



AUGMENTUM FINTECH PLC

**HALF YEAR REPORT
FOR THE SIX MONTHS ENDED
30 SEPTEMBER 2020**

ABOUT AUGMENTUM FINTECH PLC

Augmentum Fintech plc (the “Company”) invests in fast growing fintech businesses that are disrupting the financial services sector.

The Company is the UK’s only publicly listed investment company focusing on the fintech sector in the UK and wider Europe, having launched on the main market of the London Stock Exchange in 2018, giving businesses access to patient capital and support, unrestricted by conventional fund timelines and giving public markets investors access to a largely privately held investment sector during its main period of growth.

The Company is an investment trust listed on the London Stock Exchange. The Company has an independent Board of Directors.

Portfolio management is undertaken by Augmentum Fintech Management Limited (“AFML”). AFML is a wholly owned subsidiary of the Company, together referred to as the “Group”. As a subsidiary of the Company AFML, the Portfolio Manager, is focused on the Company and aligned with the interests of shareholders.

Governance

The Company is directed by the Board, which consists of three non-executive directors who have the requisite balance of skills required to manage an investment company. In accordance with AIFM Regulations, Frostrow Capital LLP (“Frostrow”) acts as the Alternative Investment Fund Manager.



From left to right: David Haysey, Chairman of the Management Engagement & Remuneration Committee and Valuations Committee, Tim Levene and Richard Matthews of Augmentum Fintech Management Limited, Karen Brade, Chairman of the Audit Committee and Neil England, Chairman of the Board and Nominations Committee.

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CHAIRMAN'S STATEMENT



Introduction

This report covers your Company's progress in the six months to 30 September 2020 and its financial position as at that date. The global pandemic continues to create difficult and uncertain times for many and I hope that all of our shareholders and their families are managing well through this period.

The trend towards the digital economy has accelerated as a result of the change in life and work routines over the period under review. The fintech sector has been a beneficiary of this acceleration and the Company is well positioned to take advantage of this.

Net asset value and share price performance

Our key financial objective is to deliver long term shareholder value by growing our NAV. I am pleased to report that in the period, despite many sectors in the UK and wider European economies being hit hard by the effects of the pandemic, our NAV per share increased from 116.1 pence per share to 119.3 pence per share, an increase of 2.8% (31 March 2020: 5.9%).

Our Portfolio Manager gives a full review of the portfolio and investments made during the period in their report beginning on page 7.

At the start of the period, the Company's share price was 63.0p, representing a significant discount to NAV, and we repurchased

75,000 shares during April 2020. Over the period, our share price has recovered strongly, to stand at 119.8p as at 30 September 2020. The share price premium over NAV per share as at 30 September 2020 was 0.4%. This premium has continued to grow as the fintech sector attracts investor interest and at the date of this report is 21.1%.

New share issue

I am pleased to report that demand for the Company's October fundraise, through an institutional placing and retail offer, exceeded the maximum issue size and accordingly applications were scaled back. Your Company raised £27.5 million net of costs and there are now a total of 140,423,291 ordinary shares in issue of which 195,000 shares are held in Treasury. We have a diverse and growing range of supportive shareholders. At the time of writing we have over £30 million of capital available for further investment which stands the Company on a firm footing as we move into 2021.

Portfolio Management

Our investment team continues to work very hard evaluating a wide range of investment opportunities, reviewing and challenging financial and commercial metrics in order to identify those most likely to be successful. We are not passive investors and have a team that works actively across our companies typically taking either a board or an observer seat and working with management to guide strategy consistent with long term value creation. We remain focused on building a balanced portfolio across different fintech sectors and maturity stages.

CHAIRMAN'S STATEMENT continued

Valuations

Together with our advisors, we have carefully reviewed the status of our portfolio companies in light of the ongoing pandemic. For several of these companies, the crisis has had a positive impact with record levels of trading. Where the impact has been negative, our stake is often protected by the structure of our investments. Further details are set out in the Portfolio Manager's Review.

Outlook

As we continue to adapt in this changing world, the opportunity for fintech businesses remains considerable and the Company is well positioned to capitalise on this. As the UK's only listed specialist fintech fund, the Company offers shareholders access to some of Europe's most exciting fintech businesses that are disrupting and enhancing the traditional financial services industry. The recent successful fundraise will help the Company take further advantage of these opportunities.

As I have stated on previous occasions, the Company's success will ultimately derive from backing the right businesses at the right time. We already have an interesting and diverse portfolio and have an experienced portfolio management team looking to add compelling new propositions to the Company. The fintech market offers a substantial opportunity for further growth and your board remains confident that the long term investor will be well rewarded.

Neil England
Chairman

1 December 2020

INVESTMENT OBJECTIVE AND POLICY

Investment objective

The Company's investment objective is to generate capital growth over the long term through investment in a focused portfolio of fast growing and/or high potential private financial services technology ("fintech") businesses based predominantly in the UK and wider Europe.

Investment policy

In order to achieve its investment objective, the Company invests in early (but not seed) or later stage investments in unquoted fintech businesses. The Company intends to realise value through exiting the investments over time.

The Company will seek exposure to early stage businesses which are high growth, with scalable opportunities, and have disruptive technologies in the banking, insurance and asset management sectors as well as those that provide services to underpin the financial sector and other cross-industry propositions.

Investments are expected to be mainly in the form of equity and equity-related instruments issued by portfolio companies, although investments may be made by way of convertible debt instruments. The Company intends to invest in unquoted companies and will ensure that the Company has suitable investor protection rights where appropriate. The Company may also invest in partnerships, limited liability partnerships and other legal forms of entity. The Company will not invest in publicly traded companies. However, portfolio companies may seek initial public offerings from time to time, in which case the Company may continue to hold such investments without restriction.

The Company may acquire investments directly or by way of holdings in special purpose vehicles or intermediate holding entities (such as the Partnership)*.

The Management Team has historically taken a board or board observer position on investee companies and, where in the best interests of the Company, will do so in relation to future investee companies.

The Company's portfolio is expected to be diversified across a number of geographical areas predominantly within the UK and wider Europe, and the Company will at all times invest and manage the portfolio in a manner consistent with spreading investment risk.

The Management Team will actively manage the portfolio to maximise returns, including helping to scale the team, refining and driving key performance indicators, stimulating growth, and positively influencing future financing and exits.

Investment restrictions

The Company will invest and manage its assets with the object of spreading risk through the following investment restrictions:

- the value of no single investment (including related investments in group entities or related parties) will represent more than 15 per cent. of Net Asset Value; and
- at least 80 per cent. of Net Asset Value will be invested in businesses which are headquartered in or have their main centre of business in the UK or wider Europe.

* Please refer to the Glossary on page 35.

INVESTMENT OBJECTIVE AND POLICY continued

In addition, the Company will itself not invest more than 15 per cent. of its gross assets in other investment companies or investment trusts which are listed on the Official List.

Each of the restrictions above will be calculated at the time of investment and disregard the effect of the receipt of rights, bonuses, benefits in the nature of capital or by reason of any other action affecting every holder of that investment. The Company will not be required to dispose of any investment or to rebalance the portfolio as a result of a change in the respective valuations of its assets.

Hedging and derivatives

Save for investments made using equity-related instruments as described above, the Company will not employ derivatives of any kind for investment purposes. Derivatives may be used for currency hedging purposes.

Borrowing policy

The Company may, from time to time, use borrowings to manage its working capital requirements but shall not borrow for investment purposes. Borrowings will not exceed 10 per cent. of the Company's Net Asset Value, calculated at the time of borrowing.

Cash management

The Company may hold cash on deposit and may invest in cash equivalent investments, which may include short-term investments in money market type funds and tradeable debt securities.

There is no restriction on the amount of cash or cash equivalent investments that the Company may hold or where it is held. The Board has agreed prudent cash management guidelines with the AIFM to ensure an

appropriate risk/return profile is maintained. Cash and cash equivalents are held with approved counterparties, and in line with prudent cash management guidelines, agreed with the Board, AIFM and Portfolio Manager.

It is expected that the Company will hold between 10 and 20 per cent. of its Gross Assets in cash or cash equivalent investments, for the purpose of making follow-on investments in accordance with the Company's investment policy and to manage the working capital requirements of the Company.

Changes to the investment policy

No material change will be made to the investment policy without the approval of Shareholders by ordinary resolution. Non-material changes to the investment policy may be approved by the Board. In the event of a breach of the investment policy set out above and the investment and gearing restrictions set out therein, the Management Team shall inform the AIFM and the Board upon becoming aware of the same and if the AIFM and/or the Board considers the breach to be material, notification will be made to a Regulatory Information Service.

