnovations.co/about/investing-policy> and as detailed on pages 9 to 10 of these financial statements.

The Company's Ordinary Shares are quoted on AIM, a market operated by the London Stock Exchange and is authorised as a Closed-ended investment scheme by the Guernsey Financial Services Commission (the "GFSC") under Section 8 of the Protection of Investors (Bailiwick of Guernsey) Law, 2020 and the Authorised Closed-Ended Investment Schemes Guidance and Rules 2021.

2. Statement of Compliance

These condensed half-yearly financial statements, which have not been independently reviewed or audited by the Company auditors, have been prepared in accordance with International Accounting Standard 34: Interim Financial Reporting. They do not include all of the information required for full annual financial statements and should be read in conjunction with the audited financial statements for the year ended 31 March 2024.

The unaudited condensed half-yearly financial statements were approved by the Board of Directors on 02 December 2024.

3. Significant Accounting Policies

These unaudited condensed half-yearly financial statements have adopted the same accounting policies as the last audited financial statements, which were prepared in accordance with International Financial Reporting Standards ("IFRS"), issued by the International Accounting Standards Board, interpretations issued by the IFRS Interpretations Committee and applicable legal and regulatory requirements of Guernsey Law and reflect the accounting policies as disclosed in the Company's last audited financial statements, which have been adopted and applied consistently.

The Company has adopted all revisions and amendments to IFRS issued by the IASB, which may be relevant to and effective for the Company's financial statements for the annual period beginning 1 April 2024. No new standards or interpretations adopted during the period had an impact on the reported financial position or performance of the Company.

4. Critical Accounting Estimates and Judgements

The preparation of financial statements in conformity with IFRS requires the Board to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The Board makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results.

The Directors believe that the underlying assumptions are appropriate and that the financial statements are fairly presented. Estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the remaining financial year are outlined below:

SEED INNOVATIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE PERIOD ENDED 30 SEPTEMBER 2024

4. Critical Accounting Estimates and Judgements (continued)

Judgements

Going concern

After making reasonable enquiries, and assessing all data relating to the Company's liquidity, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future and do not consider there to be any threat to the going concern status of the Company. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

Assessment as an investment entity

In determining the Company meeting the definition of an investment entity in accordance with IFRS 10, it has considered the following:

- the Company has raised the commitments from a number of investors in order to raise capital to invest and to provide investor management services with respect to these private equity investments;
- the Company intends to generate capital and income returns from its investments which will, in turn, be distributed to the investors; and
- the Company evaluates its investment performance on a fair value basis, in accordance with the policies set out in these financial statements.

Although the Company met all three defining criteria, management has also assessed the business purpose of the Company, the investment strategies for the private equity investments, the nature of any earnings from the private equity investments and the fair value model. Management made this assessment in order to determine whether any additional areas of judgement exist with respect to the typical characteristics of an investment entity versus those of the Company. Management have therefore concluded that from the assessments made, the Company meets the criteria of an investment entity within IFRS 10.

Part of the assessment in relation to meeting the business purpose aspects of the IFRS 10 criteria also requires consideration of exit strategies. Given that the Company does not intend to hold investments indefinitely, management have determined that the Company's investment plans support its business purpose as an investment entity.

The Board has also concluded that the Company meets the additional characteristics of an investment entity, in that: it holds more than one investment; the investments will predominantly be in the form of equities, derivatives and similar securities; it has more than one investor and the majority of its investors are not related parties.

Estimates and assumptions

Fair value of securities not quoted in an active market.

The Company may value positions by using its own models or commissioning valuation reports from professional third-party valuers. The models used in either case are based on valuation methods and techniques generally recognised as standard within the industry and in accordance with International Private Equity and Venture Capital Valuation (IPEV) Guidelines. The inputs into these models are primarily revenue or earnings multiples and discounted cash flows. The inputs in the revenue or earnings multiple models include observable data, such as the earnings multiples of comparable companies to the relevant portfolio company, and unobservable data, such as forecast earnings for the portfolio company. In discounted cash flow models, unobservable inputs are the projected cash flows of the relevant portfolio company and the risk premium for liquidity and credit risk that are incorporated into the discount rate. In some instances, the cost of an investment is the best measure of fair value in the absence of further information. Models are calibrated by back-testing to actual results/exit prices achieved to ensure that outputs are reliable, where possible.

Models use observable data, to the extent practicable. However, areas such as credit risk (both own and counterparty), volatilities and correlations require management to make estimates. Changes in assumptions about these factors could affect the reported fair value of financial instruments. The sensitivity to unobservable inputs is based on management's expectation of reasonable possible shifts in these inputs, taking into consideration historical volatility and estimations of future market movements.

The determination of what constitutes 'observable' requires significant judgement by the Company. The Company considers observable data to be market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market.

