



30 September 2025

Invinity Energy Systems plc

("Invinity" or the "Company")

2025 Interim Results

Invinity Energy Systems plc (AIM: IES) (OTCQX: IESVF), a leading global manufacturer of utility-grade energy storage, announces its unaudited consolidated results for the six months ended 30 June 2025 (the "Period") and an update on trading in the year to date.

The Company will hold a virtual meeting for analysts at 9.30 a.m. today. Analysts wishing to attend are kindly asked to email ir@invinity.com.

Invinity's management team will host a virtual results presentation and interactive Q&A via the Investor Meet Company platform for all shareholders and investors at 3.30 p.m. UK Time on Wednesday 8 October – please [register for free here](#).

H1 2025 SUMMARY

- H1 Revenue and Project Grant Income of £2.0m (H1 2024: £1.6m) as previously disclosed on 9 September 2025;
- £20.0m 2025 order book* drives heavily H2 weighted FY25 Revenues and Project Grant Income;
- Reduced loss from operating activities to £10.2m (H1 2024: £11.4m);
- New customer orders totalling 11.7 MWh signed in H1 (+193% YoY);
- Net Cash at 30 June of £18.7m.

* Non-IFRS term defined in Commercial Outlook section of this announcement

YTD 2025 HIGHLIGHTS

- Significant progress made during the Period and in the year to date against 12-month corporate objectives set out in September 2024;
- 43% reduction in delivered battery cost in transition from VS3 to Endurium;
- Further improvement achieved in terms of projected Endurium cost reduction since last reported in May 2025 (FY24 results);
- Over 6.7 GWh of energy dispatched by Invinity batteries historically to date at existing customer sites;
- 16.7 GWh of Endurium projects confirmed eligible for the UK Cap and Floor Scheme, the manufacturing for which has the potential to create up to 1,000 durable, high quality manufacturing jobs in Scotland assuming all projects were to proceed*;
- Current Cash of £39.7m as at 29 September 2025, reflecting a £25.0m total strategic investment from Atri Energy Transition Limited ("Atri Energy") and Next Gen Mobility ("Next Gen").

* See 23 September 2025 announcement for further details of the projects and associated risks

OUTLOOK

In the short term, Invinity's team remains focused on a number of key objectives:

- 1) Deliver against our order book and close out the remaining commercial contracts that underpin 2025 revenue forecasts.
- 2) Continue to meet or exceed Endurium cost down programme targets in order to enhance product margins and compete even more effectively in new and existing markets.
- 3) Progress our global expansion plans with partners and scale the business operationally to be capable of delivering against gigawatt-scale demand through 2027-30.

Evidence of the demand supporting this global expansion is increasingly apparent across Invinity's core markets, demonstrated most recently by the 16.7 GWh of projects incorporating Invinity's Endurium batteries that have been confirmed eligible for the UK Cap and Floor programme which target deliveries (with associated revenue recognised) predominantly through 2028-30. The Company is also actively engaged in comparable procurement schemes in the USA and Canada and has received notification from a number of developers who have submitted early-stage applications with Invinity's technology totalling multiple gigawatt-hours for delivery across 2027-29 and beyond.

Strategically, Invinity is at a significant juncture in its corporate journey with a technologically advanced product, a demonstrated track record of delivery and operation, a leading market position within the vanadium flow battery sector and a growing network of strategic partners across the world. This capability is timely, as the Company has observed significant increases in global interest in both long duration energy storage and non-lithium battery solutions.

Building scale and reducing product cost are Invinity's key objectives as global demand for LDES continues to accelerate. The Company anticipates the start of the globalisation of its manufacturing operations over the next 12 months in regions including the USA, India and China and aggressively pursuing improvements across our product, our processes and our people to successfully transition our business into the next phase of its growth over the coming 5 years.

Jonathan Marren, Chief Executive Officer at Invinity said:

"The energy storage market is fast moving, innovative and growing substantially. This creates significant opportunities as well as challenges and to be successful we need to move and develop quickly. Acknowledging revenue recognition is heavily H2-weighted and reflective of the launch of Endurium only in late 2024, the achievements in the period and year to date demonstrate the transformational progress we've made across our business in the past 12 months. We remain on target to achieve a substantial improvement in our 2025 FY results compared to last year while continuing to build deal flow into 2026 and beyond.