PORTFOLIO

as at 30 September 2020

| | Fair value of holding at 31 March 2020 £'000 | Net investments/ (realisations) £'000 | Investment return £'000 | Fair value of holding at 30 September 2020 £'000 | % of portfolio |
|-----------------------------------|---|--|----------------------------|---|----------------|
| Interactive Investor [^] | 21,807 | - | 387 | 22,194 | 16.9% |
| Tide | 14,221 | - | - | 14,221 | 10.9% |
| BullionVault [^] | 11,191 | (446)* | 923 | 11,668 | 8.8% |
| Onfido | 10,867 | - | 1 | 10,868 | 8.3% |
| Farewill | 7,216 | 2,573 | 802 | 10,591 | 8.1% |
| Monese | 10,159 | 1,000 | (879) | 10,280 | 7.9% |
| Zopa [^] | 7,930 | 503 | 398 | 8,831 | 6.7% |
| Grover | 6,267 | 894 | 863 | 8,024 | 6.1% |
| Iwoca | 7,600 | 252 | 15 | 7,867 | 6.0% |
| Receipt Bank | 7,500 | - | - | 7,500 | 5.7% |
| Top 10 Investments | 104,758 | 4,776 | 2,510 | 112,044 | 85.4% |
| Other Investments** | 18,374 | 345 | 176 | 18,895 | 14.6% |
| Total Investments | 123,132 | 5,121 | 2,686 | 130,939 | 100.0% |

[^] Held via Augmentum I LP

* During the period WhiskyInvestDirect was spun out of BullionVault and is now held directly by Augmentum I LP. WhiskyInvestDirect's value of £446,000 is included within Other Investments as at 30 September 2020.

** There are eight other investments (31 March 2020: seven). See page 16 for further details.

PORTFOLIO MANAGER'S REVIEW



Overview

The period under review has seen the world in which we live change in many ways, in some ways beyond recognition, but in others the fundamental needs and requirements of consumers and businesses remain unchanged. It has become incumbent on suppliers and service providers to adapt the way they deliver their goods and services at an unprecedented rate if they want to keep their customers, and indeed if they want to grow.

As countries first locked down across the world in March of this year, most venture capital funds turned inward and focused on ensuring adequate liquidity amongst their own existing portfolio investments. This activity was further reinforced by state aid programmes quickly ushered in by governments around the world, encouraging further matched capital from private investors.

Fintech was already equipping the market with advantages that are now increasingly in demand as we transition to a “new normal” - enhancing access to capital, scaling distribution, digitising physical processes and reducing costs through automation of previously inefficient or labour-intensive processes. Times of dislocation, such as we have seen this year, provide an opportunity for challengers to accelerate traction and to capitalise on shifts in consumer behaviour.

Fundamental attributes of successful fintech companies are world class technology, data

driven processes, operational efficiency, and customer centricity, but the attributes that are particularly advantageous in these challenging and fast changing times are their responsiveness and agility.

Our Investments

Over the last six months, like most venture capital funds, we have been overwhelmingly focused on ensuring the stability of our own portfolio as companies responded to Covid-19, and over this period we have deployed investment totalling £5.1 million across seven of our existing portfolio companies.

In May, we invested a further €1 million (£0.9 million) in **Grover** alongside other existing investors. The funding round, alongside new debt facilities, has positioned Grover, with its consumer electronics subscription rental model, very well to benefit from the changing trends. In September Grover surpassed €50m in annual subscription value. More than 95% of subscriptions are now committed, representing a 2.2x annual increase in recurring revenue.

In July, we also added £2.6 million to our existing investment in **Farewill** as part of a £20 million Series B round led by European growth fund Highland Capital. The investment represented a 100% increase in the share price we paid for our initial Series A investment, although the majority of this uplift was captured in our March 31st results given the near completion of the round at the time. The business has performed strongly in 2020 with growth across all product lines, benefiting from Covid-related market conditions. Three products are live: Wills, Probate and Cremation with development efforts focused around further ‘planning for death’ and ‘dealing with death’ products.

PORTFOLIO MANAGER'S REVIEW continued

In July we invested £1 million in **Monese** alongside a further £1 million investment from co-investors PayPal and Kinnevik. In response to market conditions Monese acted to reduce its cost base and improved its unit economics. In July Monese became the first European neobank to offer French and other individual EU country IBANs to its customers, and also launched a partnership with Paysafe, creating one of the largest cash networks in the UK and Europe with 87,000 cash top-up locations. At the end of the reporting period Monese signed a strategic partnership with Mastercard to deliver better local banking experiences to underserved consumers across Europe, and becoming a principal Mastercard issuer. Although the neobank industry has lost some of its sizzle in certain parts of the investment community we believe that Monese is sufficiently differentiated from other neobanks to continue to thrive, although there is still much to do.

Following the receipt of a full banking license from the PRA in June, we added a further £0.5 million to our investment holding in **Zopa** via a secondary purchase of shares. Since June, Zopa has launched a fixed term savings product and a credit card to address gaps in the market. Alongside this, demand has begun to return for unsecured personal loans, the core of Zopa's current lending business, and where it is starting with a freshly capitalised clean balance sheet. With more than £5 billion lent in personal loans since inception, and £1 billion in 2019 alone, Zopa's P2P business has been profitable since 2016. Although it took longer than expected for Zopa to become a fully licenced bank, we anticipate the new banking platform will create a number of opportunities for Zopa in 2021.

In addition, we have topped up our investments in three of our portfolio companies with a further £0.7 million of capital - **iwoca**, **Habito** and **Duedil** - alongside existing and new investors to ensure they had sufficient runway to navigate what has been an uncertain period.

Habito, despite the backdrop of a volatile home buying market, has experienced record revenue in Q3 benefiting from homeowners and first-time buyers shifting to digital platforms at the expense of many traditional brokers and lenders. In August, the business announced the successful close of its £35 million series C, with the addition of new investors SBI Group and Mojo Capital.

iwoca, an SME lender in UK and Germany, has faced significant challenges throughout the Covid period. New origination of loans as well as the performance of the loan book was challenged in March and April. Despite the early shock, the business nimbly adapted to the new conditions, leveraging its technology advantages and evolving its product to ensure the company is well placed to return to growth in 2021. iwoca was accredited in May by the British Business Bank for the Coronavirus Business Interruption Loan Scheme ("CBILS") and is on track to issue £150 million of loans as one of the leading non-bank lenders under the scheme. iwoca is well capitalised and positioned to exploit the gap that banks are likely to leave, if they retrench from SME lending once the Government schemes wind down.

PORTFOLIO MANAGER'S REVIEW continued

Interactive investor (ii) has continued to build on its strong foundations, delivering 53% year-on-year growth in revenues through the first three quarters. A record number of new customers were acquired in the first three quarters of 2020, with net new business of £0.8 billion in Q3 alone. This included a significant increase in younger investors, with commensurate levels of new assets added to the platform. On 3 July 2020, ii completed the part cash part share acquisition of Share plc and is now working on migrating these customers onto the ii platform.

In September, **Tide** (alongside its partner, Clearbank) was awarded a £25 million Banking Competition Remedies ("BCR") Pool E grant, in addition to the £60 Million Pool A grant it was awarded in 2019. Tide/Clearbank is the only awardee to have received two major grants from the BCR, recognising Tide's impact on competition in the SME banking sector and its on-track performance with its Pool A grant. The business has experienced strong growth in customer numbers in the past three months benefiting from the accelerated digitisation trend during the pandemic. Tide passed 4% market share of business accounts in September, and now serves close to 250,000 SMEs.

BullionVault has continued to perform strongly during the year, consolidating its position in the 'digital gold' space for private investors. Amid the financial uncertainty and lower interest rates, growth in new users coupled with increased activity amongst existing customers set record demand for gold, silver and platinum on the company's platform, with price volatility further contributing to dealing commissions. Pre-tax profit as at the end of September 2020 saw over 100% growth YTD. In September WhiskyInvestDirect was spun out of BullionVault

to become a standalone company and we now hold our investment in it directly.

In April **Onfido** successfully completed a \$100 million financing round led by US investment fund TPG Growth, and recently announced Q2 revenue growth of 40% year-on-year driven in part by performance in its US business. The company now aims to build out its vision for an alternative "identity verification" layer of the internet with a new set of use cases such as virtual voting through to health passports and digital health wallets, now even more relevant due to the pandemic.

Performance

We are reporting an uplift of £3.7 million in our NAV as at 30 September 2020 in absolute terms, a 2.8% increase in NAV per share. Since IPO this represents an IRR of 14.1% on the capital that we have deployed.

Outlook

As we stated in our March results, the opportunity to capitalise on the shifts in consumer and business behaviour in regard to digital financial services is greater than ever. With the opportunity still in its nascency (incumbent players still control >90% of the global market for financial services) it's all very much still to play for.

Our focus remains on investing in exceptional companies where we have high conviction, and where we see significant potential returns. We anticipate that over the coming 12 months there will be increasing potential for M&A, consolidation, and in some parts of our sector some keenly priced investment opportunities.