SEED INNOVATIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE PERIOD ENDED 30 SEPTEMBER 2024

5. Investments designated at fair value through profit or loss

A reconciliation of the opening and closing balances of assets designated at fair value through profit or loss classified as Level 1 is shown below:

| | 30 September 2024 | 31 March 2024 |
|---|--------------------------|----------------------|
| | £'000 | £'000 |
| Fair value of investments brought forward | 548 | 811 |
| Purchases during the period/year | 250 | - |
| Disposals proceeds during the period/year | - | - |
| Realised gains/(losses) on disposals | - | - |
| Net unrealised change in fair value | <u>(211)</u> | <u>(263)</u> |
| Fair value of investments carried forward | <u>587</u> | <u>548</u> |

A reconciliation of the opening and closing balances of assets designated at fair value through profit or loss classified as Level 3 is shown below:

| | 30 September 2024 | 31 March 2024 |
|---|--------------------------|----------------------|
| | £'000 | £'000 |
| Fair value of investments brought forward | 6,773 | 15,208 |
| Purchases during the period/year | - | 216 |
| Disposals proceeds during the period/year | - | (7,694) |
| Realised gains/(losses) on disposals | - | 1,077 |
| Net unrealised change in fair value | <u>(232)</u> | <u>(2,034)</u> |
| Fair value of investments carried forward | <u>6,541</u> | <u>6,773</u> |

During the period there were no transfers between the levels.

The valuations used to determine fair values are validated and periodically reviewed by experienced personnel, in most cases this validation and review is undertaken by members of the Board, however professional third-party valuation firms are used for some valuations and the Company also has access to a network of industry experts by virtue of the personal networks of the directors and substantial shareholders. The valuations prepared by the Company or received from third parties are in accordance with the International Private Equity and Venture Capital Valuation Guidelines. The valuations, when relevant, are based on a mixture of:

- Market approach (utilising EBITDA or Revenue multiples, industry value benchmarks and available market prices approaches);
- Income approach (utilising Discounted Cash Flow, Replacement Cost and Net Asset approaches);
- Price of a recent transaction when transaction price/cost is considered indicative of fair value; and
- Proposed sale price.

SEED INNOVATIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE PERIOD ENDED 30 SEPTEMBER 2024

6. Segmental Information

In accordance with IFRS 8: Operating Segments, it is mandatory for the Company to present and disclose segmental information based on the internal reports that are regularly reviewed by the Board in order to assess each segment's performance and to allocate resources to them.

Operating segments are reported in a manner consistent with the internal reporting used by the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board as a whole. The board is responsible for the Company's entire portfolio and considers the business to have a single operating segment. Asset allocation decisions are based on a single, integrated investment strategy, and the Company's performance is evaluated on an overall basis.

7. (Loss)/Earnings per Ordinary Share

The loss per Ordinary Share of -0.39p (30 September 2023: -0.67p loss per ordinary share) is based on the loss for the period of £753,000 (30 September 2023: loss £1,420,000) and on a weighted average number of 194,676,570 Ordinary Shares in issue during the period (30 September 2023: 212,747,395 Ordinary Shares).

There are no dilutive effects on earnings per Ordinary Share.

8. Dividends

On 16 April 2024, the Company declared a special dividend of 1.0 pence (£0.01) per Ordinary Share.

The Directors do not propose an interim dividend for the period ended 30 September 2024 (30 September 2023: £Nil).

9. Tax effects of other comprehensive income

The Income Tax Authority of Guernsey has granted the Company exemption from Guernsey income tax under the Income Tax (Exempt Bodies) (Guernsey) (Amendment) Ordinance, 2012 and the income of the Company may be distributed or accumulated without deduction of Guernsey income tax. Exemption under the above mentioned Ordinance entails payment by the Company of an annual fee of £1,200 for the calendar year ended 31 December 2023 and £1,600 from 1 January 2024 for each year in which the exemption is claimed. It should be noted, however, that interest and dividend income accruing from the Company's investments may be subject to withholding tax in the country of origin.

There were no tax effects arising from the other comprehensive income disclosed in the Statement of Comprehensive Income (30 September 2023: £Nil).

10. Net Assets per Ordinary Share

The net asset value per Ordinary Share is based on the net assets attributable to equity shareholders of £10,646,000 (31 March 2024: £13,604,000) and on 192,949,895 Ordinary Shares (31 March 2024: 202,032,895 Ordinary Shares) in issue at the end of the period.

