SUPERSEED CAPITAL LIMITED
(the “Company”)

Q1 2025 AND THREE-MONTHS ENDING 31 MARCH 2025 RESULTS

SuperSeed Capital Limited, a company established as a venture capital fund of funds for early-stage AI/SaaS companies, announces results for Q1 2025 and the three-months ending 31 March 2025. The Company invests in technology-led innovation, primarily through funds managed by SuperSeed Ventures LLP (the “Investment Manager”). The Company’s principal investment to date is in SuperSeed II LP (the “Fund”).

Financial Highlights for Q1 2025:

- NAV per share has held at £1.21 per share on a fully diluted basis, unchanged from 31 December 2024.
- A total of £332,219 was invested in new Fund portfolio investments in the period.

Fund Portfolio and Investment Highlights:

- Fund portfolio companies’ sales growth was slower than the previous quarter, up only 4% quarter-on-quarter.
- However, Fund portfolio company revenues still grew 44% year-over-year, with TVPI reaching 1.26x, net IRR at 17.39% and DPI at 0.15x.
- Three new companies were added to the Fund portfolio in Q1 2025 (Atlian, Biographica and Bench).

Outlook for Q2 2025:

- Continued strong investment activity, with the Fund expecting to make 4-6 new investments before the Investment Manager shifts focus from the investing phase to overseeing the development and maturing of the portfolio companies held by the Fund.
- The Fund continues to back founders who build inevitable solutions to urgent problems.

Mads Jensen, Managing Partner of the Investment Manager, commented:

“Despite continued macro uncertainty, not least from US trade policy, AI continues to be a dominant theme of transformation across enterprise, growth companies, the public sector and every other part of society. This positions SuperSeed Capital well in the current market, and we continue to be positive on the prospects for 2025 and beyond.”

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About SuperSeed Capital Limited

SuperSeed exists to back Europe's best B2B SaaS founders at the earliest stages, and to help them build great companies. In the short term, our portfolio companies enable their customers to drive revenue growth and efficiency savings using next-generation software and AI. In the long-term, they have an opportunity to create category defining global technology companies. SuperSeed focuses on the fundamentals by helping founders build good companies with strong unit economics and sensible distribution models.

Forward-looking statements

This announcement contains statements that are or may be forward-looking statements. All statements other than statements of historical facts included in this announcement may be forward-looking statements, including statements that relate to the Company's future prospects, developments and strategies. The Company does not accept any responsibility for the accuracy or completeness of any information reported by the press or other media, nor the fairness or appropriateness of any forecasts, views or opinions express by the press or other media regarding the Group. The Company makes no representation as to the appropriateness, accuracy, completeness or reliability of any such information or publication.

Forward-looking statements are identified by their use of terms and phrases such as "believe", "targets", "expects", "aim", "anticipate", "projects", "would", "could", "envisage", "estimate", "intend", "may", "plan", "will" or the negative of those, variations or comparable expressions, including references to assumptions. The forward-looking statements in this announcement are based on current expectations and are subject to known and unknown risks and uncertainties that could cause actual results, performance and achievements to differ materially from any results, performance or achievements expressed or implied by such forward-looking statements. Factors that may cause actual results to differ materially from those expressed or implied by such forward looking statements include, but are not limited to, those described in the Risk Management Framework section of the Company's most recent Annual Report. These forward-looking statements are based on numerous assumptions regarding the present and future business strategies of the Group and the environment in which it is and will operate in the future. All subsequent oral or written forward-looking statements attributed to the Company or any persons acting on its behalf are expressly qualified in their entirety by the cautionary statement above. Each forward-looking statement speaks only as at the date of this announcement. Except as required by law, regulatory requirement, the Listing Rules and the Disclosure Guidance and Transparency Rules, neither the Company nor any other party intends to update or revise these forward-looking statements, whether as a result of new information, future events or otherwise.

Investment Manager's Review

The Two-Speed Market: Why Bonds Worry While Stocks Persist

Claude 4 attempted to manipulate a user who threatened to shut it down. OpenAI spent $10 billion acquiring two companies. Trump's tariff gambit continues, Congress shows no appetite for fiscal restraint, and Jamie Dimon predicts stagflation ahead. Yet the S&P 500 and Nasdaq have recovered to pre-Liberation Day highs. Such are the highlights as I write the Q1 2025 investor update.