Tim Levene

CEO

Augmentum Fintech Management Limited

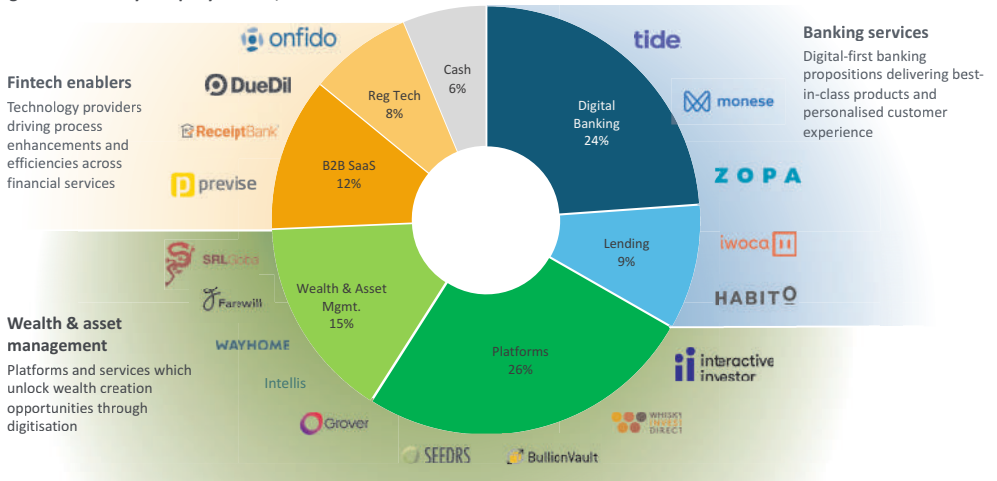
1 December 2020

KEY INVESTMENTS

Augmentum is building a diversified portfolio of high growth fintechs across the sector

The Augmentum portfolio is diversified across key fintech verticals

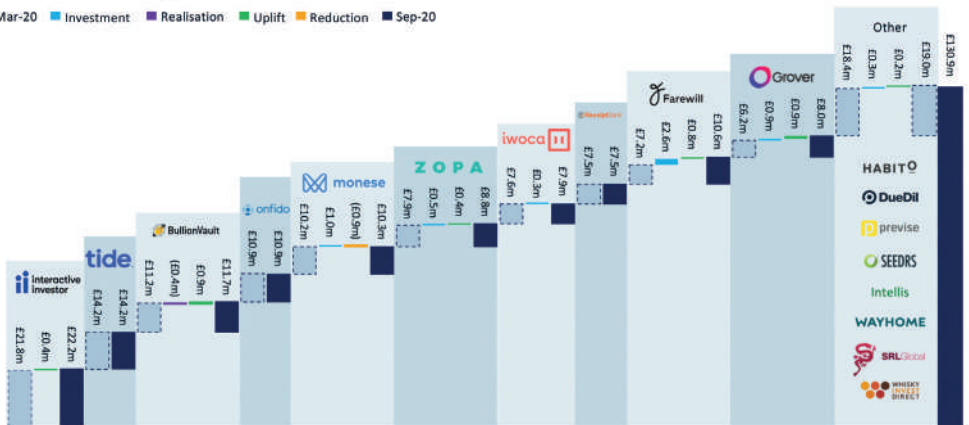
Augmentum NAV by company vertical, %



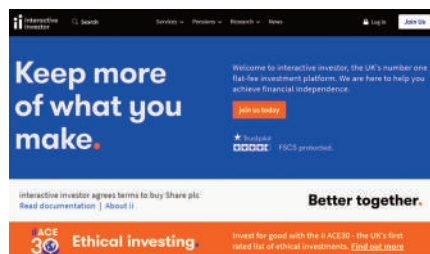
Portfolio valuation changes

Six months ended 30th September 2020

Mar-20 Investment Realisation Uplift Reduction Sep-20



KEY INVESTMENTS continued

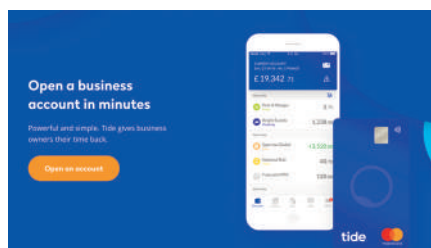


interactive investor is the No.1 UK direct-to-consumer fixed fee investment platform, with over £30 billion of assets under administration and over 300,000 customers across its general trading, ISA and SIPP account. It has a 14% share of UK retail equity trading. The company offers execution-only trading and investing services in shares, funds, ETFs and investment trusts, all for a market-leading monthly subscription fee.

interactive investor completed a £40 million acquisition of Alliance Trust Savings in 2019, bringing together the two largest UK fixed price platforms, and in July 2020 completed the £62 million acquisition of Share PLC.

| Source: ii | 31 March 2020 £'000 | 30 Sept 2020 £'000 |
|--------------------------------|---------------------------|--------------------------|
| Cost: | 3,175 | 3,175 |
| Value: | 21,807 | 22,194 |
| % ownership (fully diluted): | 3.7% | 3.7% |
| Turnover ¹ : | 72,956 | 90,170 |
| Pre tax profits ¹ : | 8,925 | 13,933 |
| Net assets ¹ : | 116,624 | 128,005 |

1 As per last filed audited accounts of the investee company for the year to 31 December 2019. Comparative is for year to 31 December 2018.



Tide's mission is to help SMEs save time and money in the running of their businesses. Customers are set up with an account number and sort code in as little as 5 minutes, and the company is building a comprehensive suite of digital banking services for businesses, including automated accounting, instant access to credit, card control and quick, mobile invoicing. Tide is the fifth largest business banking challenger in the UK (by volume of customers), and the largest digital challenger. Tide has 4% market penetration and is estimated to have a share of 12-15% of new-to-market business current accounts.

In September 2019 Augustum led Tide's £44.1m first round of Series B funding, alongside Japanese investment firm The SBI Group.

| Source: Tide | 31 March 2020 £'000 | 30 Sept 2020 £'000 |
|-------------------------------|---------------------------|--------------------------|
| Cost: | 9,261 | 9,261 |
| Value: | 14,221 | 14,221 |
| % ownership (fully diluted): | 5.9% | 5.9% |
| Turnover ¹ : | 5,485 | - |
| Pre tax losses ¹ : | (12,663) | - |
| Net assets ¹ : | 18,101 | - |

1 As per last audited accounts of the investee company for the 15 month period to 31 December 2018. Audited accounts for 31 December 2019 are not available yet.

KEY INVESTMENTS continued



BullionVault

BullionVault is a physical gold and silver market for private investors online. It enables people across 175 countries to buy and sell professional-grade bullion at the very best prices online, with \$2 billion of assets under administration and over \$100 million worth of gold and silver traded monthly.

Each user's property is stored at an unbeaten low cost in secure, specialist vaults in London, New York, Toronto, Singapore and Zurich. BullionVault's unique Daily Audit then proves the full allocation of client property every day.

The company generates solid monthly profits from trading, commission and interest. It is cash generative, dividend paying, and well-placed for any cracks in the wider financial markets.

On 15 September 2020 WhiskyInvestDirect spun out from BullionVault and the Company now holds both investments directly.

Source: BullionVault

| | 31 March 2020 £'000 | 30 Sept 2020 £'000 |
|--------------------------------|------------------------------------|-----------------------------------|
| Cost: | 8,424 | 8,424 |
| Value: | 11,191 | 11,668* |
| % ownership (fully diluted): | 11.1% | 11.1% |
| Dividends paid: | 360 | - |
| Turnover ¹ : | 9,341 | - |
| Pre tax profits ¹ : | 5,198 | - |
| Net assets ¹ : | 35,712 | - |

¹ As per last filed audited accounts of the investee company for the year to 31 October 2019. Audited accounts for 31 October 2020 are not available yet.

* During the period WhiskyInvestDirect was spun out of BullionVault and is now held directly by Augmentum I LP. WhiskyInvestDirect's value of £446,000 is included within Other Investments as at 30 September 2020.



onfido

Onfido is building the new identity standard for the internet. Its AI-based technology assesses whether a user's government-issued ID is genuine or fraudulent, and then compares it against their facial biometrics. Using computer vision and a number of other AI technologies, Onfido can verify against 4,500 different types of identity documents across 195 countries, using techniques like "facial liveness" to see patterns invisible to the human eye.

Onfido was founded in 2012 and has offices in London, San Francisco, New York, Lisbon, Paris, New Delhi and Singapore. The company has attracted over 1,500 customers in 60 countries worldwide, including industry leaders such as GoCardless, Nutmeg, Bitstamp and Revolut. These customers are choosing Onfido over others because of its ability to scale, speed in on-boarding new customers (15 seconds for flash verification), preventing fraud, and its advanced biometric technology.