"The announcement last week that 21 projects representing 16.7 GWh of Endurium batteries have been confirmed eligible for the UK Cap and Floor Scheme was a very significant step forward and endorsement for Invinity and Endurium. Were all of these projects to be awarded, we estimate up

to 1,000 durable, high quality manufacturing jobs could be created in Scotland if the scheme assessors apportion appropriate benefit to UK-manufactured technology solutions, sourcing from UK supply chains. Alongside our partners, we will continue make this case strongly to Ofgem, the UK regulator who is administering the scheme.

"We have also recently broadened our partnerships with a strategic investment from Atri Energy which will enable us to target opportunities commercially and operationally in India, and in China where we signed a partnership with UESNT and an MoU with Fortune 500 company, C&D Group.

"Our focus on continuing to reduce the product cost of Endurium remains unwavering and I am delighted that we continue to advance ahead of our previous expectations in this regard. This shows considerable progress over the last 12 months and, as we build the foundation for success in the years to come, the overwhelming feeling is one of growing momentum."

Stay up to date with news from Invinity. Join the distribution list for the Company's monthly investor newsletter [here](#).

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Notes to Editors

Invinity Energy Systems plc (AIM: IES) (OTCQX: IESVF) manufactures vanadium flow batteries for large-scale, high-throughput energy storage requirements of business, industry and electrical networks.

Invinity's factory-built flow batteries run continually with no degradation for over 30 years, making them suitable for the most demanding applications in renewable energy production. Energy storage systems based on Invinity's batteries are safe, reliable, and economical, and range in size from less than 250 kilowatt-hours to tens of megawatt-hours.

Invinity was created in April 2020 through the merger of two flow battery industry leaders: redT energy plc and Avalon Battery Corporation. With more than 190 MWh of systems deployed, contracted for delivery or awarded for projects across more than 90 sites in 17 countries, Invinity is active in all major global energy storage markets and has operations in the UK, Canada, USA and China. Invinity Energy Systems plc is quoted in the UK on AIM and trades in the USA on OTCQX.

To find out more, visit invinity.com, sign up to [our monthly Investor Newsletter here](#) or contact Investor Relations on via +44 (0)20 4551 0361 or ir@invinity.com.

2025 Interim Report

Invinity's achievements throughout the Period and in the year to date are representative of our talented team rising to the challenge of delivering against the five goals I set out twelve months ago when I became CEO. Whilst our work to deliver success in each of these areas never stops, I'm pleased to report that twelve months on, we have achieved important progress against every goal (summarised below) and materially advanced the business as a result.

Goal 1 – Recognise FY24 revenue in line with analyst forecasts - Achieved

Invinity delivered revenue in line with revised analyst forecasts for FY24.

Goal 2 – Launch Endurium before 2024 year-end - Achieved

Endurium product successfully launched with products shipped before 2024 year-end. In September 2025, the Company launched Endurium Enterprise™, a further expansion to Invinity's product range catering specifically to commercial and industrial customers.

Goal 3 – Close deals from commercial pipeline to support volume ramp up - On Track

Invinity's commercial team has built a £20m 2025 order book expected to convert to revenue and project grant income in the current year and is working to secure additional orders which will support revenue and cash generation in 2025 and beyond. Highlights include:

- New customer orders totalling 11.7 MWh signed during the Period, representing a nearly three-fold increase year-on-year.
- Securing approval to proceed on the 20.7 MWh LoDES project, expected to be the largest commercially operating VFB in Europe once commissioned.
- Securing a follow-on 4 MWh order in September 2025 from Hungarian partner Ideona for delivery later this year.

Additionally, the Company has successfully originated and secured a number of important strategic projects and relationships in the year to date which are expected to significantly increase production volumes over the next 5 years. These include:

- 21 project bids confirmed eligible for the UK Cap and Floor Scheme, representing 16.7 GWh of potential Endurium demand primarily for delivery from 2028 – 2030. Pending the successful outcome of these bids, this is expected to support a significant scale up of the Company's manufacturing capacity from 2027 onwards and represent billions of pounds of future revenue. The Company estimates it could create up to 60 permanent jobs for every GWh awarded, potentially as many as 1,000 if all projects were to proceed, noting that there is no guarantee of this due to the competitive nature of the process, details of which are set out in the 23 September 2025 announcement.
- Entry into the Chinese energy storage market following the signing of a licence and royalty agreement with Guangxi United Energy Storage New Materials Technology Limited ("UESNT") in July 2025 and further expanded in September with the signing of an MoU with Xiamen C&D Cooperation Limited ("C&D").
- Entry into the Indian market through a strategic partnership with Atri Energy which targets commercial opportunities in the region as well as an expansion of manufacturing and supply chain capabilities in India.