SEED INNOVATIONS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE PERIOD ENDED 30 SEPTEMBER 2024**

11. Share Capital, Warrants, Options, Treasury shares and Other distributable reserves

| | 30 September 2024 | 31 March 2024 |
|---|--------------------------|----------------------|
| | £'000 | £'000 |
| <i>Authorised:</i> | | |
| 1,910,000,000 Ordinary Shares of 1p (2023: 1,910,000,000 Ordinary Shares) | 19,100 | 19,100 |
| 100,000,000 Deferred Shares of 0.9p (2023: 100,000,000 Deferred Shares) | 900 | 900 |
| | <u>20,000</u> | <u>20,000</u> |
| <i>Allotted, called up and fully paid:</i> | | |
| 192,949,895 Ordinary Shares of 1p (31 March 2024: 202,032,895 Ordinary (i) | <u>1,929</u> | <u>2,020</u> |
| Nil Deferred Shares of 0.9p (2023: Nil) (ii) | <u>-</u> | <u>-</u> |
| <i>Treasury Shares:</i> | | |
| 22,269,946 Treasury Shares of 1p (31 March 2024: 13,186,946) (iii) | <u>223</u> | <u>132</u> |

(i) Ordinary Shares

During the period ended 30 September 2024 9,083,000 Ordinary shares were bought by the Company as part of a share buyback programme (31 March 2024: 10,714,500).

(ii) Deferred Shares

There was no issue of shares during the period ended 30 September 2024 (31 March 2024: Nil).

(iii) Directors' Authority to Allot Shares

The Directors are generally and unconditionally authorised to exercise all the powers of the Company to allot relevant securities. The Directors may determine up to a maximum aggregate nominal amount of 50% of the issued share capital during the period until the following Annual General Meeting. The Guernsey Companies Law does not limit the power of Directors to issue shares or impose any pre-emption rights on the issue of new shares.

(iv) Shares held in Treasury

As part of a share buyback programme, share repurchases in the period saw the number of Ordinary Shares held as Treasury shares increase to 22,269,946 (31 March 2024: 13,186,946).

SEED INNOVATIONS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE PERIOD ENDED 30 SEPTEMBER 2024**

12. Related Parties

Ian Burns

Mr Burns is the legal and beneficial owner of Smoke Rise Holdings Limited, which held 1,674,024 (0.87%) Ordinary Shares (2023: 1,674,024 (0.65%)) in the Company at 30 September 2024 and the date of signing this report.

Mr Burns is entitled to an annual remuneration of £36,000.

Ed McDermott

Mr McDermott held 6,130,000 (3.18%) Ordinary Shares (2023: 4,680,000 (2.32%)) in the Company at 30 September 2024 and at the date of signing this report.

Mr McDermott is entitled to an annual remuneration of £160,000 (2023: £160,000) and pension contributions amounting to 1.1% of salary.

Lance De Jersey

Mr De Jersey, Finance Director of the Company held 1,400,000 (0.73%) Ordinary Shares (2023: 400,000 (0.2%)) in the Company as at 30 September 2024 and at the date of signing of this report.

Mr De Jersey is entitled annual remuneration of £106,000 (2023: £106,000).

Luke Cairns

Mr Cairns is entitled to an annual remuneration of £36,000.

Alfredo Pascual

Mr Pascual is entitled to an annual remuneration of €106,000 (£88,500) per annum.

| | 30 September 2024 | 30 September 2023 |
|-----------------|-------------------------------------|-------------------------------------|
| | Directors' Remuneration £'000 | Directors' Remuneration £'000 |
| Ian Burns | 18 | 18 |
| Ed McDermott | 81 | 81 |
| Lance De Jersey | 53 | 53 |
| Luke Cairns | 18 | 18 |
| Alfredo Pascual | 45 | 9 |
| | <u>214</u> | <u>179</u> |

SEED INNOVATIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE PERIOD ENDED 30 SEPTEMBER 2024

13. Capital Management Policy and Procedures

The Company's capital structure is derived solely from the issue of Ordinary Shares.

The Company does not currently intend to fund any investments through debt or other borrowings but may do so if appropriate. Investments in early stage assets are expected to be mainly in the form of equity, with debt potentially being raised later to fund the development of such assets. Investments in later stage assets are more likely to include an element of debt to equity gearing. The Company may also offer new Ordinary Shares as consideration as well as cash, thereby helping to preserve the Company's cash for working capital and as a reserve against unforeseen contingencies including, for example, delays in collecting accounts receivable, unexpected changes in the economic environment and operational problems.

The Board monitors and reviews the structure of the Company's capital on an ad hoc basis. This review includes:

- The need to obtain funds for new investments, as and when they arise;
- The current and future levels of gearing;
- The need to buy back Ordinary Shares for cancellation or to be held in treasury, which takes account of the difference between the net asset value per Ordinary Share and the Ordinary Share price;
- The current and future dividend policy; and
- The current and future return of capital policy.

The Company is not subject to any externally imposed capital requirements.

14. Events after the Financial Reporting Date

Between 28 October and 11 November 2024 the Company exited its entire position in AIM listed Pantheon Resources plc ("Pantheon") at an average price of 22.91p per share for gross proceeds of £336,919.