Molten Ventures

Backing Europe's enabling technologies

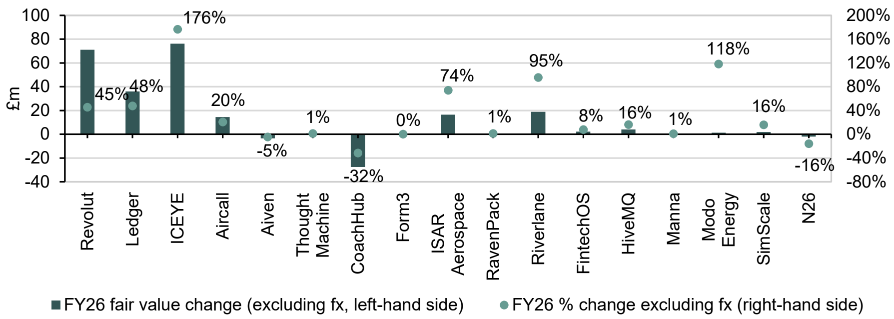
Investment companies
Venture capital/TMT

14 August 2026

Price		**684.00p**
Market cap		**£1,183m**
Shares in issue		173.0m
Code/ISIN		GROW/GB00BY7QYJ50
Primary exchange		LSE
AIC sector		N/A
Financial year end		31 March
52-week high/low	695.5p	343.8p

Molten Ventures posted a 13.3% NAV total return (TR) in FY26 (ended March 2026) as it has recently benefited from multiple themes across its diversified private European technology portfolio, most notably spacetech through its holding in ICEYE, which operates a constellation of synthetic aperture radar satellites. ICEYE's fair value increased by 176% at constant currency in FY26 (to end-March 2026), and Molten expects a further 236% uplift following ICEYE's successful Series F funding round, completed after the reporting date. Other major positive drivers in FY26 included Revolut (fintech), Ledger (crypto and blockchain) and Riverlane (quantum computing). Molten classified c 75% of its current direct core and emerging portfolios as net beneficiaries of AI (with a further 8% having no material AI exposure) and aims to benefit from the rise of AI through investments in the 'connective' or enabling middle layer between foundation models and end-user applications, which we see as a prudent approach.

Exhibit 1: Fair value change in Molten's core portfolio by holding in FY26



Source: Molten Ventures data, Edison Investment Research

Investors in the European VC market are still selective

European VC deal activity picked up visibly in H1 CY26, but investor demand remains selective and focused on high-quality assets from a narrow set of sectors such as AI and defence/dual-use technologies. Moreover, the run-rate of exit activity in H1CY26 remains somewhat below 2025. Against this backdrop, Molten received a healthy £120m in realisation proceeds in FY26, with a further £85m after reporting date from partial exits of Revolut and ICEYE. In addition, 88% of Molten's core portfolio had a cash runway of at least 12 months at end-March 2026. This supports Molten's consistent capital deployment and share buybacks.

Why consider Molten Ventures now?

Molten Ventures is a well-established listed VC player providing differentiated exposure to major themes such as AI, spacetech, fintech, crypto, blockchain and quantum computing, among others. It provides diversification to a listed tech portfolio while also capturing the growth of innovative businesses occurring in private markets. Molten blends direct, secondary and seed fund-of-funds investments, which provide it with flexibility at times of disruptive change. Its third-party capital under management generates fee income and should provide Molten with better deal flow and consistent deployment in later-stage deals, allowing it to retain substantial exposure to successful holdings for longer.

Not intended for persons in the EEA.

Fund objective

Molten Ventures is a UK 250 index, London-based venture capital (VC) firm that invests in the European technology sector. It has a portfolio of 100+ investee companies and includes a fund-of-funds programme (as well as EIS and VCT schemes), as well as its flagship balance sheet VC fund.

Bull points

- Strong position in the European VC landscape coupled with an extensive partner network.
- Some downside protection from preference-share structures.
- Strong recent realisation activity supporting new investments and share buybacks.

Bear points

- Continued geopolitical uncertainty and higher-for-longer interest rates may weigh on long-duration assets such as VC.
- Impact of AI is difficult to predict accurately at this stage.
- Lack of broad-based recovery in investor appetite could negatively affect Molten's emerging portfolio.

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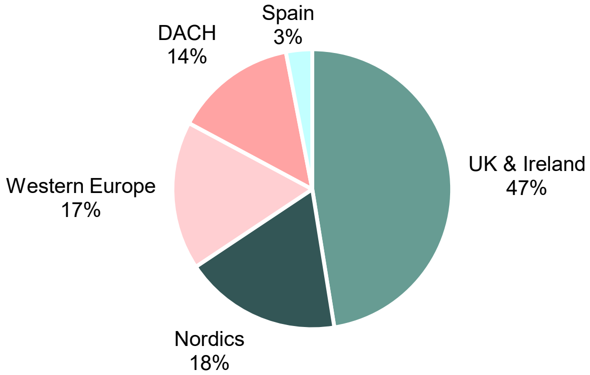
Molten Ventures is a research client of Edison Investment Research Limited

A play on hard-to-access European tech companies

Molten Ventures is a well-established listed venture capital (VC) player in Europe and was the first VC firm to list in London, in 2016. It provides liquid exposure to a diverse portfolio of private high-growth technology companies. The UK and European public markets offer only limited exposure to the technology sector, which in some areas is characterised by a shrinking pool of opportunities. European technology companies are staying private for longer, supported by deeper pools of private capital. As a result, more value creation may occur before listing, while public-market investors have limited access to many high-growth European technology businesses. In many cases, this has allowed private company investors (and entrepreneurs) to retain a significant part of the value created by Europe's successful start-ups.

Exhibit 2: Breakdown of capital deployed since IPO by region



Source: Molten Ventures data. Note: Includes direct and indirect investments including via EarlyBird since the 2016 IPO. Indicative only.

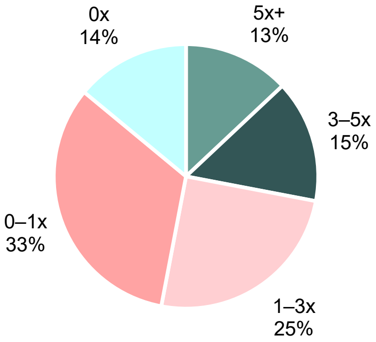
An established reputation as a 'go-to' value-add VC investor

The company has a 20-year track record in VC, which is an important factor considered by founders when partnering with Molten. As an early mover and market leader in the European VC sector (with 47 full-time employees and executive directors, excluding non-executive directors, in FY26, based in offices in London and Dublin), Molten Ventures has cemented its reputation as an investor of choice. This creates a virtuous circle where, through its partnerships, relationships and track record, Molten can attract top-tier entrepreneurs and businesses, improving its chances of offering superior returns to investors. Molten sources investment opportunities directly through the group's market presence and established reputation, through investments in seed fund of funds (see details below) and through Earlybird, a pre-seed to Series A investor based in Germany.

Molten typically takes a 10–15% stake in a company and obtains a board seat, allowing it to advise the company as it grows and scales, and then moves towards an exit. An important part of Molten's involvement is connecting its portfolio companies to its extensive network, which consists of, among others, portfolio operators (ie seasoned executives and founders who advise Molten's portfolio companies) and vetted advisors across functional areas.

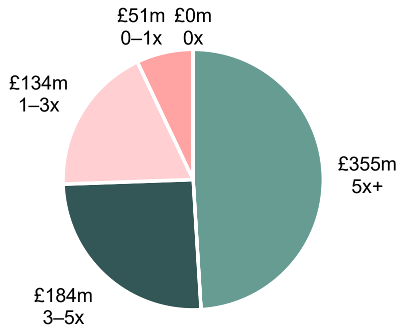
Molten's investment approach is more entrepreneur-friendly than the typical US VC model, which sifts potential winners from losers and can aggressively cut underperforming investments. Molten prioritises using resources on its more successful investments but still devotes time and effort towards its lower-performing companies to help it achieve exits where possible and release value back to Molten's portfolio. Historically, 28% of Molten's full and partial realisations by invested capital since IPO to end-March 2026 delivered a return multiple of 3.0x or more (generating £539m of proceeds), with a further 25% returning a multiple of 1.0–3.0x. The remaining investments delivered a partial loss, that is a return multiple below 1.0x (33%), or were written off in full (14%); see Exhibit 3 and Exhibit 4.