Goal 4 – Further advance the cost reduction programme for Endurium and incrementally improve product margins – Achieved

In the year to date, Invinity's team have achieved a 43% reduction to date in the cost of Endurium as compared against the previous VS3 product. Furthermore, the Company is currently tracking ahead of management expectations in respect of cost reduction, which targets substantial reductions year-on-year through 2030.

The Company's new semi-automated stack production line is now operational at its Bathgate facility, which has doubled stack production and improved quality, whilst recent strategic partnerships announced in Asia are expected to generate further opportunities to accelerate cost reduction through economies of scale and scope.

Goal 5 – Review capital allocation across the business and drive operational efficiencies – Achieved

Ongoing projects related to minimising corporate overheads while expanding business operations have already delivered a modest reduction in year-on-year administration costs while expanding business operations. Further initiatives such as the rollout of a new ERP system and improving our supplier development processes are expected to drive further efficiencies in the coming months.

Note: Whilst management believe that these goals have been achieved in the 12 month period as anticipated, each of goals 3, 4 and 5 remain a priority of the Company to continue to advance.

Financial Performance

| | Six Months Ended 30 June 2025 £m | Six Months Ended 30 June 2024 £m | Year Ended 31 December 2024 £m |
|--|---|---|---|
| Revenue | 0.3 | 1.6 | 5.0 |
| Gross Loss | (1.9) | (1.1) | (3.5) |
| Project Grant Income | 1.8 | - | - |
| Loss for the period | (10.0) | (11.1) | (22.8) |
| Property, Plant and Equipment plus Intangible Assets | 27.0 | 25.7 | 26.3 |
| Total inventory and Pre-paid Inventory | 14.1 | 6.4 | 8.2 |
| Net Cash | 18.7 | 46.2 | 32.3 |
| Net Assets | 55.7 | 77.3 | 65.7 |

Noting the significant uptick in H1 signed orders year-on-year, revenue recognition is again expected to be heavily H2 weighted in 2025 with maximum potential Revenue & Project Grant Income for the current year of £25.0m.

The Company recognised £2.0m of Revenue and Project Grant Income in H1 (H1 2024: £1.6m) as part of a £20m order book of signed contracts to deliver against by the end of the year. The Company is also in the final negotiation stage on contracts which could contribute approximately £5m of 2025 revenue, should negotiations be successful and final documentation executed in a timely fashion. Management also notes that in the event that

licence and royalty fees are recognised as anticipated from the agreement signed with UESNT in July 2025, this would likely have a significantly positive impact on net income.

Loss from operating activities reduced to £10.2m (H1 2024: £11.4m) supported by a moderate reduction in administrative expenses, and the recognition of £1.8m project grant income received under the LoDES project for which cash has since been received. Within Cost of Goods Sold, unabsorbed overheads of £0.9m reflect lower production volumes in H1 as the Company transitioned from the VS3 to Endurium product, and an increase in warranty costs which includes Direct Current Voltage Converters (“DC:DCs”) that are being replaced by the supplier in H2. Taken together, the loss for the period reduced to £10.0m (H1 2024: £11.1m).

Inventory and prepaid inventory increased to £14.1m (H1 2024: £6.4m) in order to deliver against customer contract and project deliveries forecasted for H2 2025. Cash at 30 June was £18.7m, which has increased to £39.7m at 29 September reflecting the total £25m strategic investment by Atri Energy and Next Gen which was approved by shareholders yesterday. The Company remains debt-free (excluding leases).