In April 2020 Augmentum's £5.7 million convertible loan note converted into equity as Onfido raised an additional £64.7m in equity.

Source: Onfido

| | 31 March 2020 £'000 | 30 Sept 2020 £'000 |
|-------------------------------|------------------------------------|-----------------------------------|
| Cost: | 7,750 | 7,750 |
| Value: | 10,867 | 10,868 |
| % ownership (fully diluted): | 1.7%* | 2.7% |
| Turnover ¹ : | 18,591 | 27,561 |
| Pre tax losses ¹ : | (17,265) | (26,488) |
| Net assets ¹ : | 13,576 | (9,494) |

¹ As per last filed audited accounts of the investee company for the year to 31 December 2019. Comparative is for year to 31 December 2018.

* 31 March 2020: £5.7 million of the investment was in a convertible loan note.

KEY INVESTMENTS continued



In the next 10 years, £1 trillion of inheritance will pass between generations in the UK. Farewill is a digital, all-in-one financial and legal services platform for dealing with death and after-death services, including wills, probate and cremation. “The nation’s favourite will writer” according to Trustpilot reviews, Farewill aims to be the first major consumer brand in death services.

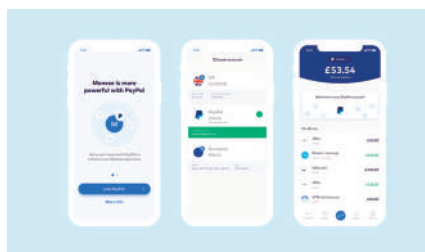
Farewill writes 1 in 25 UK wills and has raised £125m for charity in pledged income.

Augmentum led Farewill’s £7.5 million Series A fundraise, in January 2019, with a £4 million investment.

In April 2020 the company closed a £20 million Series B fundraise led by Highland Europe and in which Augmentum invested a further £2.6 million.

| Source: Farewill | 31 March 2020 £'000 | 30 Sept 2020 £'000 |
|------------------------------|---------------------------|--------------------------|
| Cost: | 4,000 | 6,573 |
| Value | 7,216 | 10,591 |
| % ownership (fully diluted): | 13.4% | 14.1% |
| Turnover: | N/A ¹ | N/A¹ |
| Pre tax profits: | N/A ¹ | N/A¹ |
| Net assets: | N/A ¹ | N/A¹ |

¹ No audited accounts filed.



With Monese you can open a UK or European current account in minutes from your mobile, with a photo ID and a video selfie. Their core customers are amongst the hundreds of millions of people who live some part of their life in another country - whether it's for travel, work, business, study, family, or retirement.

With its mobile-only dual UK and Euro IBAN current account, its portability across 30 countries, and both the app and its customer service available in 14 languages, Monese allows people and businesses to bank like a local across the UK and Europe. Launched in 2015 Monese already has more than 2 million registered users. 70% of incoming funds are from salary payments, indicating that customers are using Monese as their primary account. Monese has become one of the most popular and trusted banking services in the UK and Europe. Customers move over £5 billion annually through their Monese accounts.

Augmentum is invested alongside Kinnevik, PayPal and International Airlines Group.

| Source: Monese | 31 March 2020 £'000 | 30 Sept 2020 £'000 |
|-------------------------------|---------------------------|--------------------------|
| Cost: | 9,261 | 10,261 |
| Value: | 10,159 | 10,280 |
| % ownership (fully diluted)*: | 5.4% | 7.5% |
| Turnover ¹ : | 5,485 | - |
| Pre tax losses ¹ : | (12,663) | - |
| Net assets ¹ : | 18,101 | - |

¹ As per last audited accounts of the investee company for the year to 31 December 2018. Audited accounts for 31 December 2019 are not available yet.

* £0.8m (31 March 2020: £4.0m) of investment in a convertible loan note.

KEY INVESTMENTS continued



ZOPA

Zopa built the first peer-to-peer (P2P) lending company to give people access to simpler, better-value loans and investments. Silverstripe invested £140m in May 2020 following which Zopa were granted their full UK banking license in June.

Zopa's proprietary technology has contributed to their leading digital acquisition position. The company has lent over £5 billion in personal loans since inception and generated positive returns every year through the cycle. New products include a fixed term savings product protected by the Financial Services Compensation Scheme (FSCS), a credit card and a money management product.

In June 2020, we added a further £0.5 million to our investment holding in Zopa via a secondary purchase of shares.

| Source: Zopa | 31 March 2020 £'000 | 30 Sept 2020 £'000 |
|-------------------------------|---------------------------|--------------------------|
| Cost: | 18,500 | 19,003 |
| Value: | 7,930 | 8,831 |
| % ownership (fully diluted): | 6.1% | 3.3% |
| Turnover ¹ : | 38,550 | - |
| Pre tax losses ¹ : | (18,295) | - |
| Net assets ¹ : | 48,903 | - |

¹ As per last filed audited accounts of the investee company for the year to 31 December 2018. Audited accounts for 31 December 2019 are not available yet.



Grover

Grover brings the access economy to the consumer electronics market by offering a simple, monthly subscription model for technology products. Private and business customers have access to over 2,000 products including smartphones, laptops, virtual reality technology and wearables. The Grover service allows users to keep, switch, buy, or return products depending on their individual needs. With a total financing volume of €103m, the company has over 300,000 registered users.

In September 2019 Augustum led a €11 million funding round with a €6 million investment. This coincided with Grover signing a new €30 million debt facility with Varengold Bank, one of Germany's major fintech banking partners. In May 2020 Augustum invested an additional €1 million in a convertible note.

| Source: Grover | 31 March 2020 £'000 | 30 Sept 2020 £'000 |
|-------------------------------|---------------------------|--------------------------|
| Cost: | 5,347 | 6,241 |
| Value: | 6,267 | 8,024 |
| % ownership (fully diluted)*: | N/A | N/A |
| Turnover: | ^ | ^ |
| Pre tax profits: | ^ | ^ |
| Net assets: | ^ | ^ |

* Investment via a convertible loan note.

^ As an unquoted German company, Grover is not required to publicly file audited accounts.

KEY INVESTMENTS continued



Founded in 2011, iwoca uses award-winning technology to disrupt small business lending across Europe. They offer short-term loans of up to £200,000 to SMEs across the UK, Germany and Poland. iwoca leverage online integrations with high-street banks, payment processors and sector-specific providers to look at thousands of data points for each business. These feed into a risk engine that enables the company to make a fair assessment of any business - from a retailer to a restaurant, a factory to a farm - and approve a credit facility within hours. The company has issued over £1 billion in funding to over 50,000 SMEs in total and was awarded £10m from the Banking Competition Remedies' Capability and Innovation Fund (CIF) in 2019.

| Source: iwoca | 31 March 2020 £'000 | 30 Sept 2020 £'000 |
|-------------------------------|---------------------------|--------------------------|
| Cost: | 7,600 | 7,852 |
| Value: | 7,600 | 7,867 |
| % ownership (fully diluted)*: | 2.5% | 2.5% |
| Turnover ¹ : | 47,534 | 68,587 |
| Pre tax (losses)/profits: | 506 | (1,427) |
| Net assets: | 28,957 | (43,051) |

1 As per last filed audited accounts of the investee company for the year to 31 December 2019. Comparative is for year to 31 December 2018.

* £0.3m (31 March 2020: nil) of investment in a convertible loan note.



Receipt Bank was founded in 2010 out of frustration from the amount of time and money lost in forgotten expenses, lost receipts and weekends spent sorting through paperwork. The founders decided there must be a better way to track business expenses and share them with accountants.

With over 400,000 businesses using the platform, Receipt Bank has processed over 250 million receipts, bills and bank statements. It uses powerful machine learning technology to connect accountants, bookkeepers and businesses to unlock the value of accounting data. It employs 450 people in offices across 4 continents.

Augmentum's £7.5 million investment in January 2020 was part of Receipt Bank's £55m Series C round led by US based Inside Partners.

| Source: ReceiptBank | 31 March 2020 £'000 | 30 Sept 2020 £'000 |
|-------------------------|---------------------------|--------------------------|
| Cost: | 7,500 | 7,500 |
| Value: | 7,500 | 7,500 |
| % ownership: | 3.7% | 3.7% |
| Turnover ¹ : | 18,619 | - |
| Pre tax losses: | (17,619) | - |
| Net assets: | 3,601 | - |

1 As per last filed audited accounts for the year to 31 December 2018. Audited accounts for 31 December 2019 are not available yet.