Exhibit 3: Molten's return track record (measured by multiple on invested capital) since IPO to end-March 2026



Source: Molten Ventures data

Exhibit 4: Breakdown of Molten's historical exit proceeds by realised multiple on invested capital since IPO to end-March 2026



Source: Molten Ventures data

A blend of complementary VC strategies

Molten's investment strategy blends direct investments (with holding periods that can extend to eight to 12 years), secondary markets (via direct secondary purchases, general partner (GP)-led transactions and limited partnership (LP) secondary purchases of fund interests), as well as its fund-of-funds investments. This blend of investments helps Molten achieve a good cadence of realisations, which is important given its evergreen balance-sheet model.

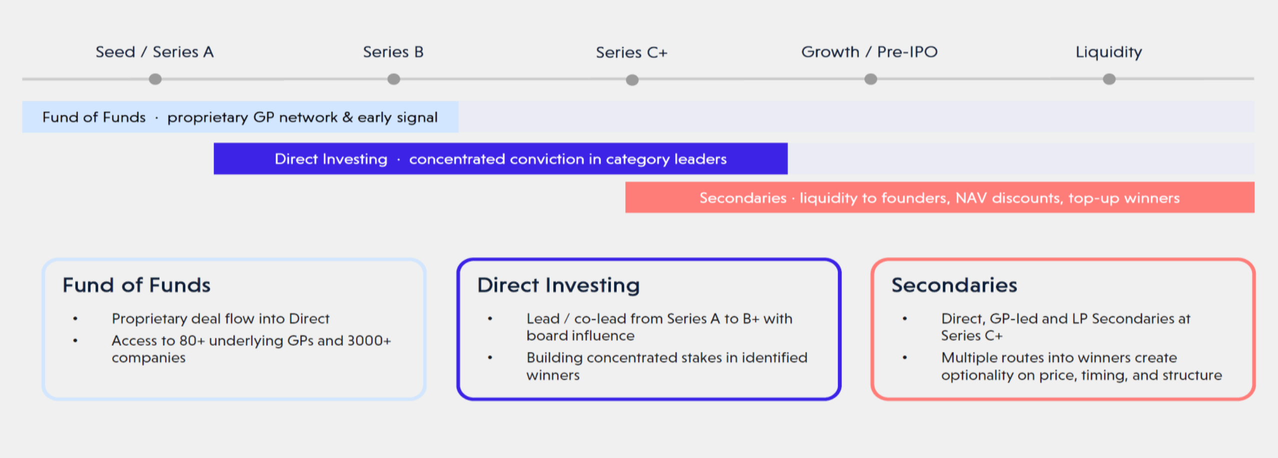
Direct venture investment is the core of Molten's activities and remains the largest part of the portfolio. Molten makes direct investments in Series A and Series B companies, with Series B being its sweet spot. Most of Molten's historical realisations were made via trade sales, meaning that the company is not reliant on the IPO exit route.

Secondaries enable Molten to acquire portfolios of usually more mature holdings at a discount to NAV from holders seeking liquidity, where Molten targets a 3x return on individual companies. These companies have a proven go-to-market model, typically at least £50m of revenue and a credible path to liquidity in three to five years.

The seed fund-of-funds programme, launched in 2017, provides Molten with visibility on breakout companies through a 'scouting network' of managers across different funds, sectors and locations in Europe, to which Molten selectively makes investment commitments. Molten has committed to over 80 funds managed by more than 60 GPs across Europe through this programme. At end-March 2026, total programme commitments stood at £157m, of which £130m had been drawn and the remaining £27m is expected to be drawn over the next three to five years. Molten committed to six new funds during FY26.

Secondary and fund investments are therefore complementary to Molten's direct investments and allow it to seek opportunities through the cycle. We believe that this setup provides the company with greater investment flexibility at times of disruptive change, such as the current rise of AI.

Exhibit 5: Molten Ventures' three complementary strategies

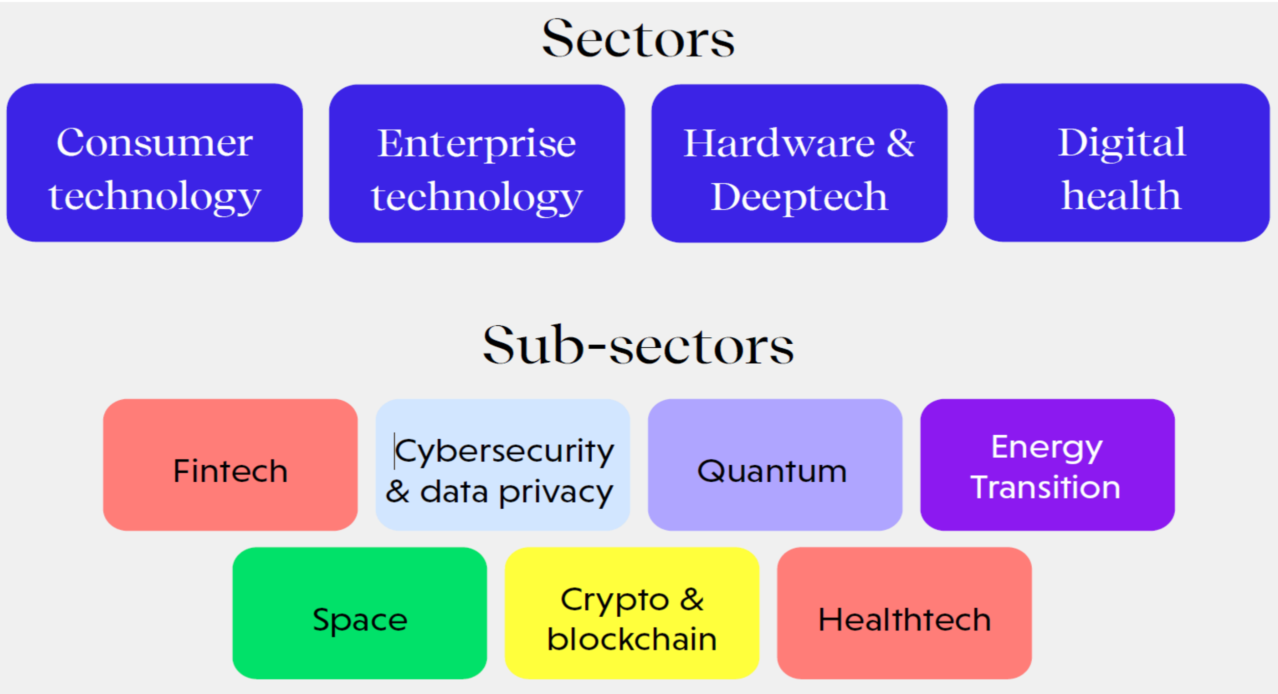


Source: Molten Ventures

Providing strength through diversification across several themes

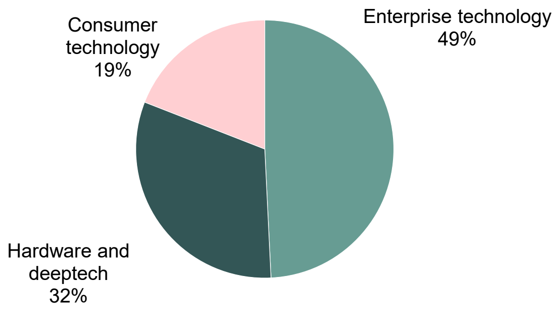
While Molten is focused exclusively on technology, it has a diversified portfolio of more than 100 direct investments across different vintages and stages of investment in four technology sectors (see Exhibit 6). These major verticals include several compelling sub-themes, including fintech, cybersecurity and data privacy, quantum computing, energy transition, space, crypto and blockchain, and health tech. Management recently indicated that a future portfolio of roughly 60 companies, including c 20 higher-value holdings, is a good working assumption.