Commercial Outlook

The commercial revenue and project grant income outlook for the full year 2025 as at 30 September 2025 comprises the following:

| Commercial Revenue and Project Grant Income | 2025 £m |
|--|--------------------|
| Order book | 20 |
| Near-term contracts | 5 |
| Development pipeline | - |
| Maximum Potential Revenue & Project Grant income (<i>based on above</i>) | 25 |

Where:

- **Order Book** includes signed contracts expected to generate revenue in the relevant year that have either been delivered (and revenue recognised), are in the fulfilment phase or are awaiting Notice to Proceed (“NTP”). Invinity has higher confidence in assessing the timing of delivery and revenue for these projects, although risks related to supply chain, fulfilment and/or receipt of NTP remain.
- **Near-term contracts** includes projects where the customer has indicated an intent to proceed, and where final contracting is underway. Invinity has lower confidence in assessing the timing of delivery and revenue for these projects as risks related to final negotiation and documentation remain.
- **Development pipeline** includes projects where the customer has engaged Invinity in a procurement process, submitted Invinity's products to a public procurement scheme or applied for relevant permits. Revenue is expected to be recognised in the relevant year, however both commercial and development risks remain.

Jonathan Marren

Chief Executive Officer

Unaudited Financial Results for the Period Ended 30 June 2025

Unaudited Consolidated Statement of Profit and Loss

For the six months ended 30 June 2025

| | | Six Months Ended 30 June 2025 | Six Months Ended 30 June 2024 | Year Ended 31 December 2024 |
|--|------|--|-------------------------------------|-----------------------------------|
| | Note | £000 | £000 | £000 |
| Continuing operations | | | | |
| Revenue | 4 | 256 | 1,637 | 5,015 |
| Cost of sales | 5 | (2,186) | (2,750) | (8,528) |
| Gross loss | | (1,930) | (1,113) | (3,513) |
| Operating costs | | | | |
| Administrative expenses | 6 | (10,178) | (10,296) | (20,334) |
| Other items of operating income and expense | 8 | 1,938 | 17 | (210) |
| Loss from operations | | (10,170) | (11,392) | (24,057) |
| Finance income | | 397 | 315 | 1,358 |
| Finance costs | | (58) | (38) | (106) |
| (Loss)/gain on foreign currency transactions | | (121) | 7 | 8 |
| Net finance income | | 218 | 284 | 1,260 |
| Loss before income tax | | (9,952) | (11,108) | (22,797) |
| Income tax expense | | - | - | - |
| Loss for the period/year | | (9,952) | (11,108) | (22,797) |
| Loss per ordinary share in pence | | | | |
| Basic | 9 | (2.3) | (4.6) | (6.7) |
| Diluted | 9 | (2.3) | (4.6) | (6.7) |

The above unaudited consolidated statement of profit and loss should be read in conjunction with the accompanying notes.

Unaudited Consolidated Statement of Comprehensive Income

For the six months ended 30 June 2025

| | | Six Months Ended 30 June 2025 | Six Months Ended 30 June 2024 | Year Ended 31 December 2024 |
|---|------|--|-------------------------------------|-----------------------------------|
| | Note | £000 | £000 | £000 |
| Continuing operations | | | | |
| Loss for the year | | (9,952) | (11,108) | (22,797) |
| Other comprehensive income/(expense) | | | | |
| Exchange differences on the translation of foreign operations | | (228) | (117) | (355) |
| Total comprehensive loss for the period/year | | (10,180) | (11,225) | (23,152) |

The above unaudited consolidated statement of comprehensive income should be read in conjunction with the accompanying notes.

Unaudited Consolidated Statement of Financial Position

As at 30 June 2025

| Six Months Ended | Six Months Ended | Year Ended |
|-----------------------------|---------------------|------------|
|-----------------------------|---------------------|------------|

| | | | | | | | |
|---|---------------|----------------|--------------|------------------|----------------|-----------|-----------------|
| At 1 January 2025 | 53,473 | 215,121 | 7,328 | (208,070) | (2,222) | 39 | 65,669 |
| Loss for the period | - | - | - | (9,952) | - | - | (9,952) |
| Other comprehensive gain/(loss) | | | | | | | |
| Foreign currency translation differences | - | - | - | - | (228) | - | (228) |
| Total comprehensive loss for the period | - | - | - | (9,952) | (228) | - | (10,180) |
| Transactions with owners in their capacity as owners | | | | | | | |
| Share-based payments | - | - | 245 | - | - | - | 245 |
| Total contributions by owners | - | - | 245 | - | - | - | 245 |
| At 30 June 2025 | 53,473 | 215,121 | 7,573 | (218,022) | (2,450) | 39 | 55,734 |