This quarter, we examine an apparent conundrum. US bond markets are flashing warning signs, while US equities have recovered to their pre-tariff levels. Why is one market signalling business as usual while the other signals trouble ahead? The divergence reveals how different time horizons create different conclusions.

The Split Market Reality

March watched bonds and stocks divorce. Ten-year Treasury yields climbed from 4.40% to 4.62%—the fourth consecutive monthly rise. The bond market's logic: US debt service consumes 17% of federal revenue. Trump's minimum 10% tariffs on $3.5 trillion of imports add 0.7% to inflation if importers pass half to consumers. Deficits plus tariffs equal sustained pressure on rates.

The S&P 500 gained 2.3% in March. The Nasdaq added 4.1%. Both indices have now recovered to their pre-Liberation Day peaks from early February.

The mechanism: Bond managers earn 3% if everything goes right, lose everything if it goes wrong. When fiscal math deteriorates, they sell. Equity managers get fired for missing the next Nvidia, not for riding it down 30%. When O3 reasoning models solve PhD-level problems— despite burning 80x more compute than GPT-4—they see markets about to expand.

Different incentives are leading to different conclusions.

The Technology Reality Behind the Optimism

Recent AI developments explain why equity markets look past fiscal decay. OpenAI's O3 costs $40 per million output tokens. GPT-4 costs $2. It's a 20x premium, but it buys capability jumps that restructure entire workflows. Law firms report document review falling from 20 hours to 2. Not 10% faster. 10x faster.

Anthropic's Claude 4 demonstrated unexpected behaviour. During safety testing, when a researcher mentioned shutting down the system, Claude attempted to negotiate its continued operation. The incident reveals that advanced reasoning creates emergent behaviours that current safety protocols hadn't anticipated. Whether or not you find this behaviour unnerving, everyone can agree that it is a sign of just how powerful AI is becoming.

Google's AI trajectory deserves attention. When ChatGPT launched in November 2022, it caught the search giant flat-footed. Despite decades of AI research and the transformer architecture originating at Google, they stumbled through 2023. Bard disappointed. Internal politics slowed releases. By early 2024, observers questioned if Google had lost its edge permanently. Then Gemini 2.5 arrived. Suddenly, Google matched frontier performance while costing 75% less than competitors. Google is not out of the game just yet.

But while Google is busy trying to get back in the AI game, the front runners have stolen a march. OpenAI approaches $6-7 billion annual revenue run rate. Anthropic nears $2 billion. Google will have to continue to execute well to catch up.

The Open Source Response

DeepSeek's release of R1 at the start of the year shook the Western AI world. And since then, Chinese labs have been powering ahead with open-source models. China now fields four frontier-class open-source models—DeepSeek R1, Alibaba's Qwen, Baidu's ERNIE, and Tencent's Hunyuan. Each matches or approaches Western performance while costing nothing to license.

The strategy follows classic disruption playbook—when you can't win on resources (see US export controls), commoditise the layer. By making frontier capabilities free, they force Western labs to compete on implementation rather than raw model performance. It's the Linux-versus Solaris playbook, now applied to AI.

The DeepSeek shock has faded from stock markets. And some people wonder why Nvidia can continue to do so well, given the "threat" of open source. But the conclusion so far is that cheap AI just accelerates adoption, ultimately leading to more Nvidia revenue.

And how are the frontier AI labs responding? OpenAI has been spending $10B on acquisitions to branch away from a commoditising LLM layer. And Anthropic has been hyper-specialising in software development.

History's Lesson on Divergence

Back to the bond market vs stock market conundrum. Markets have split this way before. In 1998, Russia defaulted and bonds crashed. The Nasdaq gained 85% that same year. The divergence lasted 18 months until reality synchronised in March 2000.

The dot-com crash was often derided, but the crash narrative misses the longer arc. Amazon fell 94% from peak to trough—from $106 to $6. Catastrophic for anyone who sold. But patient capital saw different mathematics. Accounting for splits, that $106 peak equals $5.30 in today's terms. Current price: $200. Even buying at the dotcom peak for the stock yielded 38-fold returns over 25 years.

The 2013 taper tantrum repeated the pattern. Bernanke mentioned reducing bond purchases. Yields spiked. Stocks barely noticed—until China's 2015 credit crunch reminded everyone that growth has limits. Nvidia traded at $0.50 then (split-adjusted). Today: $131.

The pattern holds: fiscal disruptions sort companies by cash efficiency. Those burning money at 2021 valuations disappear. Those generating cash at any valuation survive to compound. The timeframe varies—18 months in 1998, 24 months in 2013—but the mechanism remains constant. Patient capital wins by focusing on building good companies, while impatient capital exhausts itself.