Exhibit 6: Molten's sector focus



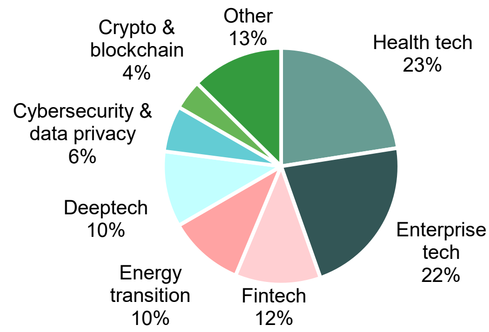
Source: Molten Ventures

Exhibit 7: Molten's core portfolio by sector at end-March 2026



Source: Molten Ventures data

Exhibit 8: Molten's emerging portfolio by sector at end-March 2026



Source: Molten Ventures data, Edison Investment Research

Molten's core portfolio comprises its 17 largest holdings, representing c 64% of gross portfolio value (GPV) at end-March 2026 (see Exhibit 9). We note that, following the recent £238m uplift to the carrying value of Molten's stake in ICEYE following its €450m Series F funding round in June 2026 (which valued the business at more than €10bn), ICEYE has likely become Molten's top holding.

Exhibit 9: Molten's portfolio at end-March 2026

Company name	Sector	Location	Fair value (£m)	Share in gross portfolio value	Multiple on invested capital (x)
Revolut	Consumer tech	UK	175.2	11.5%	22.5
Ledger	Hardware & deeptech	France	114.7	7.5%	4.0
ICEYE	Hardware & deeptech	Finland	101.0	6.6%	4.8
Aircall	Enterprise tech	France	83.6	5.5%	5.8
Aiven	Enterprise tech	Finland	71.2	4.7%	15.9
ThoughtMachine	Hardware & deeptech	UK	70.8	4.6%	1.9
CoachHub	Enterprise tech	Germany	62.8	4.1%	2.0
Form3	Enterprise tech	UK	59.4	3.9%	2.0
ISAR Aerospace	Hardware & deeptech	Germany	39.7	2.6%	10.1
RavenPack	Enterprise tech	Spain	38.9	2.6%	5.2
Riverlane	Hardware & deeptech	UK	38.7	2.5%	7.5
FintechOS	Enterprise tech	UK	34.5	2.3%	1.1
HiveMQ	Hardware & deeptech	Germany	29.9	2.0%	1.2
Manna	Consumer tech	Ireland	15.1	1.0%	1.2
Modo Energy	Enterprise tech	UK	14.9	1.0%	1.1
SimScale	Enterprise tech	Germany	13.6	0.9%	1.3
N26	Consumer tech	Germany	10.5	0.7%	1.0
Core portfolio			974.5	63.9%	
Remaining portfolio			550.9	36.1%	
Gross portfolio value			**1,525.4**		
Carry external and deferred tax			(112.1)		
Net portfolio value			**1,413.3**		

Source: Molten Ventures data

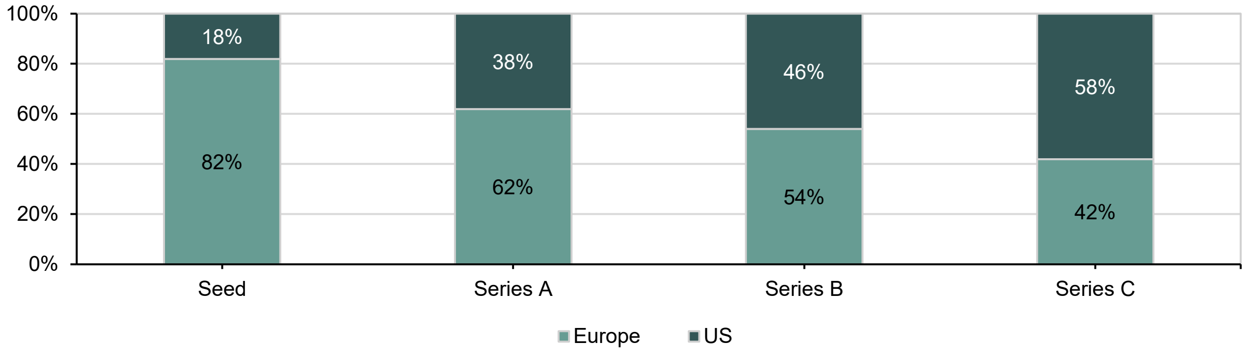
Third-party capital provides fee income and investment flexibility

As well as investing from its own balance sheet, Molten also manages third-party capital through its tax-advantaged co-investment vehicles: enterprise investment schemes (EIS) and its VC trust (Molten Ventures VCT), focused on early-stage VC investments (Series A in particular). Molten's total assets under management (including the plc balance sheet) stood at £1.9bn at end-March 2026 (broadly stable y-o-y), and it generated fee income of £17.7m in FY26, down from £20.9m in FY25 due to a fall in management fees from EIS and VCT funds from £6.1m to £3.3m as well as lower performance, directors' and other fees. Fee income helps offset Molten's operating cost base. In FY26, operating costs net of fee income and exceptional items represented 0.5% of NAV, comfortably below its 1% target.

Molten aims to further grow the pool of third-party institutional capital under management via a growth fund focused on Series B+ investments (in which it recently secured a cornerstone commitment), the Molten East Fund (a strategy focused on technology companies across Central and Eastern Europe, which also has a cornerstone commitment) and a recently launched secondaries fund.

The growth fund would, apart from providing additional fee income, support Molten's deal flow and consistent deployment in later-stage deals, allowing it to participate in a greater number of rounds a year while preserving balance sheet flexibility. We consider this particularly important given that management describes Molten as capital constrained rather than opportunity constrained. During its 2026 investor day, Molten highlighted that a funding gap at the growth stage persists in Europe, with 58% of European scale-ups (Series C stage businesses) across its fund-of-funds portfolio having a US lead investor (see Exhibit 10). Molten estimates that cumulative European growth-stage funding was c $375bn below the comparable US level over the last decade. Molten cites pension funds and university endowments as providing only 40% of European venture funding versus 90% in the US, helping explain why US investors participate in 60% of European Series C rounds but only 20% at seed. Its Growth Series B fund is specifically aimed at addressing this funding gap in Europe.

Exhibit 10: Breakdown of Molten's fund-of-funds portfolio by lead investor



Source: Molten Ventures Investor Day 2026 presentation. Note: Calculated as a percentage of deal value, using Molten's underlying fund-of-funds portfolio, with a European headquarters, where a VC or private equity lead has been identified.

Molten's management expects to announce further details with respect to the first close of Molten East, which will broaden Molten's institutional product set and geographic reach, in the coming months.

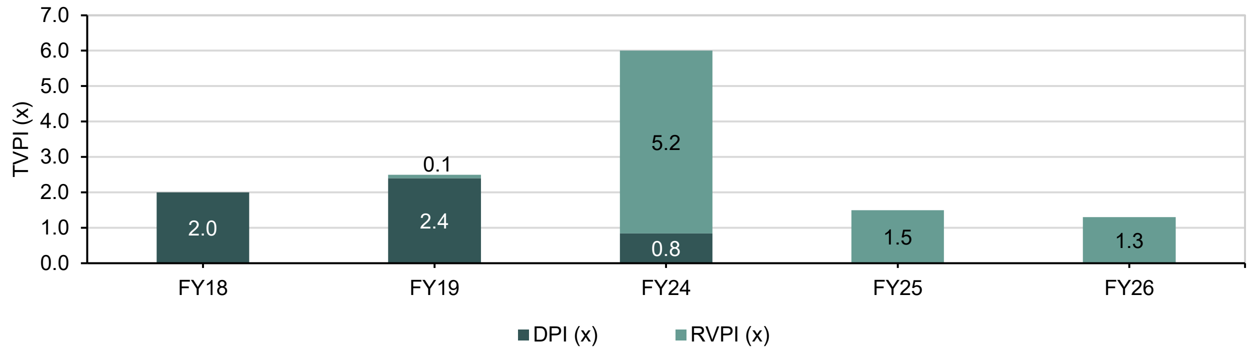
Finally, with the launch of the secondaries fund, Molten opened up its secondary investments to third-party investors. Within its secondary strategy carried out from its own balance sheet, Molten Ventures deployed more than £130m in secondary investments since 2017, generating a gross internal rate of return (IRR) of 47% and more than £220m of realisation proceeds, resulting in a distributed to paid-in capital (DPI) multiple of c 1.7x (and overall total value to paid-in capital (TVPI) of over 2.3x); see Exhibit 11.