As at 30 June 2024

| | Called up Share Capital £000 | Share Premium £000 | Share-based Payment Reserve £000 | Accumulated Losses £000 | Currency Translation Reserve £000 | Other Reserves £000 | Total £000 |
|---|---------------------------------|-----------------------|-------------------------------------|----------------------------|--------------------------------------|------------------------|-----------------|
| At 1 January 2024 | 51,348 | 162,883 | 6,683 | (185,273) | (1,867) | 39 | 33,813 |
| Loss for the period | - | - | - | (11,108) | - | - | (11,108) |
| Other comprehensive gain/(loss) | | | | | | | |
| Foreign currency translation differences | - | - | - | - | (117) | - | (117) |
| Total comprehensive loss for the period | - | - | - | (11,092) | (228) | - | (11,320) |
| Transactions with owners in their capacity as owners | | | | | | | |
| Investment funding arrangement, net of transaction costs | 2,125 | 52,348 | - | - | - | - | 54,473 |
| Share-based payments | - | - | 264 | - | - | - | 264 |
| Total contributions by owners | 2,125 | 52,348 | 264 | - | - | - | 54,737 |
| At 30 June 2024 | 53,473 | 215,231 | 6,947 | (196,381) | (1,984) | 39 | 77,325 |

The above unaudited consolidated statements of changes in equity should be read in conjunction with the accompanying note.

Unaudited Consolidated Statement of Changes in Equity

For the year ended 31 December 2024

| | Called up Share Capital £000 | Share Premium £000 | Share-based Payment Reserve £000 | Accumulated Losses £000 | Currency Translation Reserve £000 | Other Reserves £000 | Total £000 |
|---|---------------------------------|-----------------------|-------------------------------------|----------------------------|--------------------------------------|------------------------|-----------------|
| At 1 January 2024 | 51,348 | 162,883 | 6,683 | (185,273) | (1,867) | 39 | 33,813 |
| Loss for the year | - | - | - | (22,797) | - | - | (22,797) |
| Other comprehensive income | | | | | | | |
| Foreign currency translation differences | - | - | - | - | (355) | - | (60) |
| Total comprehensive for the year | - | - | - | (22,797) | (355) | - | (23,152) |
| Transactions with owners in their capacity as owners | | | | | | | |
| Investment funding arrangement, net of transaction costs | 2,125 | 52,234 | - | - | - | - | 54,359 |
| Exercise of share options | - | 4 | - | - | - | - | 4 |
| Share-based payments | - | - | 645 | - | - | - | 645 |

| | | | | | | | |
|-------------------------------|--------|---------|-------|-----------|---------|----|--------|
| Total contributions by owners | 2,125 | 52,238 | 645 | - | - | - | 55,008 |
| At 31 December 2024 | 53,473 | 215,121 | 7,328 | (208,070) | (2,222) | 39 | 65,669 |

The above unaudited consolidated statements of changes in equity should be read in conjunction with the accompanying note.

Unaudited Consolidated Statement of Cash Flows

For the six months ended 30 June 2025

| | Note | Six months ended 30 June 2025 £000 | Six months ended 30 June 2024 £000 | Year ended 31 December 2024 £000 |
|--|------|--|--|---|
| Cash flows from operating activities | | | | |
| Cash used in operations | | (11,991) | (12,614) | (26,103) |
| Interest received | | 324 | 247 | 1,222 |
| Interest paid | | - | (1) | (13) |
| Net cash outflow from operating activities | | (11,667) | (12,368) | (24,894) |
| Cash flows from investing activities | | | | |
| Acquisition of property, plant and equipment | | (924) | (395) | (1,294) |
| Acquisition of subsidiaries through business combination | | (300) | - | - |
| Deposits on right-of-use assets | | - | (47) | (7) |
| Net cash outflow from investing activities | | (1,224) | (442) | (1,301) |
| Cash flows from financing activities | | | | |
| Payment of lease liabilities | | (371) | (343) | (676) |
| Interest paid on lease liabilities | | (73) | (37) | (92) |
| Proceeds from the issue of share capital, net of transaction costs | | - | 57,383 | 57,383 |
| Payment of transaction costs for the issue of share capital | | - | (2,911) | (3,001) |
| Proceeds from the exercise of share options and warrants | | - | - | 4 |
| Net cash inflow from financing activities | | (444) | 54,092 | 53,618 |
| Net (decrease)/increase in cash and cash equivalents | | (13,335) | 41,282 | 27,423 |
| Cash and cash equivalents at the start of the period/year | 19 | 32,352 | 5,014 | 5,014 |
| Effects of exchange rate changes on cash and cash equivalents | | (277) | (53) | (85) |
| Cash and cash equivalents at the end of the period/year | 19 | 18,740 | 46,243 | 32,352 |