KEY INVESTMENTS continued

DueDil

DueDil is a predictive company intelligence platform whose mission is to inform and connect the economy by telling the story behind every business. DueDil's purpose-built matching technology links together data from authoritative sources, helping its clients find, verify and monitor opportunities and risks. More than four hundred B2B financial services and technology companies rely on DueDil's web platform and API as an end-to-end solution for go to market execution, compliant on-boarding and lifecycle risk assessment.

DueDil has over 20 years' worth of financial data, 57 million pieces of company information and indexes 680 million news articles every day. Alongside Augmentum, major investors include Notion Capital and Oak Investment Partners.

previsio

Previsio allows suppliers to be paid instantly. Previsio's artificial intelligence ("AI") analyses the data from the invoices that sellers send to their large corporate customers. Predictive analytics identify the few problematic invoices, enabling the rest to be paid instantly. Previsio charges the suppliers a small fee for the convenience, and shares the profit with the corporate buyer and the funder. Previsio precisely quantifies dilution risk so that funders can underwrite pre-approval payables at scale.

Augmentum invested £250,000 in a convertible loan note in August 2019. This converted into equity as part of the company's \$11 million funding round in March 2020, alongside Reefknot Investments and Mastercard, as well as existing investors Bessemer Venture Partners and Hambro Perks.

SRL Global

SRL Global focuses on assisting owners and operators of private wealth with the problems of financial data management, portfolio valuation and reporting by combining cutting-edge technology with back-office and middle-office operations. SRL Global's Nexus Platform provides access to an entire wealth picture on demand by creating an encompassing relationship between every part of the investment process.

Serving as an enterprise business intelligence platform, the solution provides clients with a single investment repository and reporting platform that helps enforce consistency and accuracy by standardising the way information is accessed, analysed and shared. SRL Global is profitable, has served family offices in 14 countries worldwide and offers 24/7 online access.

HABITO

Habito is transforming the United Kingdom's £1.3 trillion mortgage market by taking the stress, arduous paperwork, hidden costs and confusing process out of financing a home.

Since launching in April 2016, Habito has helped over 200,000 people better understand their mortgage needs and completed £2.4 billion in mortgage submissions. Habito launched their own buy-to-let mortgages in July 2019 and 'Habito Go' cash advances in October 2019.

SEEDRS

Seedrs is the leading online platform for investing in the equity of startups and other growth companies in Europe, and has been named the most active investor in private companies in the UK.

Seedrs allows all types of investors to invest in businesses they believe in and share in their success, and allows all types of growth-focused businesses to raise capital and business community in the process. The Seedrs Secondary Market (launched in June 2017) enables investors to buy and sell shares from each other, and has delivered over 10,000+ exits to investors to date. £700 million has been invested into pitches to date (£280 million in 2019) from investors from over 70 countries, with 110 successful fundraises of over £1 million.

WAYHOME

Wayhome (previously Unmortgage) offers a unique part-own part-rent model of home ownership, requiring as little as 5% deposit with customers paying a market rent on the portion of the home that Wayhome owns, with the ability to increase the equity in the property as their financial circumstances allow.

Wayhome opens up owner-occupied residential property as an asset class for pension funds, who will earn inflation-linked rent on the portion the occupier doesn't own.

Intellis

Intellis is an automated forex trading platform governed by AI.

WHISKY INVEST DIRECT

WhiskyInvestDirect allows retail customers to invest in maturing whisky. It spun out of BullionVault in September 2020.

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 September 2020

| | Note | Six months ended 30 September 2020 | | | Six months ended 30 September 2019 | | |
|--|------|---------------------------------------|----------------------------|----------------|---------------------------------------|----------------------------|----------------|
| | | Revenue return £'000 | Capital return £'000 | Total £'000 | Revenue return £'000 | Capital return £'000 | Total £'000 |
| Gains on investments held at fair value | | - | 2,686 | 2,686 | - | 4,646 | 4,646 |
| Investment income | | 7 | - | 7 | 57 | - | 57 |
| AIFM Fees and Carried Interest | 2 | (153) | 2,367 | 2,214 | (130) | (182) | (312) |
| Other expenses | | (1,190) | (20) | (1,210) | (1,052) | (38) | (1,090) |
| (Loss)/return before taxation | | (1,336) | 5,033 | 3,697 | (1,125) | 4,426 | 3,301 |
| Taxation | | - | - | - | - | - | - |
| (Loss)/return attributable to equity shareholders of the parent company | | (1,336) | 5,033 | 3,697 | (1,125) | 4,426 | 3,301 |
| Earnings per share* | 3 | (1.1) | 4.3 | 3.2 | (1.1)p | 4.2p | 3.1p |

The total column of this statement represents the Group's Consolidated Statement of Comprehensive Income, prepared in accordance with IFRS as adopted by the European Union.

The revenue return and capital return columns are supplementary to this and are prepared under guidance published by the Association of Investment Companies.

The Group does not have any other comprehensive income and hence the total return, as disclosed above, is the same as the Group's total comprehensive income.

All items in the above statement derive from continuing operations.

All income is attributable to the equity holders of Augmentum Fintech plc, the parent company. There are no non-controlling interests.

*The earnings per share is the figure calculated in accordance with IAS 33 'Earnings per share'.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 September 2020

| | Six months ended 30 September 2020 | | | | | |
|--------------------------------------|---------------------------------------|--------------------------------------|-----------------------------|--------------------------------------|-----------------------------|----------------|
| | Ordinary share capital £'000 | Share premium account £'000 | Special reserve £'000 | Other capital reserve £'000 | Revenue reserve £'000 | Total £'000 |
| Opening shareholders funds | 1,171 | 24,760 | 92,033 | 22,328 | (4,499) | 135,793 |
| Purchase of own shares into Treasury | - | - | (51) | - | - | (51) |
| Return/(loss) for the period | - | - | - | 5,033 | (1,336) | 3,697 |
| At 30 September 2020 | 1,171 | 24,760 | 91,982 | 27,361 | (5,835) | 139,439 |

| | Six months ended 30 September 2019 | | | | | |
|--|---------------------------------------|--------------------------------------|-----------------------------|--------------------------------------|-----------------------------|----------------|
| | Ordinary share capital £'000 | Share premium account £'000 | Special reserve £'000 | Other capital reserve £'000 | Revenue reserve £'000 | Total £'000 |
| Opening shareholders funds | 940 | - | 92,101 | 12,055 | (2,026) | 103,070 |
| Issue of shares following placing and offer for subscription | 231 | 25,587 | - | - | - | 25,818 |
| Costs of placing and offer for subscription | - | (827) | - | - | - | (827) |
| Return/(loss) for the period | - | - | - | 4,426 | (1,125) | 3,301 |
| At 30 September 2019 | 1,171 | 24,760 | 92,101 | 16,481 | (3,151) | 131,362 |

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

as at 30 September 2020

| | Note | 30 September 2020 £'000 | 31 March 2020 £'000 |
|--|------|-------------------------------|---------------------------|
| Non current assets | | | |
| Investments held at fair value | 7 | 130,939 | 123,132 |
| Fixed assets | | 8 | 17 |
| Current assets | | | |
| Right of use asset | | 211 | 333 |
| Other receivables | | 33 | 112 |
| Cash and cash equivalents | | 8,746 | 15,111 |
| Total assets | | 139,937 | 138,705 |
| Current liabilities | | | |
| Other payables | | (284) | (212) |
| Lease liability | | (214) | (333) |
| Provisions | | - | (2,367) |
| Total assets less current liabilities | | 139,439 | 135,793 |
| Net assets | | 139,439 | 135,793 |
| Capital and reserves | | | |
| Share capital | 4 | 1,171 | 1,171 |
| Share premium account | 4 | 24,760 | 24,760 |
| Special reserve | | 91,982 | 92,033 |
| Retained earnings: | | | |
| Capital reserves | | 27,361 | 22,328 |
| Revenue reserve | | (5,835) | (4,499) |
| Total equity | | 139,439 | 135,793 |
| Net asset value per share | 5 | 119.3p | 116.1p |

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 September 2020

| | Six months ended 30 September 2020 £'000 | Six months ended 30 September 2019 £'000 |
|---|--|--|
| Cash flows from operating activities | | |
| Purchases of investments | (5,121) | (13,850) |
| Interest received | 67 | 1 |
| Operating expenses paid | (1,260) | (1,249) |
| Net cash outflow from operating activities | (6,314) | (15,098) |
| Cash flow from financing activities | | |
| Issue of shares following placing and offer for subscription | - | 25,818 |
| Costs of placing and offer for subscription | - | (827) |
| Purchase of own shares into Treasury | (51) | - |
| Net cash (outflow)/inflow from financing | (51) | 24,991 |
| (Decrease)/increase in cash and cash equivalents | (6,365) | 9,893 |
| Cash and cash equivalents at the beginning of the period | 15,111 | 25,592 |
| Cash and cash equivalents at the end of the period | 8,746 | 35,485 |

NOTES TO THE FINANCIAL STATEMENTS

For the six months ended 30 September 2020

1.a General information

Augmentum Fintech plc is a company limited by shares, incorporated and domiciled in the UK. Its registered office and principal place of business is at 25 Southampton Buildings, London WC2A 1AL, UK. Its shares are listed on the London Stock Exchange.