A particularly successful investment so far has been its acquisition of a stake in the Seedcamp Fund III in February 2024, which gave it exposure to a portfolio with more than 80% of the value attributable to six mature assets: Revolut, Pleo, Grover, wefox, Thriva and Curve. Importantly, this transaction raised Molten's exposure to Revolut ahead of a company-led secondary share sale in August 2024 (which valued the business at $45bn). At end-September 2025, the Seedcamp Fund III investment had reached a TVPI of 6.0x, of which 14% had been realised. Revolut subsequently confirmed in July 2026 that another secondary sale process was underway, reportedly at a valuation of c $115bn, compared with $45bn for its August 2024 transaction.

The secondary fund aims to benefit from growing activity in private secondary markets, driven by the liquidity needs of limited partners, especially given that IPO exit routes are not fully open at present and activity across the M&A market has not fully recovered yet. Its launch was preceded by the onboarding of Molten's dedicated secondaries team through three appointments, announced in March 2026.

Management indicated target fund sizes of £200–300m for the growth fund, c £100m for Molten East and potentially £150m for the initial secondaries fund, while cautioning that the fund-raising process would take time.

Exhibit 11: Molten's track record in terms of TVPI capital of secondary investments by vintage

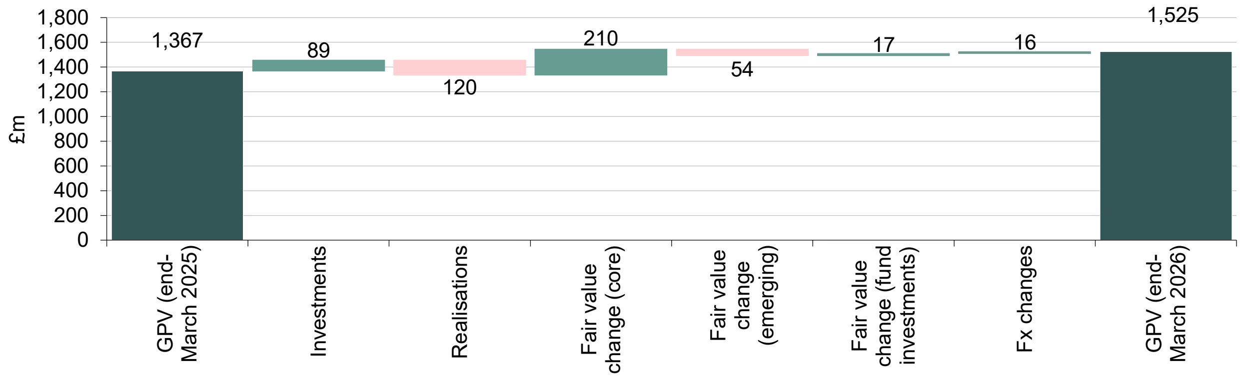


Source: Molten Ventures data, Edison Investment Research. Note: DPI, distributed to paid-in capital; RVPI, residual value to paid-in capital.

Performance momentum improved in FY26

Molten delivered a 13.3% NAV TR in FY26 (including 7.9% in H1 FY26), driven by its core portfolio, whose fair value increased by £210m, partly offset by a £54m decline in its emerging portfolio (see Exhibit 12), but additionally aided by NAV-accretive share buybacks, which added 21p (or 3.1pp) to Molten's NAV TR. Key contributors were ICEYE, Revolut and Ledger, followed by Riverlane, Isar Aerospace and Aircall; see Exhibit 1.

Exhibit 12: Molten Ventures' GPV bridge, FY26



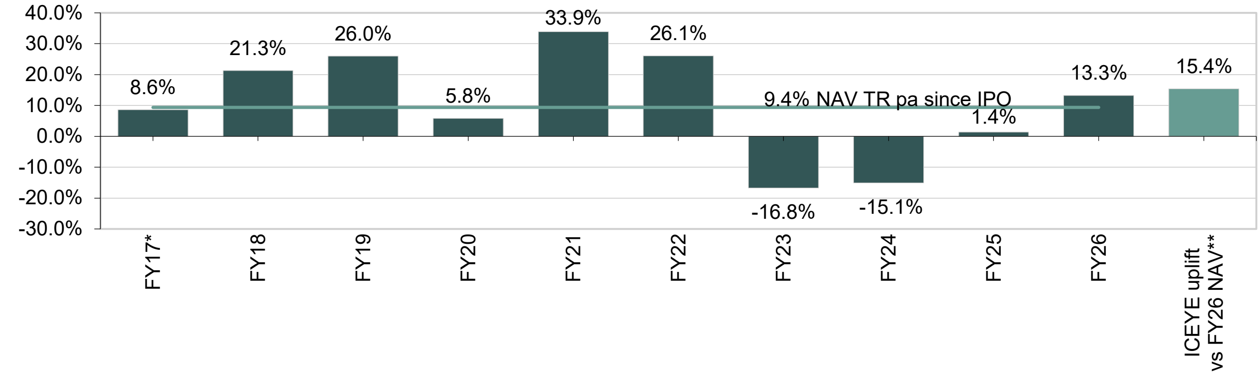
Source: Molten Ventures data

The core portfolio generated a healthy average gross margin of c 70% in CY25, excluding pre-revenue companies, while seven core companies were profitable in FY26. Moreover, 88% of Molten's core portfolio had a cash runway of at least 12 months at end-March 2026. Molten's emerging portfolio was affected by negative idiosyncratic developments at three portfolio companies, including Schüttflix.

We consider Molten's FY26 NAV TR performance robust, especially against a challenging geopolitical backdrop and a notable recovery from the difficult FY23–25 period, which was characterised by headwinds to long-duration assets from higher interest rates, coupled with a dilutive share issue in December 2023.

Molten posted an average NAV TR of 9.4% per year since its IPO in June 2016 (see Exhibit 13). We note that the above-mentioned valuation uplift to Molten's stake in ICEYE should result in a 15.4% return on its end-March 2026 NAV.

Exhibit 13: Molten Ventures NAV TR record



Source: Molten Ventures data, Edison Investment Research. Note: *Since IPO in June 2016. **Based on company's estimate of a pro forma NAV per share of 877p.

As a broad reference point, we compare Molten's performance with the AIC Growth Capital peer group in Exhibit 14. We note that these companies pursue a range of strategies that are not fully comparable. The best-performing peer (Seraphim Space Investment Trust, SSIT) invests predominantly in unquoted spacetech businesses, and benefited significantly from its ICEYE holding, but at the expense of much higher portfolio concentration than Molten Ventures (ICEYE made up 47.1% of SSIT's end-March 2026 NAV). The Schiehallion Fund focuses on scaled, later-stage private companies, which are often IPO candidates (such as SpaceX, Bending Spoons or Anthropic) and may retain holdings following an IPO. Schroder British Opportunities focuses – as the name suggests – on UK investments. Finally, Chrysalis Investments and Schroders Capital Global Innovation Trusts are currently in managed wind-down processes since March 2026 and February 2025, respectively. We note that the five-year period presented in the table covers the entire interest rate normalisation phase and may not be fully representative of the through-the-cycle potential of the asset class.

Exhibit 14: Molten Ventures peer comparison

	Market cap* (£m)	1-year NAV TR (%)	3-year NAV TR (%)	5-year NAV TR (%)
Molten Ventures	**1,183**	**13.3**	**(2.2)**	**3.0**
Chrysalis Investments Limited	362	(12.2)	3.0	(35.0)
Schiehallion Fund	2,246	31.7	46.8	23.2
Schroder British Opportunities	49	(3.0)	(0.1)	5.0
Schroders Capital Global Innov Trust	110	(0.9)	(23.7)	(45.9)
Seraphim Space Investment Trust**	593	76.3	93.6	81.0
Peer average	**672**	**18.4**	**23.9**	**5.7**

Source: Molten Ventures data, Morningstar, Edison Investment Research. Note: Returns to end-March 2026 *As of 13 August 2026. **Five-year NAV TR since IPO (14 June 2021).

Molten has made substantial progress against its strategic priority of narrowing the discount to NAV, communicated at the company's investor day in February 2025. The discount now stands at c 10% to end-March 2026 NAV (or c 22% to the pro forma NAV per share including ICEYE uplift) compared to c 45% at the time of the investor day, see Exhibit 15. As a result, Molten's share price TR in the 12 months to end-March 2026 reached 78%, with a further c 49% appreciation after the reporting date.