The above unaudited consolidated statement of cash flows should be read in conjunction with the accompanying note.

Notes

(forming part of the unaudited consolidated historical financial information)

1 General Information

Invinity Energy Systems plc (the "Company") is a public company limited by shares incorporated and domiciled in the UK. The registered office address is Office 207, New Broad Street House, 35 New Broad Street, London EC2M 1NH.

On 9 January 2025, under a Scheme of Arrangement between Invinity Energy Systems Limited (“former plc”), the former holding company of the Group, and its shareholders, under Article 125 of the Companies (Jersey) Law 1991, and as sanctioned by The Royal Court of Jersey, all the issued shares in former plc were cancelled. In exchange, an equivalent number of new shares in former plc were issued to Invinity Energy Systems plc in consideration for the allotment to shareholders of one ordinary share in the Company for each ordinary share in former plc that they held on the date of record, 8 January 2025.

The Company was incorporated under the Companies Act 2006 on 12 August 2024 as a private company and re-registered on 3 January 2025 as a public company. The introduction of a new Parent Company constitutes a Group reconstruction and has been accounted for as a reverse acquisition under common control by applying predecessor accounting in accordance with IFRS requirements. Although the Group reconstruction did not become effective until 9 January 2025, the Consolidated Financial Statements of the Company are presented as if the Company had always been part of the Group with historical results combined without recognition of goodwill. As the Company had no financial activity prior to the scheme, the comparative consolidated financial statements for prior periods remain unchanged. Earnings per share are unaffected by the reorganisation.

The Company is quoted on the AIM Market of the London Stock Exchange with the ticker symbol IES.L and trades on the OTCQX Best Market in the United States of America with the ticker symbol IESVF.

The principal activities of the Company and its subsidiaries (together the “Group”) relate to the manufacture and sale of vanadium flow battery systems and associated installation, warranty and other services.

2 Accounting Policies

The accounting policies applied in this condensed consolidated financial information are consistent with those applied in preparing the financial statements for the year ended 31 December 2024.

Basis of Preparation

This unaudited condensed consolidated interim financial information for the six-months ended 30 June 2025 (the 'interim financial information') has been prepared in accordance with IAS 34, 'Interim financial reporting' as adopted for use in the United Kingdom. The financial information should be read in conjunction with the Group's annual financial statements for the year ended 31 December 2024 that were prepared in accordance with International Financial Reporting Standards as adopted for use in the United Kingdom.

The annual report and financial statements for the year ended 31 December 2024 are available on the Company's website (www.invinity.com).

This interim financial information has been prepared using the historical cost basis of accounting. The accounting policies applied across all the Group's subsidiaries when preparing the financial information are consistent with those adopted and disclosed in the annual financial statements for the year ended 31 December 2024. The accounting policies have been consistently applied across all Group entities for the purpose of producing this interim financial information.

The financial information included in this document does not constitute the Company's statutory accounts within the meaning of section 434 of the Companies Act 2006. The comparative figures for the financial year ended 31 December 2024 represent the Company's statutory accounts for that year, which were prepared under the Companies (Jersey) Law 1991, reported on by the Company's auditors, and delivered to the Jersey Financial Services Commission.

The statutory accounts for the year ended 31 December 2024 received an unqualified audit report under the Companies (Jersey) Law 1991. Statutory accounts for subsequent financial periods will be prepared and filed in accordance with the Companies Act 2006 with the Registrar of Companies in England and Wales.

The Group's business activities, together with factors likely to affect its future development, performance and position, are set out in the operations and financial review sections of this report.

