

MERIAN CHRYSALIS

INVESTMENT COMPANY LIMITED

AS AT 30 JUNE 2020



INVESTMENT OPPORTUNITY

Aims to provide access to returns available from investing in later stage private companies with long-term growth potential, an investment class that has traditionally been difficult to access for individual investors.

KEY FACTS (AS AT 30 JUNE 2020)

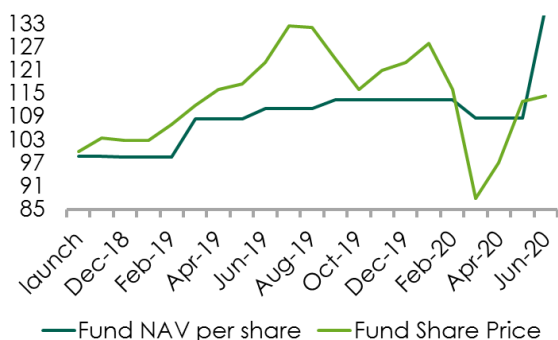
Shares in Issue	336,742,424
Share Price	114.50p
NAV per share	137.26p
Market Cap	£386m
Total Net Assets	£462m
Share Price Premium/(Discount)	-19.9%
Listing	Premium Segment Main Market LSE
Ticker	MERI
LEI	213800F9SQ753JQH5W24
ISIN	GG00BGJYPP46
Incorporation	Guernsey

PORTFOLIO MANAGERS



RICHARD WATTS, NICK WILLIAMSON
PORTFOLIO MANAGERS

NAV AND SHARE PRICE



CUMULATIVE PERFORMANCE (%)

	3 month	6 month	1 year	SI
Fund NAV	26.3	21.0	23.5	38.9
Fund Share Price	30.1	-6.9	-6.9	14.5

Past performance is not a guide to future performance. The Company NAV per share is calculated on a quarterly basis. The Share Price is available daily, source London Stock Exchange. Since inception (SI) is from 6 Nov 2018.



Utilising permanent capital to invest in crossover opportunities to help de-risk future IPOs. Merian Global Investors (MGI) has the scale, expertise and relevance to be a crossover investor.



To generate long-term capital growth through investing in a portfolio consisting primarily of equity or equity-related investments in unquoted companies.



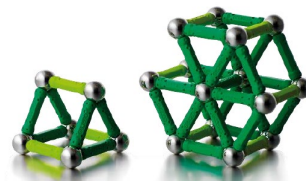
The company is advised by MGI's award-winning UK small- and mid-cap desk, which manages £5.7bn.

Signatory of:



The art and science of investing™





OVERVIEW

The portfolio performed well over the period with a number of assets benefitting from the transition online. The NAV of the fund increased by 26.3%, driven by a sharp rerating of comparable listed companies and TransferWise completing a successful funding round at a valuation of US\$5 billion.

Despite the generally strong performance of tech-enabled disruptors, we continue to assess the impact of COVID-19 on the portfolio and the potential capital requirements. Based on a range of reasonable COVID-19 related trading scenarios and regular contact with investee companies, we continue to believe that the Company has adequate liquidity to support its portfolio, enhanced by the Company's recent participation in TransferWise's secondary share sale.

PORTFOLIO COMMENTARY

The Company entered the period with c£69m of cash and cash equivalents. During the quarter the Company completed a £20m investment in Featurespace (May) and follow-on investments in Secret Escapes (May), Starling Bank (May) and wefox Group (June). The closing cash position at the end of the quarter was c£35m. Post period end, the Company's available cash balance increased by c£20m to approximately £54m, following participation in TransferWise's secondary share sale. This transaction strengthens the Company's liquidity position and represents a key milestone, being the first realisation by the Company and demonstrates the Company's ability to recycle capital to fund future investments in the portfolio.

Highlights include:

- TransferWise completed a US\$319m secondary share sale which valued the business at US\$5bn
- Starling Bank reached c1.5 million accounts in total, with deposits totalling c£3.1bn. The company was accredited to the Bounce Back Loan scheme and now has over £1bn of lending on its balance sheet
- THG Ingenuity announced the signing of major partnership agreements with global beauty brands Elemis, PZ Cussons and Revolution Beauty, collectively worth more than £100m
- Graphcore introduced its second-generation IPU platform with greater processing power, more memory and built-in scalability. MK2 IPU systems will deliver an eight-fold step up in performance when compared to the already class-leading MK1 Graphcore IPU products
- Sorted signed JD Sports with two distinctive projects covering UK and Europe; Insight, a Fortune 500 IT reseller; George at ASDA; and a global contract with another leading multi-brand retailer

OUTLOOK

We see the outlook for the Company as extremely positive. The portfolio has proven to be resilient against a tough backdrop and is benefitting from accelerated channel shift. There are a number of later-stage opportunities within the portfolio and hopefully this translates to a number of successful realisations in the medium term. We had our first realisation after the period end, which highlights the appetite and liquidity for some of our investee companies and the credibility of our valuation framework. We believe the Company is very well positioned thematically and we enter the second half of the year with confidence.