Exhibit 15: Molten Ventures' historical discount/premium to NAV

Source: Molten Ventures data, LSEG Data & Analytics

AI: Backing the enabling layer while managing disruption risk

Molten regards AI as a broad technology shift affecting virtually every part of its portfolio, rather than as a discrete investment vertical. Its preferred route to AI exposure is through the 'connective' or enabling middle layer between foundation models and end-user applications. The middle layer includes security and governance, workload management, data infrastructure and the systems required for AI agents to interact with sensitive information or initiate transactions. These functions should remain necessary irrespective of which foundation models dominate in the future. Molten believes this part of the market is less crowded and may produce more durable economics than capital-intensive foundation models or highly valued applications with limited barriers to replication, where falling development costs make application logic easier to replicate. It therefore looks for businesses where AI reinforces an existing advantage in proprietary data, distribution or established workflows. Investment discipline is particularly relevant given that AI-related transactions accounted for 60.2% of European VC deal value in H1 CY26 and the six largest Q2 rounds were all AI-related, according to PitchBook. The same preference for enabling infrastructure is evident in other themes, including Ledger in crypto and blockchain and Riverlane in quantum computing.

Molten Ventures considers 75% of direct portfolio as net beneficiaries of AI

The manager assesses the potential effect of AI on the addressable market of every direct holding. This includes evaluating the risk that a workflow can be replicated by a foundation model, potential pricing pressure and the defensibility of the company's data, infrastructure and customer relationships. The companies it considers least vulnerable tend to possess proprietary data, regulatory moats, deep technical complexity or system-of-record status in processes that competitors cannot easily disrupt.

We believe that many of its hardware and deeptech holdings face limited risk of their products being replaced by AI, including core portfolio holdings such as Ledger (a provider of devices for self-custody of digital assets, 7.5% of Molten's end-March 2026 GPV), its spacetech holdings (see below) and drone delivery company Manna (1.0%).

We also see a limited AI threat for Molten's investments in neobanks: Revolut (11.5%) and N26 (0.7%). Revolut reported a 46% y-o-y revenue increase to £4.5bn in 2025, achieving a 38% pre-tax profit margin, driven by growth in customer adoption, diversification of product offering and further growth in Revolut Business.

At end-March 2026, Molten classified c 75% of its direct portfolio as net beneficiaries of AI, either because their markets should be structurally amplified or because they possess a durable AI-related tailwind. Several of its current holdings illustrate the potential benefits. **Thought Machine** (4.6% of Molten's end-March 2026 GPV) and **Form3** (3.9%) provide core banking and payments infrastructure, respectively, where regulatory certification, deep integration and high operational switching costs should make displacement difficult. Molten believes that wider deployment of AI-enabled financial services may increase the importance of this underlying infrastructure. **RavenPack**'s (2.6%) structured financial data could become more valuable as AI applications require reliable, proprietary sources of information. **SimScale** (0.9%), which offers a browser-based platform to simulate, optimise and validate products, may benefit from market expansion as AI-assisted engineering simulation becomes affordable for smaller manufacturers, according to Molten. Another core holding that we believe is not easily disrupted by generic AI tools is **HiveMQ** (2.0%), which offers an internet of things industrial messaging infrastructure powered by an enterprise-grade message queuing telemetry transport broker.

Around 15% of portfolio faces what Molten sees as manageable AI headwinds

Molten considers 8% of its portfolio as having no material AI exposure in either direction at present. A further 15% faced what Molten considered real but manageable headwinds and consequently received proportionally greater portfolio-management attention (Molten did not name these companies). In our view, a few companies among Molten's core portfolio may be at a greater risk from alternative AI-powered solutions, including **CoachHub** (digital coaching platform, 4.1% of end-March 2026 GPV), **FintechOS** (low-code product engine for banks and insurers, 2.3%) and **Aiven** (managed open-source data platform, 4.7%).

However, these companies also embrace AI to further innovate and, in turn, remain relevant in the market. CoachHub has been addressing the competition from conversational AI agents by combining its own AI coach (AIMY) for always-on, scalable day-to-day support with human coaches focused on higher-profile leadership coaching. Nevertheless, the carrying value of Molten's stake in the company was reduced by £27.6m (or 32%) in constant currency in FY26, as the company faced slower growth, which triggered a reorganisation and restructuring aimed at resuming growth.

FintechOS first introduced GenAI functionality directly into its product design in late 2023. Although the company's solution sits on top of the system of record (rather than being the system of record itself, as in the case of Thought Machine), it may still benefit from a certain defensive moat from deep integrations with the system of record and the client's regulatory and compliance framework, especially if it is deployed as the bank's standardised change-and-release layer across multiple products.

Finally, Aiven faces pricing pressure and risk of managed service commoditisation as AI makes it easier for engineering teams and hyperscalers to run open-source data services themselves. Therefore, Aiven is positioning itself as a 'data and AI platform' with emphasis on data sovereignty/control and managed reliability/operational simplicity. It has launched an AI database optimiser to improve performance and optimise cost (ie unit economics of running data infrastructure). Its multi-cloud neutrality enables its customers to avoid the hyperscaler vendor lock-in and once Kafka/Postgres/OpenSearch become mission-critical for a client, the risk of outages and migration mistakes creates practical switching friction and in turn a defensive moat and greater customer stickiness for Aiven.

Aircall: A potential case study of becoming a net AI beneficiary

One of Molten's companies that seems to have turned the AI threat into opportunity is **Aircall** (5.5% of end-March 2026 GPV), a cloud-based phone and communications platform. Aircall has launched an AI voice agent (with a pay-as-you-go model) designed to answer inbound calls 24/7, handle frequently asked questions, capture caller details, qualify and hand off complex queries, and plug into Aircall call flows and existing integrations. The company entered this year in a relatively healthy position, with FY25 ARR of $204m (up 26% y-o-y), seven consecutive quarters of positive EBITDA and a 104% net retention rate. Aircall's base of more than 23,000 customers, 250-plus integrations and existing telephony workflows should make its AI products easier to distribute and deploy than standalone AI-native alternatives. It has been acquiring AI companies to incorporate their capabilities into its model (eg Vogent and Piper AI). The company has made good progress on its roadmap to expand its AI voice agent's capabilities, aimed at driving higher customer stickiness, with live transfers with context, autonomous inbound and outbound handling, CRM logging, workflow actions and support for 24 languages.

While Aircall responded credibly to AI and may be a net beneficiary, it remains more exposed to disruption than holdings with proprietary datasets, regulated infrastructure or system-of-record status. Molten's stake in Aircall was revalued upwards by £14.4m (or 20%) in constant currency in FY26.

Overall, we consider Molten's exposure more balanced than a simple 'AI portfolio' label would suggest: the potential upside comes from broader markets, increased infrastructure demand and stronger products across several holdings, while diversification and active assessment of disruption risk provide some downside protection.

Spacetech's lift-off moment is now

Molten has invested in space since its first ICEYE investment in 2018, with its current two core holdings in the sector being ICEYE and Isar Aerospace, complemented by a minor c £1m exposure to SatVu. These holdings represented in aggregate 9.3% of Molten's GPV at end-March 2026, but the above-mentioned uplift to the carrying value of Molten's stake in ICEYE and Molten's €30m investment in Isar Aerospace's €270m Series D round in June 2026 imply a pro forma share of c 21.7% (including 17.9% for ICEYE alone), according to our calculations.

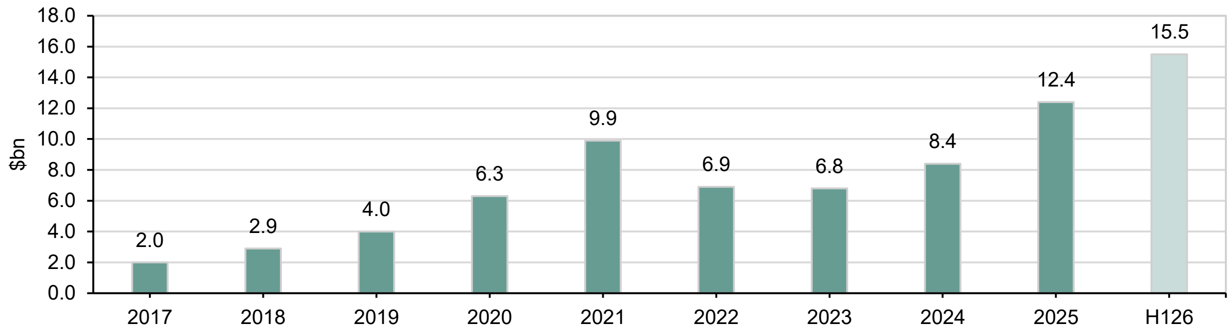
Commercial space technology is accelerating, driven by a 10–100x reduction in the cost of access to space, according to Seraphim Space. Falling launch costs and the shift to smaller, standardised satellites, such as CubeSats, have significantly reduced manufacturing costs (by c 60%) and compressed development timelines from years to months. By leveraging commercial off-the-shelf components and consumer electronics, universities and start-ups can now build and deploy satellites faster and more cheaply, lowering barriers to entry and accelerating innovation across the space economy.