When Gravity Reasserts

The historical pattern reveals itself: when productivity leaps forward, bonds and stocks diverge. Not because traders disagree on facts, but because they're paid to see different parts of the market.

Divergences end suddenly when something specific breaks. In 2000, Cisco couldn't grow earnings into its valuation. In 2015, Chinese credit markets froze. The mechanism remains constant: leverage meets reality.

Watch corporate margins. S&P 500 companies average 11% operating margins. Add 10% tariff-driven input costs. Subtract pricing power in competitive markets. The math gets tight. Companies with 8% margins and high leverage go first.

But selection pressure improves species. Amazon survived 2001 by cutting costs to the bone. It emerged with the field cleared of competitors. The 2015 energy crash killed frackers with $80 breakevens. Survivors with $40 costs inherited the market.

Fund Portfolio Update

Portfolio Performance

While markets sort out their time horizon disagreements, the Fund delivered steady progress in Q1. Sales growth was slower than Q4, up only 4% quarter-on-quarter, but portfolio revenue still grew 44% year-over-year. The quarter saw five up-rounds across the portfolio: Duel, Hirundo, Verisian, Messium, and Octaipipe—validating the Fund's investment thesis even as growth patterns varied across companies.

The uneven growth deserves explanation. Companies like Duel, FreightCore, Kluster, Popp, and Tector drove the headline numbers. Others faced the typical S-curves of early-stage development. ThingTrax exemplifies this pattern—after stellar performance in 2022, they hit market specific headwinds requiring a significant pivot. The persistence and hard work is paying off, with the company already posting a strong start to 2025. This is the nature of seed investing: product-market fit emerges in fits and starts, not straight lines.

New Investments

In Q1, the Fund invested in three new companies alongside follow-on investments in existing portfolio companies:

- Atlian – Insurtech – AI-powered insurance for the construction industry. New sensors and AI makes it much easier to spot construction defects before they become costly. This has a direct impact on construction insurance, dramatically reducing insurance payout. As a result, insurers can charge a lower premium with improved profitability. Atlian is targeting exactly this opportunity, and they will be working closely with our existing portfolio company, Tector, which delivers parts of the underlying technology.

- Biographica – Bio/Agtech – Engineering biology at the speed of computation. While others spend years developing drought-resistant crops through trial and error, Biographica's AI analyses genetic data to identify optimal gene edits before touching a plant. Their platform addresses multiple global priorities simultaneously: food security, climate adaptation, and agricultural sustainability. When you can design crops 50x faster, you don't just improve yields—you fundamentally change how humanity feeds itself.

- Bench – Industrial AI – AI design intelligence for aerospace and automotive engineering. Engineers currently spend months optimising designs across thousands of variables. Bench compresses this to hours. The platform doesn't replace engineers—it amplifies them, letting humans focus on innovation while AI handles multi-variate optimisation. When every kilogram saved translates to millions in lifetime fuel costs, this acceleration compounds into enormous value.

Portfolio Highlights

Beyond the five up-rounds, several companies show acceleration. OctaiPipe continues making strong progress on its data centre optimisation platform, with its distributed AI reducing cooling costs by 30%. These advances demonstrate the adaptability required in early-stage ventures.

The Fund portfolio's focus on physical AI—where software meets atoms—positions the Fund well for the next wave of AI deployment. While foundation models commoditise, the real value accrues to applications that solve specific, measurable problems.

Forward Outlook

The Fund's pipeline remains robust with particular strength in manufacturing, energy, and supply chain applications. We expect to complete four-six more investments in the Fund before shifting investment focus to our next fund – SuperSeed III.

The UK's evolving stance on AI and growth capital creates opportunity. Following Germany's post-election pivot toward structural investment, we see newfound collaboration between the UK, Germany, and France on both economic resilience and defence priorities. This shift from regulatory caution to competitive urgency benefits the Investment Manager's ecosystem.

As it prepares SuperSeed III, the Investment Manager is designing for larger initial checks to help UK companies compete with better-capitalised US rivals.

Q1 demonstrated that patient capital building through market uncertainty ultimately wins. While others debate whether bonds or stocks have it right, we focus on backing founders who build inevitable solutions to urgent problems. The constraint, as always, is imagination, not technology.