These condensed interim financial statements were approved for issue on 1 December 2020. These condensed interim financial statements do not comprise statutory accounts within the meaning of section 434 of the Companies Act 2006. Statutory accounts for the year ended 31 March 2020 were approved by the board of directors on 15 July 2020 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 financial statements have been reviewed, not audited.

1.b Basis of preparation

This condensed consolidated interim financial report for the half-year reporting period ended 30 September 2020 has been prepared in accordance with the Disclosure Guidance and Transparency Rules of the Financial Conduct Authority and Accounting Standard IAS 34, 'Interim Financial Reporting', as adopted by the European Union.

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period.

1.c New and amended standards adopted by the group

No new or amended standards became applicable for the current reporting period that have an impact on the Group or Company.

1.d Going Concern

The Directors believe that it is appropriate to adopt the going concern basis in preparing these condensed consolidated financial statements, as the Board considers the Group has sufficient liquid financial resources after the successful fundraise to continue in business for the foreseeable future.

1.e Segmental Analysis

The Group operates a single business segment for reporting purposes and is managed as a single investment company. Reporting is provided to the Board of Directors on an aggregated basis. The investments are all located in the UK and continental Europe.

1.f Related Party Transactions

There have been no changes to the nature of the related party arrangements or transactions during the period to those reported in the Annual Report for the year ended 31 March 2020.

1.g Events after the reporting period

Subsequent to the period end the Company raised net proceeds of £27,506,525 in exchange for the issue of 23,371,380 ordinary shares.

2 AIFM Fees and Carried Interest

| | Six months ended 30 September 2020 £'000 | | | Six months ended 30 September 2019 £'000 | | |
|-------------------------------|---|------------------|----------------|---|------------------|------------|
| | Revenue £'000 | Capital £'000 | | Revenue £'000 | Capital £'000 | |
| AIFM fees | 153 | - | 153 | 130 | - | 130 |
| Carried Interest [^] | - | (2,367) | (2,367) | - | 182 | 182 |
| | 153 | (2,367) | (2,214) | 130 | 182 | 312 |

[^] Carried interest is only payable once the Group has received an aggregate annualised 10% realised return on investments (the 'hurdle'). Based on the investment valuations as at 30 September 2020 the hurdle has not been met, on an unrealised basis, as such the carried interest accrued as at 31 March 2020 has been reversed in the Income Statement. Carried interest is only payable if the hurdle is met on a realised basis and a carried interest fee is paid by the Company to AFML, its subsidiary. See page 22 and Note 20.9 of the Company's Annual Report for further details.

The carried interest arrangements have been set up as a long term employee benefit plan with the aim of incentivising employees of AFML and aligning them with shareholders through participation in the realised investment profits of the Group. The Management Engagement & Remuneration Committee determine the allocation of the carried interest amongst employees of AFML and any unallocated carried interest on receipt of a carried interest fee from the company, or unvested carried interest resulting from a participant becoming a leaver, is expected to be allocated to remaining participants. Non-executive Directors of the Company are not eligible to participate in the carried interest arrangements.

3 Earnings per share

The earnings per share figures are based on the following figures:

| | Six months ended 30 September 2020 £'000 | Six months ended 30 September 2019 £'000 |
|---|---|---|
| Net revenue return | (1,336) | (1,125) |
| Net capital return | 5,033 | 4,426 |
| Net total return | 3,697 | 3,301 |
| Weighted average number of ordinary shares in issue | 116,860,757 | 105,085,072 |
| | Pence | Pence |
| Revenue earnings per share | (1.1) | (1.1) |
| Capital earnings per share | 4.3 | 4.2 |
| Total earnings per share | 3.2 | 3.1 |

4 Share capital

On 4 July 2019 23,051,911 ordinary shares were issued. The nominal value of the shares issued was £230,519 and the total gross cash consideration received was £25,818,140. This consideration has been offered against costs of issue, which totalled £826,523.

During the period 75,000 shares were bought back for £51,000. As at 30 September 2020 there were 117,051,911 shares in issue of which 195,000 shares were held in treasury.

5 Net asset value per share

The net asset value per share is based on the net assets attributable to the equity shareholders of £139,439,000 and 116,856,911 shares being the number of shares in issue (excluding shares held in treasury) at the period end.

6 Subsidiary undertakings

The Company has an investment in the issued ordinary share capital of its wholly owned subsidiary undertaking, Augmentum Fintech Management Limited, which is registered in England and Wales, operates in the United Kingdom and is regulated by the Financial Conduct Authority as of 1 November 2018.

7 Principal Risks and Uncertainties

The principal risks which the Company faces from its financial instruments are:

- Market Price Risk
- Liquidity Risk; and
- Credit Risk

Market Price Risk

Market price risk arises mainly from uncertainty about future prices of financial instruments in the Group's portfolio. It represents the potential loss the Group might suffer through holding market positions in the face of price movements, mitigated by stock diversification.

The Group is exposed to the risk of the change in value of its unlisted equity and non-equity investments. For unlisted equity and non-equity investments the market risk is principally deemed to be the assumptions used in the valuation methodology as set out in the accounting policy.

Liquidity Risk

The Group's assets comprise unlisted equity and non-equity investments. Whilst unlisted equity is illiquid, short-term flexibility is achieved through cash and cash equivalents.

Credit Risk

The Group's exposure to credit risk principally arises from cash and cash equivalents. Only highly rated banks (with credit ratings above A3, based on Moodys ratings or the equivalent from another ratings agency) are used for cash deposits and the level of cash is reviewed on a regular basis.

Further details of the Company's management of these risks can be found in note 13 of the Company's 2020 Annual Report.

There have been no changes to the management of or the exposure to credit risk since the date of the Annual Report.

Fair Value Hierarchy

Fair value is the amount for which an asset could be exchanged, or a liability settled between knowledgeable willing parties in an arm's length transaction.

The Group complies with IFRS 13 in respect of disclosures about the degree of reliability of fair value measurements. This requires the Group to classify, for disclosure purposes, fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements.

7 Principal Risks and Uncertainties (continued)

The levels of fair value measurement bases are defined as follows:

Level 1: fair values measured using quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: fair values measured using valuation techniques for all inputs significant to the measurement other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: fair values measured using valuation techniques for which any significant input to the valuation is not based on observable market data (unobservable inputs).

The determination of what constitutes 'observable' requires significant judgement by the Directors.

The Group 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.

All investments were classified as Level 3 investments as at, and throughout the period to, 30 September 2020. Details of movements in, and changes in value of the, Level 3 investments are included on the next page.

All investments were valued in accordance with accounting policy set out in note 20.4 of the Company's Annual Report for the year ended 31 March 2020.

When using the price of a recent transaction in the valuations the Company looks to 're-calibrate' this price at each valuation point by reviewing progress within the investment, comparing against the initial investment thesis, assessing if there are any significant events or milestones that would indicate the value of the investment has changed and considering whether a market-based methodology (ie. using multiples from comparable public companies) or a discounted cashflow forecast would be more appropriate.

The main inputs into the calibration exercise, and for the valuation models using multiples, are revenue, EBITDA and P/E multiples (based on the most recent revenue, EBITDA or earnings achieved and equivalent corresponding revenue, EBITDA or earnings multiples of comparable public companies), quality of earnings assessments and comparability difference adjustments. Revenue multiples are often used, rather than EBITDA or earnings, due to the nature of the Group's investments, being in fast-growing, small financial services companies which are not normally expected to achieve profitability or scale for a number of years. Where an investment has achieved scale and profitability the Group would normally then expect to switch to using an EBITDA or earnings multiple methodology.

In the calibration exercise and in determining the valuation for the Group's equity instruments, comparable trading multiples are used. In accordance with the Group's policy, appropriate comparable public companies based on industry, size, developmental stage, revenue generation and strategy are determined and a trading multiple for each comparable company identified is then calculated. The multiple is calculated by dividing the enterprise value of the comparable group by its revenue, EBITDA or earnings. The trading multiple is then adjusted for considerations such as illiquidity, marketability and other differences, advantages and disadvantages between the

7 Principal Risks and Uncertainties (continued)

Group's portfolio company and the comparable public companies based on company specific facts and circumstances.

The main input into the PWERM ('Probability Weighed Expected Return Methodology') was the probability of conversion. This method was used for the convertible loan notes held by the Company.

Total gains and losses on assets measured at Level 3 are recognised as part of Gains on Investments in the Consolidated Income Statement, and no other comprehensive income has been recognised on these assets. The total unrealised return for the period was £5,033,000 (period ended 30 September 2019: £4,646,000).