This is coupled with growing demand for Earth observation from space in end-markets like defence, climate change and insurance, with further demand drivers for spacetech services including connectivity and mobility. According to a report released by the World Economic Forum and McKinsey in 2024, the space economy is predicted to grow from $630bn in 2023 to $1.8tn by 2035.

European public space budgets rose 12% to €13.5bn in 2025, the first double-digit increase in five years, mainly because of higher national defence spending, according to the European Space Agency (ESA). The EU Agency for the Space Programme forecasts global Earth-observation revenue to rise from €3.5bn in 2024 to €7.9bn by 2034, supported by low Earth orbit (LEO) constellations, dual-use demand, AI and more value-added services.

Growing investor interest in the spacetech sector is illustrated by the 48% y-o-y increase in private-market investments in spacetech companies to a record-high $12.4bn in 2025 and the strong momentum so far this year with c $8bn and $7.5bn invested in Q126 and Q226, respectively, according to the Seraphim Space Index (see Exhibit 16).

Exhibit 16: Global private capital invested in spacetech businesses



Source: Seraphim Space Index

Strong operational progress at ICEYE

ICEYE operates the world's largest constellation of synthetic aperture radar (SAR) satellites (76 launched to orbit to date), which enables Earth observation in near real-time on a 24/7 basis, irrespective of weather (as SAR satellites can see through clouds and other low-visibility weather conditions) and at night. This makes SAR satellites a valuable tool for a wide range of use cases, such as military applications, border monitoring, detecting suspicious maritime activities, climate observation as well as providing natural disaster insights for governments and insurance companies.

The strong secular tailwinds were reflected in ICEYE's results, as it reported unaudited revenue and EBITDA of more than €250m (vs €103m in 2024) and €100m respectively in 2025 and secured an order book of more than €1.5bn. It targets an increase in output from 50 satellites a year to 100 by 2027 (recently revised from 2028). It has secured a series of sovereign SAR satellite and data contracts with European and allied government customers, including Poland, Finland, the Netherlands, Greece and Portugal, with disclosed contract values for Poland and Finland alone amounting to c €358m. In November 2025, ICEYE established a joint venture with Rheinmetall, a German supplier of solutions in the security technology and mobility segments (Rheinmetall ICEYE Space Solutions), to strengthen Rheinmetall's activities in the space sector through large-scale satellite production in Germany. Rheinmetall ICEYE Space Solutions has already received a €1.7bn gross contract (with an extension option) to supply space-based reconnaissance data to the German Armed Forces. In early 2026, ICEYE announced a further sovereign SAR systems contract with Sweden. Beyond the defence sector, ICEYE's partnership with KT SAT marks the first deployment of its flood-intelligence services in South Korea, targeting government agencies and commercial organisations. Earlier agreements included providing the US Centers for Disease Control and Prevention with flood data to assess public-health impacts and supplying the Australian government with flood and bushfire intelligence.

Isar Aerospace aims to offer a fully integrated space access, covering the entire value chain from designing and operating launch pad infrastructure to engineering and launching its in-house-developed two-stage Spectrum vehicle. Europe conducted fewer than 10 orbital launches in 2025 compared with more than 190 in the US, according to the ESA, illustrating the shortage of sovereign European launch capacity that Isar aims to address.

The company remains pre-commercial stage and is yet to reach orbit. Spectrum had its first integrated test flight in March 2025. The second mission, intended as a qualification flight carrying six payloads towards sun-synchronous orbit, was originally targeted for January 2026 but was delayed multiple times. Its latest launch attempt, on 15 June 2026, was scrubbed after the company detected off-nominal behaviour in the vehicle's fluid systems; no revised launch date had been announced by 13 August. That said, we note that in July 2026, the company and Maritime Launch Services signed a contract under which Isar Aerospace will develop a dedicated launch complex for its Spectrum launch vehicle at Spaceport Nova Scotia in Canada, which is being developed as the country's dual-use orbital spaceport.

SatVu's high-resolution thermal imagery reveals whether critical infrastructure is operating and, therefore, complements rather than duplicates optical and SAR observation, which primarily identify objects and physical change. SatVu completed a £30m funding round in February 2026 backed by the NATO Innovation Fund and British Business Bank, taking total equity funding to £60m and funding two 2026 launches plus three further satellites under contract. HotSat-2 thermal imaging satellite launched in March 2026 and commenced commercial operations in June, while HotSat-3 was expected to join the constellation later in 2026.

Crypto and blockchain: Ledger as an infrastructure play

Ledger's product offering consists of hardware signers, a proprietary operating system and a software interface for trading, staking and managing digital assets. Ledger says its technology secures c 20% of the value of global crypto assets. Its Ledger Enterprise solutions broaden the opportunity from retail self-custody to governance and transaction control for banks, custodians, asset managers, stablecoin issuers and sovereign institutions. The company recently added tokenised investment strategies with Midas and partnered with Tangany to secure institutional settlement, illustrating expansion into regulated on-chain investment and transaction workflows.

We therefore consider Molten's investment in Ledger as an attractive way to gain exposure to the crypto/blockchain space through an infrastructure company without requiring Molten to own individual tokens or select particular blockchain protocols, although Ledger's trading performance and valuation may remain sensitive to crypto-market activity and sentiment. We note the recent regulatory tailwinds, which we discussed in part 1 of our thematic series on listed blockchain equities last year. The hardware wallet market is expected to grow in value from $0.72bn in 2026 to c $2.25bn by 2031 at a CAGR of c 26%, according to Mordor Intelligence forecasts. Ledger's business may be supported by the maturation and institutionalisation of the market, the growing use of privately issued stablecoins and central bank digital currencies, as well as growth in asset tokenisation. Finally, Agent Stack could broaden Ledger's addressable opportunity to a much wider market for agentic-commerce authorisation and digital identity.

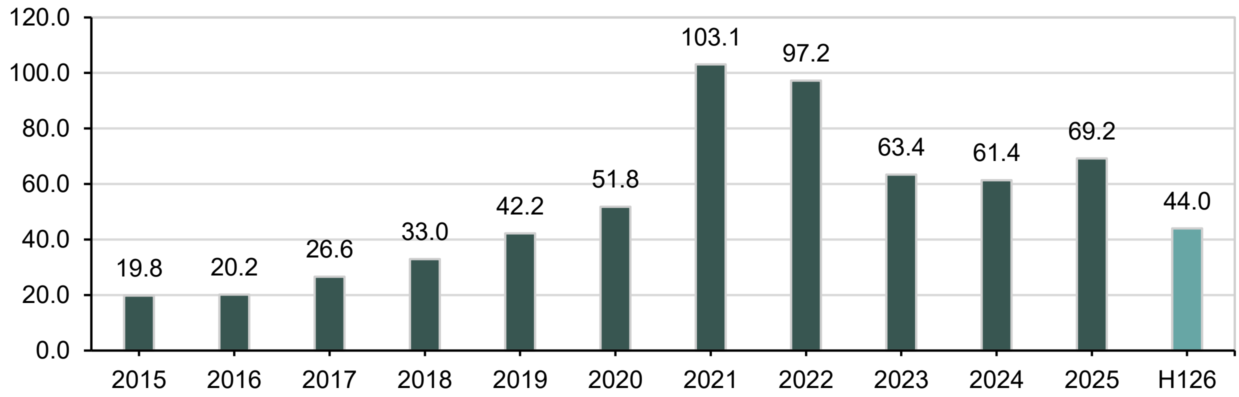
Molten's stake in Ledger was revalued upwards by £36.0m (48%) at constant currency in FY26 and held at a strong 4.0x multiple on invested capital at end-March 2026. Beyond Ledger, Molten had a minor £9m of crypto and blockchain exposure in its emerging portfolio, including SettleMint, which builds infrastructure designed to help regulated institutions issue, manage and operate tokenised assets.