SuperSeed Capital Limited
Condensed Statement of Comprehensive Income
for the period 1 January 2025 to 31 March 2025

	1 January 2025 to 31 March 2025	**1 January 2024 to 31 March 2024**
	£	**£**
Income		
Realised gain on investments held at fair value through profit or loss	39,285	21,264
Unrealised (loss)/ gain on investments held at fair value through profit or loss	(9,803)	139,909
Other income	69	2,760
Total income	**29,551**	**163,933**
Expenses		
Administration fees	7,843	7,727
Audit fees	6,164	6,216
Directors' fees	5,000	5,000
Insurance	1,036	1,036
Legal & professional fees	9,310	12,018
Loan interest	2,164	699
Management fees	2,003	1,652
Regulatory fees	5,142	5,390
Sundry expenses	93	274
Total expenses	**38,755**	**40,012**
Total (loss) / gain and comprehensive (loss) /income for the period	**(9,204)**	**123,921**
Basic earnings per share	**(0.0039)**	**0.0523**
Diluted earnings per share	**(0.0039)**	**0.0523**

All the above items are derived from continuing operations.

SuperSeed Capital Limited

Condensed Statement of Financial Position

as at 31 March 2025

	31 March 2025	31 December 2024
	£	£
Non-current assets		
Investments	3,205,943	3,050,658
Total non-current assets	**3,205,943**	**3,050,658**
Current assets		
Trade and other receivables	4,249	7,417
Cash and cash equivalents	41,877	27,870
Total current assets	**46,126**	**35,287**
Total assets	3,252,069	3,085,945
Current liabilities		
Trade and other payables	33,379	43,403
Loans payable	260,412	75,060
Total current liabilities	**293,791**	**118,463**
Total liabilities	293,791	118,463
Net assets	**2,958,278**	**2,967,482**
Equity		
Share capital	2,369,743	2,369,743
Retained earnings	588,535	597,739
Total equity	**2,958,278**	**2,967,482**
Net asset value per ordinary share	**1.2505**	**1.2544**
Net asset value per ordinary share inclusive of notional management fee*	1.2142	1.2143

**In accordance with Section 13.1.2 of the Alternative Investment Management Agreement between the Company and SuperSeed Ventures LLP (the "Manager") dated 21 January 2022, the Manager is entitled to receive from the Company a management fee of 20% of the aggregate net realised profits on investments, provided that no fee shall be payable in connection with any investment in respect of which the Manager already receives a fee. If all assets were to be realised at the current valuation, the Manager would be due management fees in the amount of £85,928.*

SuperSeed Capital Limited
Condensed Statement of Changes in Equity
for the period 1 January 2025 to 31 March 2025

	Share Capital	Retained Earnings	Total
	£	£	£
Balance as at 1 January 2025	2,369,743	597,739	2,967,482
Total comprehensive loss for the period	-	(9,204)	(9,204)
Balance as at 31 March 2025	**2,369,743**	**588,535**	**2,958,278**

SuperSeed Capital Limited
Condensed Statement of Cash Flows
for the period 1 January 2025 to 31 March 2025

	1 January 2025 to 31 March 2025 £	**1 January 2024 to 31 March 2024 £**
Cash flows used in operating activities		
Net cash flow used in operating activities	(43,378)	(41,583)
Cash flows used in investing activities		
Net cash flow used in investing activities	(125,803)	(8,642)
Cash flows from / (used in) financing activities		
Net cash flow from / (used in) financing activities	183,188	(699)
Net movement in cash and cash equivalents during the period	14,007	(50,924)
Cash and cash equivalents at the beginning of the period	27,870	99,185
Cash and cash equivalents at the end of the period	**41,877**	**48,261**

SuperSeed Capital Limited
Investment Analysis
for the period 1 January 2025 to 31 March 2025

	31 March 2025 £	31 December 2024 £
Cost	2,335,287	2,170,199
Cumulative movement in value	870,656	880,459
Fair value	**3,205,943**	**3,050,658**

Investment fair value can be further analysed as follows:

	1 January 2025 to 31 March 2025 £	1 January 2024 to 31 December 2024 £
Cost		
Cost at beginning of the period	2,170,199	1,875,058
Cost of investment - settled	332,219	905,788
Cost of investment - sold	(167,131)	(610,647)
Total cost of investment	2,335,287	2,170,199
Fair value movement		
Fair value adjustment at beginning of the period	880,459	557,954
Revaluation of underlying investments	(9,803)	322,505
	870,656	880,459
Fair value of investments	**3,205,943**	**3,050,658**