Signatory of:



The art and science of investing™

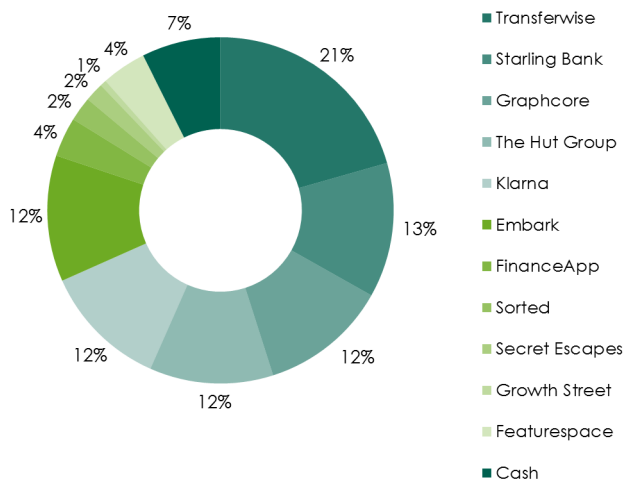
Merian
GLOBAL INVESTORS

MERIAN CHRYSALIS

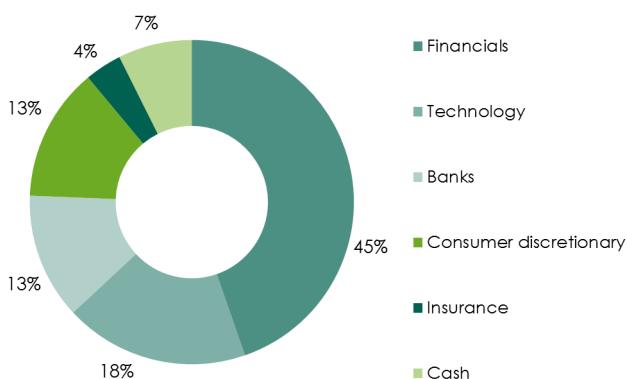
INVESTMENT COMPANY LIMITED

AS AT 30 JUNE 2020

TOP HOLDINGS



SECTOR EXPOSURE



HOLDINGS DETAILS (AS AT 30 JUNE 2020)

Name	Description
TransferWise	Platform payments business that aims to reduce fees associated with FX
Secret Escapes	Travel company that helps hotels minimise unsold inventory
The Hut Group	E-commerce business with proprietary technology platform powering sales of its own and third-party brands online
Graphcore	Leading artificial intelligence processor business, which has developed the Intelligent Processing Unit and the related software toolchain
Growth Street	Innovative P2P lending product targeted at SMEs, replacing overdrafts and invoice factoring
Starling Bank	Digital challenger bank that delivers financial services to retail and SMEs
Embark Group	Full-scale retirement solutions provider, with platform, investment wrap, e-SIPP, SIPP, SSAS, fund research and employee benefits consulting capabilities
Klarna Bank	A leading global payments company that provides direct payments, pay after delivery options and instalment plans for customers online
Sorted Group	A global Software as a Service (SaaS) company that has developed a Delivery Management Platform which allows retailers (both digital and physical) to effectively manage their delivery / returns
FinanceApp (wefox Group)	Europe's largest digital insurance platform with significant existing scale in Germany, Austria and Switzerland
Featurespace	Featurespace is a world leader in financial crime risk management. The company utilises real time machine learning software risk scores events in 180 countries to reduce Fraud and AML

Signatory of:



The art and science of investing™



MERIAN CHRYSALIS

INVESTMENT COMPANY LIMITED

AS AT 30 JUNE 2020

COMPANY AND FUND INFORMATION

Listing Date	06-Nov-18
AIFM	Maitland Institutional Services Limited
Administrator & Company Secretary	Maitland Administration (Guernsey) Limited
Registrar	Computershare Investor Services (Guernsey) Limited
Legal Adviser	Travers Smith LLP
Auditor	KPMG LLP
Corporate Broker	Liberum Capital Limited
Investment Adviser	Merian Global Investors (UK) Limited

Merian Chrysalis Investment Company
3rd Floor, 1 Le Truchot, St Peter Port
Guernsey, GY1 1WD

FOR FURTHER INFORMATION

ClientServices@jupiteram.com
www.merian.com/chrysalis

DIRECTORS

Andrew Haining (Chairperson)
Stephen Coe Simon Holden
Anne Ewing Tim Cruttenden

IMPORTANT INFORMATION

This document is issued by Merian Global Investors (UK) Limited ("Merian Global Investors"). Merian Global Investors is registered in England and Wales (number: 02949554) and is authorised and regulated by the Financial Conduct Authority (FRN: 171847). Its registered office is at 2 Lambeth Hill, London, United Kingdom, EC4P 4WR. **Merian Global Investors is part of the Jupiter Group.** Investors may only subscribe for or purchase any shares in Merian Chrysalis Investment Company Limited ("MCICL") on the basis of the information in the prospectus published by MCICL. The prospectus and key information document are available at www.merian.co.uk/chrysalis. Merian Global Investors only acts for the funds to which it provides regulated investment management and transaction services and does not act for or advise potential investors in connection with acquiring shares in MCICL and will not be responsible to potential investors for providing them with protections afforded to clients of Merian Global Investors. Prospective investors are strongly advised to take their own legal, investment and tax advice from independent and suitably qualified advisers. The value of investments may go up as well as down and you may not get back the full amount of your investment. Past performance is not a guide to future performance.

06/2020/74100

Signatory of:



The art and science of investing™

Merian
GLOBAL INVESTORS