European VC activity pickup led by selected themes

European VC deal value grew at a c 13% CAGR between 2015 and 2025, with a temporary stronger spike in 2021 and 2022 (according to PitchBook, see Exhibit 17). Deal activity across European VC markets has demonstrated solid momentum at €44.0bn in H126, a run-rate that would imply 27.1% y-o-y growth in 2026 if the pace is maintained in H226.

Growth in deal activity was driven by larger transactions, as the estimated deal count in H1 CY26 of 5,330 represented c 52% of 2025 estimated deal count, according to PitchBook data. Investor demand across the VC market remains selective and focused on high-quality assets from selected sectors. PitchBook highlights that a significant driver has been AI-related deals, whose share in H1 CY26 deal value it calculates at 60.2% compared to 37.8% in 2025. PitchBook applies a broad AI classification that includes businesses such as ICEYE, which we regard primarily as a spacetech company. Still, we note that several large deals in Q226 were indeed related to 'core' AI businesses, for example Isomorphic Labs (AI-driven drug discovery, €1.8bn deal value), Wayve (embodied-AI driving system, €1.1bn), Ineffable Intelligence (a frontier AI lab, €0.9bn, the largest-ever seed round in Europe) and Legora (agentic operating system for legal work, €0.5bn). KPMG noted that European investors increasingly prioritised AI-native companies over software companies adding AI to their existing offerings. It expects AI and defence tech to remain clear winners in terms of VC investment in Europe looking into Q326, in addition to areas such as biotech and alternative energy. There are also signs of investor interest in quantum computing, as evidenced by the recent £260m Series C round of Oxford Quantum Circuits, marking Europe's largest ever private quantum computing funding round, as well as the $160m Series C funding round of Quantum Motion.

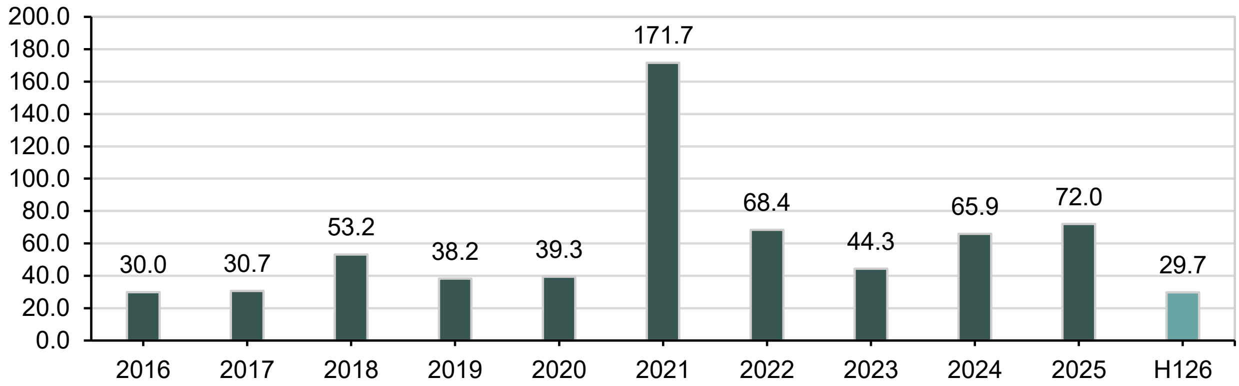
Exhibit 17: European VC deal activity in €bn



Source: PitchBook. Note: H126 based on data available as of end-June 2026.

European exit value reached €29.7bn in H1 CY26, a run-rate somewhat below 2025 (see Exhibit 18), with acquisitions accounting for 68.2% of value, while venture-backed technology IPOs remained somewhat muted despite better broad European listing conditions. On the other hand, fund-raising activity picked up compared to 2025, with €8.2bn raised in H126 versus €5.2bn in H125 and €12.4bn in the entire 2025, although both PitchBook and KPMG indicate that capital remains concentrated rather than signalling a normalised LP environment for all managers.

Exhibit 18: European VC exit activity in €bn



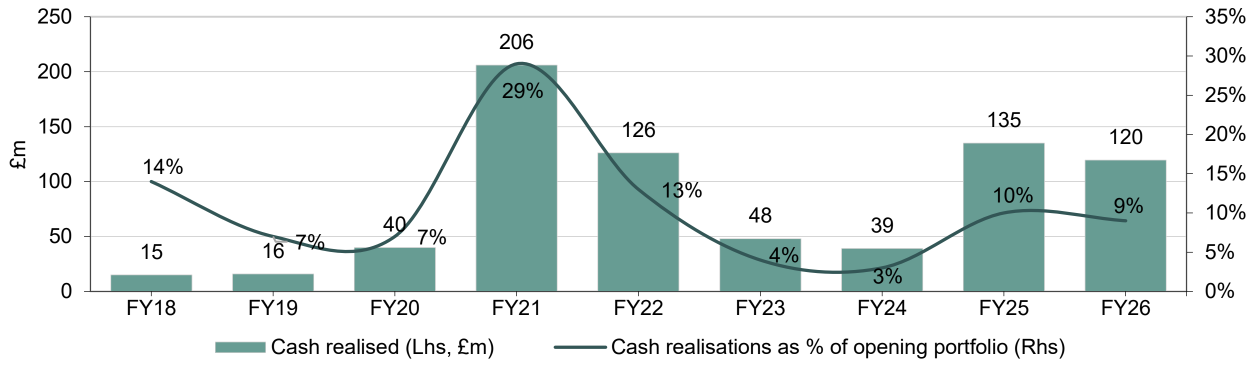
Source: PitchBook. Note: H126 based on data available as of end-June 2026.

Molten highlights that the European VC industry may benefit from a structural tailwind associated with European sovereignty. It cites estimates that €1.5tn of incremental investment could be deployed across European defence, energy, industry and technology by 2035, with EU defence spending reaching 2.5% of GDP. The voluntary Mansion House Accord, under which 17 large UK workplace pension providers intend to invest at least 10% of their defined contribution default funds in private markets by 2030, including 5% of total assets in UK private markets, could provide an additional tailwind.

Continued robust level of realisations in FY26 and FY27 to date

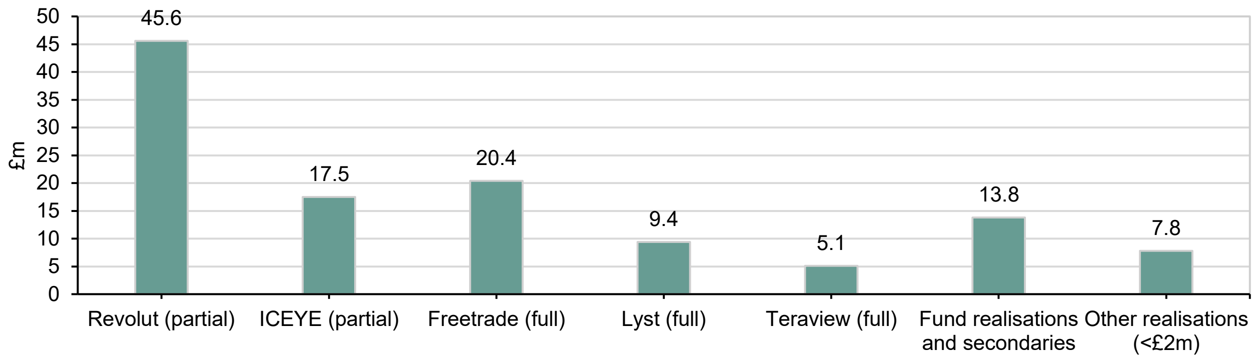
Molten received £120m of realisations in FY26 (9% of opening GPV, close to its 10% through-the-cycle target, see Exhibit 19), with all cash realisations completed at or above carrying values, illustrating Molten's valuation discipline. More than half of this amount came from partial realisations of Revolut and ICEYE (realised at strong gross multiples on invested capital (MOIC) of 21.0x and 12.9x, respectively), together with three full realisations – Freetrade (1.5x), Lyst (0.7x) and TeraView (a small exit at a MOIC of 51.0x) – as well as fund realisations and secondaries (see Exhibit 20).