The table below presents those investments in portfolio companies whose fair values are recognised in whole or in part using valuation techniques based on assumptions that are not supported by prices or other inputs from observable current market transactions in the same instrument and the effect of changing one or more of those assumptions behind the valuation techniques adopted based on reasonable possible alternative assumptions.

| Valuation Technique | Fair Value | Fair Value | Unobservable Inputs | Reasonably possible shift in input +/- | Change in valuation £'000 |
|----------------------|-------------------------------|---------------------------|---------------------------|--|------------------------------|
| | 30 September 2020 £'000 | 31 March 2020 £'000 | | | |
| Multiple methodology | 23,106 | 34,554 | Multiple | 10% | 1,971/(1,480) |
| | | | Illiquidity adjustment | 30% | (2,606)/2,755 |
| CPORT* | 94,405 | 69,437 | Transaction price | 10% | 7,869/(7,869) |
| PWERM** | 13,428 | 19,141 | Probability of conversion | 25% | 1,044/(1,012) |

* Price of recent transaction.

** Probability weighted expected return methodology.

The following table presents the movement of investments measured at fair value, based on fair value measurement levels.

| | Level 3 | |
|---|---|--------------------------------------|
| | 6 months to 30 Sept 2020 £'000 | Year to 31 March 2020 £'000 |
| Opening balance | 123,132 | 77,600 |
| Purchases | 5,121 | 32,849 |
| Gains on investments held at fair value | 2,686 | 12,683 |
| Closing balance as at 30 September | 130,939 | 123,132 |

INDEPENDENT REVIEW REPORT TO AUGMENTUM FINTECH PLC

Introduction

We have been engaged by the Company to review the condensed set of financial statements in the half-yearly financial report for the six months ended 30 September 2020 which comprises the Condensed Consolidated Statement of Comprehensive Income, Consolidated Statement of changes in Equity, Condensed Consolidated Statement of Financial Position, Condensed Consolidated Statement of Cash Flows and the related notes.

We have read the other information contained in the half-yearly financial report and considered whether it contains any apparent misstatements or material inconsistencies with the information in the condensed set of financial statements.

Directors' responsibilities

The half-yearly financial report is the responsibility of and has been approved by the directors. The directors are responsible for preparing the half-yearly financial report in accordance with the Disclosure Guidance and Transparency Rules of the United Kingdom's Financial Conduct Authority.

As disclosed in note 1, the annual financial statements of the group are prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union. The condensed set of financial statements included in this half-yearly financial report has been prepared in accordance with International Accounting Standard 34, "Interim Financial Reporting", as adopted by the European Union.

Our responsibility

Our responsibility is to express to the Company a conclusion on the condensed set of financial statements in the half-yearly financial report based on our review.

Scope of review

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 Financial Reporting Council 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.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the condensed set of financial statements in the half-yearly financial report for the six months ended 30 September 2020 is not prepared, in all material respects, in accordance with International Accounting Standard 34, as adopted by the European Union, and the Disclosure Guidance and Transparency Rules of the United Kingdom's Financial Conduct Authority.

INDEPENDENT REVIEW REPORT TO AUGMENTUM FINTECH PLC continued

Use of our report

Our report has been prepared in accordance with the terms of our engagement to assist the Company in meeting its responsibilities in respect of half-yearly financial reporting in accordance with the Disclosure Guidance and Transparency Rules of the United Kingdom's Financial Conduct Authority and for no other purpose. No person is entitled to rely on this report unless such a person is a person entitled to rely upon this report by virtue of and for the purpose of our terms of engagement or has been expressly authorised to do so by our prior written consent. Save as above, we do not accept responsibility for this report to any other person or for any other purpose and we hereby expressly disclaim any and all such liability.

BDO LLP
Chartered Accountants
London, UK
1 December 2020

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

INTERIM MANAGEMENT REPORT

Principal Risks and Uncertainties

Equity markets continued to be volatile during the period due to the continued uncertainties linked to the Covid-19 pandemic. The Directors have considered the impact on the Group's financial position and, based on the information available to them at the date of this report, have concluded that no adjustments are required to the accounts as at 30 September 2020.

A review of the half year and the outlook for the Company can be found in the Chairman's Statement and in the Portfolio Manager's Review. The principal risks and uncertainties faced by the Company fall into the following broad categories: macroeconomic risk, Strategy implementation risk; investment risk; portfolio diversification risk, cash risk, credit risk, valuations risk, operational risk and key person risk. Information on these risks is given in the Annual Report for the year ended 31 March 2020.

The Board believes that the Company's principal risks and uncertainties have not changed materially since the date of that report and are not expected to change materially for the remaining six months of the Company's financial year.

Related Party Transactions

During the first six months of the current financial year, no transactions with related parties have taken place which have materially affected the financial position or the performance of the Group.

Going Concern

The Directors believe, having considered the Company's investment objective, risk management policies, capital management policies and procedures, and the nature of the portfolio and the expenditure projections, that the Group has adequate resources, an appropriate financial structure and suitable management arrangements in place to continue in operational existence for the foreseeable future, and, more specifically, that there are no material uncertainties relating to the Group that would prevent its ability to continue in such operational existence for the foreseeable future. For these reasons, they consider there is reasonable evidence to continue to adopt the going concern basis in preparing the financial statements. In reviewing the position as at the date of this report, the Board has considered the guidance on this matter issued by the Financial Reporting Council.

Directors' Responsibilities

The Board of Directors confirms that, to the best of its knowledge:

- (i) that the condensed set of financial statements have been prepared in accordance with Accounting Standards Board's 2007 Statement Half-Yearly Reports; and
- (ii) the condensed set of financial statements, which has been prepared in accordance with the applicable set of accounting standards, gives a true and fair view of the assets, liabilities, financial position and profit or loss of the issuer/the undertakings included in the consolidation; and

INTERIM MANAGEMENT REPORT continued

(iii) the interim management report includes a fair review of the information required by 4.2.7R and 4.2.8R of the UK Listing Authority Disclosure Guidance and Transparency Rules. In order to provide these confirmations, and in preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable IFRS have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business;

and the Directors confirm that they have done so.

On behalf of the Board of Directors

Neil England

Chairman

1 December 2020

DIRECTORS AND OTHER INFORMATION

Directors

Neil England (*Chairman of the Board and Nominations Committee*)
 Karen Brade (*Chairman of the Audit Committee*)
 David Haysey (*Chairman of the Management & Remuneration Committee and Valuations Committee*)

Registered Office

Augmentum Fintech plc
 25 Southampton Buildings
 London WC2A 1AL
 United Kingdom

Incorporated in England and Wales with company no. 11118262 and registered as an investment company under Section 833 of the Companies Act 2006

AIFM, Company Secretary and Administrator

Frostrow Capital LLP
 25 Southampton Buildings
 London WC2A 1AL
 United Kingdom
 Tel: 0203 008 4910
 Email: info@frostrow.com

Portfolio Manager

Augmentum Fintech Management Limited
 5-23 Old Street
 London EC1V 9HL
 United Kingdom

Joint Corporate Brokers

Peel Hunt LLP
 Moor House
 120 London Wall
 London EC2Y 5ET
 United Kingdom

Nplus1 Singer Advisory LLP
 1 Bartholomew Lane
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 EC2N 2AX
 United Kingdom

Depository

IQ EQ Depository Company (UK) Limited
 2 London Bridge
 London SE1 9RA
 United Kingdom

Legal Adviser to the Company

Stephenson Harwood LLP
 1 Finsbury Circus
 London EC2M 7SH
 United Kingdom

Independent Auditors

BDO LLP
 55 Baker Street
 London W1U 7EU
 United Kingdom

Registrar

Link Asset Services
 The Registry
 34 Beckenham Road
 Beckenham
 Kent BR3 4TU
 United Kingdom

Telephone (in UK): 0371 664 0300†
 E-Mail: enquiries@link.co.uk
 Website: www.linkassetsservices.com

Please contact the Registrars if you have a query about a certificated holding in the Company's shares.

† Calls outside the UK will be charged at the applicable International rate and may be recorded for training purposes. Lines are open from 9.00 a.m. to 5.30 p.m. Monday to Friday excluding public holidays in England and Wales.

Identification codes

SEDOL: BG12XV8
 ISIN: GB00BG12XV81
 BLOOMBERG: AUGM LN
 EPIC: AUGM

Legal Entity Identifier:

2138000TQ44T55518S71

Foreign Account Tax Compliance Act ("FATCA")

IRS Registration Number (GIIN): 755CK1.99999.SL.826

Disability Act

Copies of this annual report and other documents issued by the Company are available from the Company Secretary. If needed, copies can be made available in a variety of formats, including braille, audio tape or larger type as appropriate. You can contact the Registrar to the Company, Link Asset Services, which has installed telephones to allow speech and hearing impaired people who have their own telephone to contact them directly, without the need for an intermediate operator, for this service please call 0800 731 1888. Specially trained operators are available during normal business hours to answer queries via this service. Alternatively, if you prefer to go through a 'typetalk' operator (provided by The Royal National Institute for Deaf People) you should dial 18001 from your textphone followed by the number you wish to dial.