Exhibit 19: Molten's historical realisations



Source: Molten Ventures data, Edison Investment Research

Exhibit 20: Molten's FY26 realisations by holding



Source: Molten Ventures data

The company has already received substantial proceeds in FY27 to date from Revolut (£63m further partial realisation in May 2026) and ICEYE (£22m minor partial realisation as part of the June 2026 funding round). The post period-end Revolut realisation brought Molten's cumulative exit proceeds from this holding to £120m (at a c 20x MOIC), and the company retained a stake of £110m based on the end-March 2026 valuation.

Maintaining a good investment pace

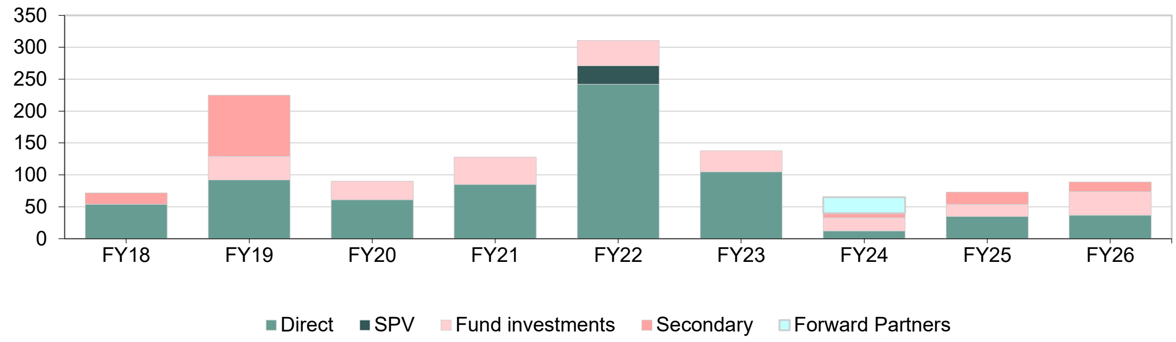
Sustained good level of exits allowed Molten to maintain consistent capital deployment, with FY26 investments at £89m (or 7% of opening NAV) versus £73m in FY25, with another £22m (FY25: £34m) deployed via the Molten-managed EIS and VCT funds. The combined £111m investment is in line with Molten's annual target of £100–150m.

Direct investments accounted for £37m of the FY26 figure and included four new investments – General Index (a provider of energy and commodity pricing data), PolyModels Hub (a platform for advanced modelling, simulation, and workflow management in drug development and manufacturing), MAIA (a provider of software designed for hedge funds, asset managers and institutional investors) and Duel (an enterprise brand advocacy platform) – and multiple follow-on investments (including as lead investor in Manna's and Modo Energy's funding rounds).

Fund investment equalled £37m, of which £20m was related to the repurchase of a portfolio of Molten's fund-of-funds programme (which it had previously syndicated) that Molten describes as an opportunistic transaction to acquire a well-known, high-quality portfolio at an attractive price. The remaining £17m fund investments were related to regular drawdowns across its seed fund-of-funds programme, including Earlybird. Finally, Molten made a £15m secondary investment in the Speedinvest Continuation Fund I, a diversified portfolio of later-stage Central European technology businesses with a shorter timeline to liquidity, according to Molten's management.

Molten spent £38m on buybacks in FY26 and had returned c £60m since July 2024 by the end of the initial £10m FY27 tranche. In July 2026, it commenced a further tranche of up to £15m, increasing the programme's maximum aggregate consideration to £75m.

Exhibit 21: Molten's historical investments by type (£m)



Source: Molten Ventures data, Edison Investment Research

After reporting date, Molten made the above-mentioned €30m investment in Isar Aerospace and led a $20m Series B round of Qureight, an AI-powered quantitative-imaging platform for clinical trials in lung and heart disease (investing an undisclosed amount).

Molten had £52m in cash at end-March 2026, with a further £24m cash available for investments via the EIS and VCT funds (outside Molten's balance sheet). Molten had a fully undrawn £60m revolving credit facility and a fully drawn £120m term loan (bearing an interest at SONIA plus 5.5%), both of which mature in September 2027.

Approach to ESG

Molten integrates sustainability considerations across investment decisions, active portfolio management and its own operations. Its FY26 sustainability KPIs, which were linked to 7.5% of bonus entitlement for all employees and executive directors, were achieved in full. All eight investment committee papers for new investments assessed potential positive environmental and/or social impact; diversity data were tracked for 95% of the investment pipeline and discussed at two deal-flow meetings; and sustainability-related risks and opportunities were assessed for 24 of the 28 in-scope portfolio companies (86%), exceeding the target of at least 75%. In-scope companies are directly held portfolio companies where Molten has a board seat and which represented at least £3m of NAV at the previous financial year-end. Molten also progressed its internal culture programme, including refreshed corporate values and new learning, development and investment team progression frameworks.

Molten received responses from 24 of the 28 in-scope companies to its annual Portfolio Sustainability Framework. The data showed that 76% of in-scope companies had implemented energy-efficiency measures and 52% measured their carbon footprint, while six companies across the wider portfolio were certified B Corps. Molten continued to report in line with the Task Force on Climate-related Financial Disclosures framework and obtained independent limited assurance over its CY25 Scope 1, Scope 2 and Scope 3 Category 15 emissions reporting. Sustainability considerations also informed investment activity, including a new investment in commodities-benchmarking platform General Index and a follow-on investment in Modo Energy, whose data and valuation tools support energy storage, solar and wind assets.

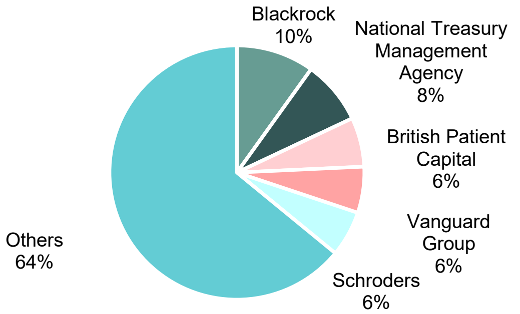
Molten's FY27 sustainability KPIs place greater emphasis on governance, accountability and operational value creation. Priorities include improving Scope 3 reporting through greater use of primary data from material suppliers; incorporating clearer action tracking into portfolio company value-creation plans; conducting governance risk assessments across the portfolio on a consistent cycle; and strengthening budget discipline. Separately, the Esprit Foundation made grants and charitable donations of £127,650 in FY26, primarily supporting access to technology, entrepreneurship and employment opportunities for young people and under-represented groups.

Capital structure

Molten's share capital consists of 189.0m ordinary shares including treasury shares (173.0m excluding treasury shares). Molten's three executive directors are required to hold the equivalent of 250% of their base salary in Molten's shares. They are required to build their shareholdings by retaining at least 50% of any share awards vesting under the long-term incentive plan or deferred bonus until the guideline is met. As at end-March 2026, their shares (including net-of-tax shares from vested but unexercised awards estimated by the company) counting towards the ownership guideline were as follows: Ben Wilkinson 348,599 shares (308% of the requirement); Stuart Chapman 1,379,083 shares (1,451% of the requirement); and Andrew Zimmermann, who recently became an executive director, 11,868 shares (17% of the requirement).

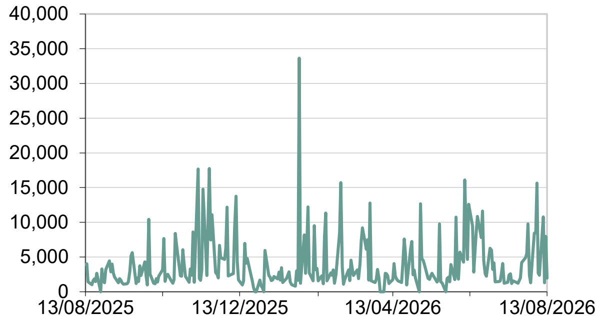
Molten has five non-executive directors: Laurence Hollingworth (chair), Grahame Cook, Sarah Gentleman, Gervaise Slowey and Lara Naqushbandi.

Exhibit 22: Molten's shareholder structure



Source: Bloomberg data as of 13 August 2026

Exhibit 23: Molten's daily traded value (£000s)



Source: LSEG Data & Analytics as of 13 August 2026

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