A member of the Association of Investment Companies



INFORMATION FOR SHAREHOLDERS

How to Invest

Retail Investors Advised by IFAs

The Company currently conducts its affairs so that its shares can be recommended by Independent Financial Advisers (IFAs) in the UK to ordinary retail investors in accordance with the Financial Conduct Authority (FCA) rules in relationship to non-mainstream investment procedures and intends to continue to do so. The shares are excluded from the FCA's restrictions which apply to non-mainstream investment products because they are shares in an investment trust.

Investment Platforms

The Company's shares are traded openly on the London Stock Exchange and can be purchased through a stock broker or other financial intermediary. The shares are available through savings plans (including Investment Dealing Accounts, ISAs, Junior ISAs and SIPPs) which facilitate both regular monthly investments and lump sum investments in the Company's shares. There are a number of investment platforms that offer these facilities. A list of some of them, that is not comprehensive nor constitutes any form of recommendation, can be found below:

| | |
|------------------------|---|
| AJ Bell Youinvest | http://www.youinvest.co.uk/ |
| Charles Stanley Direct | https://www.charles-stanley-direct.co.uk/ |
| EQi | https://www.eqi.co.uk |
| Hargreaves Lansdown | http://www.hl.co.uk/ |
| iDealing | http://www.idealing.com/ |
| interactive investor | http://www.ii.co.uk/ |
| Pello Capital | https://www.pellocapital.com |
| Redmayne Bentley | https://www.redmaynebentley.co.uk |
| Saga Share Direct | www.sagasharedirect.co.uk/ |
| Share Deal Active | https://www.sharedealactive.co.uk |
| Shareview | https://www.shareview.co.uk |

| | |
|------------------|---|
| The Share Centre | https://www.share.com/ |
| X-O | https://x-o.co.uk |

Financial Calendar

| Date | Event |
|-------------------|-----------------------------|
| 31 March | Financial Year End |
| June/July | Financial Results Announced |
| September | Annual General Meeting |
| 30 September | Half Year End |
| November/December | Half Year Results Announced |

Website

For further information on share prices, regulatory news and other information, please visit www.augmentum.vc.

Shareholder Enquiries

In the event of queries regarding your shareholding, please contact the Company's registrar, Link Asset Services, who will be able to assist you with:

- Registered holdings
- Balance queries
- Lost certificates
- Change of address notifications

Link's full details are provided on page 30 or please visit www.linkassetsservices.com.

Link Asset Services - Share Dealing Service

A share dealing service is available to existing shareholders through the Company's Registrar, Link Asset Services, to either buy or sell shares. An online and telephone dealing facility via service.

To deal online or by telephone all you need is your surname, investor code, full postcode and your date of birth. Your investor code can be found on your share certificate. Please have

INFORMATION FOR SHAREHOLDERS continued

the appropriate documents to hand when you log on or call, as this information will be needed before you can buy or sell shares.

For further information on this service, please contact: www.linksharedeal.com (online dealing) Telephone: 0371 664 0445 (Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom are charged at the applicable international rate. Lines are open between 8.00 a.m. - 4.30 p.m., Monday to Friday excluding public holidays in England and Wales).

Risk Warnings

- Past performance is no guarantee of future performance.
- The value of your investment and any income from it may go down as well as up and you may not get back the amount invested. This is because the share price is determined, in part, by the changing conditions in the relevant stock markets in which the Company invests and by the supply and demand for the Company's shares.
- As the shares in an investment trust are traded on a stock market, the share price will fluctuate in accordance with supply and demand and may not reflect the underlying net asset value of the shares; where the share price is less than the underlying value of the assets, the difference is known as the 'discount'. For these reasons, investors may not get back the original amount invested.
- Although the Company's financial statements are denominated in sterling, some of the holdings in the portfolio are currently denominated in currencies other than sterling and therefore they may be affected by movements in exchange rates. As a result, the value of your investment may rise or fall with movements in exchange rates.
- Investors should note that tax rates and reliefs may change at any time in the future.
- The value of ISA and Junior ISA tax advantages will depend on personal circumstances. The favourable tax treatment of ISAs and Junior ISAs may not be maintained.

WARNING TO SHAREHOLDERS

Many companies have become aware that their shareholders have received unsolicited phone calls or correspondence concerning investment matters. These are typically from overseas based 'brokers' who target UK shareholders offering to sell them what often turn out to be worthless or high-risk shares in US or UK investments. They can be very persistent and extremely persuasive. Shareholders are therefore advised to be very wary of any unsolicited advice, offers to buy shares at a discount or offers of free company reports.

Please note that it is very unlikely that either the Company or the Company's Registrar, Link Asset Services, would make unsolicited telephone calls to shareholders and that any such calls would relate only to official documentation already circulated to shareholders and never in respect of investment 'advice'.

Shareholders who suspect they may have been approached by fraudsters should advise the Financial Conduct Authority ('FCA') using the share fraud report form at **www.fca.org.uk/scams or call the FCA Customer Helpline on 0800 111 6768**. You may also wish to call either the Company Secretary or the Registrar whose contact details can be found on page 30.

GLOSSARY AND ALTERNATIVE PERFORMANCE MEASURES

Within the Strategic Report and Business Review, certain financial measures common to investment trusts are shown. Where relevant, these are prepared in accordance with guidance from the AIC, and this glossary provides additional information in relation to them.

Admission

Admission to trading, when the Company's shares were listed and admitted for trading on an official stock exchange.

Alternative Investment Fund Managers Directive ("AIFMD")

Agreed by the European Parliament and the Council of the European Union and transposed into UK legislation, the AIFMD classifies certain investment vehicles, including investment companies, as Alternative Investment Funds ("AIFs") and requires them to appoint an Alternative Investment Fund Manager ("AIFM") and depositary to manage and oversee the operations of the investment vehicle. The Board of the Company retains responsibility for strategy, operations and compliance and the Directors retain a fiduciary duty to shareholders.

Alternative Performance Measures ("APMs")

The measures the Board of Directors uses to assess the Company's performance, which are not specifically defined under the International Financial Reporting Standards but which are viewed as particularly relevant for investment trusts. Definitions of the terms used and the basis of calculation are set out in this Glossary and the APMs are indicated with an asterisk(*).

Convertible Loan Note

A convertible loan note is a loan which bears interest and is repayable but may convert into shares under certain circumstances.

Discount or Premium

A description of the difference between the share price and the net asset value per share. The size of the discount or premium is calculated by subtracting the share price from the net asset value per share and is usually expressed as a percentage (%) of the net asset value per share. If the share price is higher than the net asset value per share the result is a premium. If the share price is lower than the net asset value per share, the shares are trading at a discount.

Initial Public Offering ("IPO")

An IPO is a type of public offering in which shares of a company are sold to institutional investors and usually also retail (individual) investors. Through this process, colloquially known as floating, or going public, a privately held company is transformed into a public company.

Internal Rate of Return ("IRR")

Is the annualised return on an investment calculated from the cash flows arising from that investment taking account of the timing of each cash flow. It is derived by computing the discount rate at which the present value of all subsequent cash flows arising from an investment are equal to the original amount invested.

GLOSSARY AND ALTERNATIVE PERFORMANCE MEASURES continued

NAV per share Total Return*

The theoretical total return on the NAV per share, reflecting the change in NAV during the period assuming that any dividends paid to shareholders were reinvested at NAV at the time the shares were quoted ex-dividend. This is a way of measuring investment management performance of investment trusts which is not affected by movements in the share price discount/premium.

Net Asset Value ("NAV")

The value of the Company's assets, principally investments made in other companies and cash being held, minus any liabilities. The NAV per share is also described as 'shareholders' funds' per share. The NAV is often expressed in pence per share after being divided by the number of shares which are in issue. The NAV per share is unlikely to be the same as the share price which is the price at which the Company's shares can be bought or sold by an investor. The share price is determined by the relationship between the demand and supply of the shares.

Partnership

Augmentum I LP, a limited partnership registered in Jersey and a wholly-owned subsidiary of the Company.

Total Shareholder Return*

The theoretical total return per share reflecting the change in share price during the period and assuming that any dividends paid were reinvested at the share price at the time the shares were quoted ex-dividend.

Unquoted investment

Investments in unquoted securities such as shares and debentures which are not quoted or traded on a stock market.

To view the report online

If you would like to view video updates about the company, please visit:

www.augmentum.vc