The financial position of the Group, its cash flows and liquidity position are described in the financial review section.

Going Concern

The Directors are satisfied that the Group has adequate resources to continue to operate as a going concern for the foreseeable future and that no material uncertainties exist which could cause significant doubt with respect to this assessment. In making this assessment, the Directors have considered the Group's balance sheet position and forecast earnings and cash flows for the period from the date of approval of these financial statements to 30 September 2026.

The Group has relied on fundraising in previous years. Following the completion of a strategic investment of £25m by Atri Energy and Next Gen announced on 9 September 2025, the Group significantly strengthened its liquidity position. The Group held cash of £18.7m as at 30 June 2025 (30 June 2024: £49.2m).

As part of the going concern assessment the Directors have prepared a cash flow forecast which indicates that the Group would expect to remain cash positive during this period and without the requirement for further fundraising. The business continues in a cash outflow position, using funding generated from previous fundraises. However, it plans to move to a cash inflow position upon the launch and delivery of material volume of the next generation product.

This cash flow forecast was stress-tested for a worst-case scenario of no positive cash receipts from sales. In these tested scenarios, the business would remain cash positive for the 12 months from the date of approval of these financial statements.

Therefore, the Directors believe it is appropriate to prepare the accounts on a going concern basis.

3 Critical Accounting Judgements and Key Sources of Estimation Uncertainty

The preparation of interim financial information requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities and of items of income and expense. Actual results may differ from these estimates.

In preparing this interim financial information, the significant judgments made by management in applying the Group's accounting policies were the same as those that applied to the consolidated financial statements for the year ended 31 December 2024. Similarly, the key sources of estimation uncertainty related to the financial information were the same as those encountered when applying the Group's accounting policies in relation to the preparation of the consolidated financial statements for the year ended 31 December 2024.

In preparing the condensed consolidated financial information, management is required to consider the principal risks and uncertainties facing the Group. In management's opinion the principal risks and uncertainties facing the Group are unchanged since the preparation of the consolidated financial statements for the year ended 31 December 2024. Those risks and uncertainties, together with management's response to them are described in the risk review section of the annual report and financial statements for the year ended 31 December 2024.

4 Revenue from Contracts with Customers and Income from Government Grants Segment Information

The Group derives revenue from a single business segment, being the manufacture and sale of vanadium flow battery systems and related hardware together with the provision of services directly related to battery systems sold to customers.

The Group is organised internally to report on its financial and operational performance to its chief operating decision maker, which has been identified as the Executive Directors as a group.

All revenues were derived from continuing operations.

Revenue from Contracts with Customers

| | Six Months Ended 30 June 2025 £000 | Six Months Ended 30 June 2024 £000 | Year Ended 31 December 2024 £000 |
|--|---|---|---|
| Battery systems and associated control systems | - | 1,186 | 4,008 |
| Integration hardware | 30 | 35 | 443 |
| Integration and commissioning | 17 | 18 | 23 |
| Other services | 209 | 398 | 541 |
| Total revenue in the statement of profit and loss | 256 | 1,637 | 5,015 |

Grant Income other than Revenue

The Group receives grant income to help fund certain projects that are eligible for support, typically in the form of innovation grants. The total grant income in the period was as follows:

| | Six Months Ended 30 June 2025 | Six Months Ended 30 June 2024 | Year Ended 31 December 2024 |
|--|--|-------------------------------------|-----------------------------------|
|--|--|-------------------------------------|-----------------------------------|

| | £000 | £000 | £000 |
|-------------------------------------|--------------|------------|------------|
| Grants for research and development | 238 | 106 | 106 |
| Grants for product deployment | 1,758 | 40 | 67 |
| Economic and social development | - | 2 | 2 |
| Total government grants | 1,996 | 148 | 175 |

5 Cost of Sales

| | Six Months Ended 30 June 2025 £000 | Six Months Ended 30 June 2024 £000 | Year Ended 31 December 2024 £000 |
|---|--|--|---|
| Movement in inventories of finished battery systems | 1,331 | 2,372 | 6,434 |
| Warranty costs | 857 | 299 | 524 |
| Movement in provisions for sales contracts | (2) | 79 | 1,570 |
| Total cost of sales | 2,186 | 2,750 | 8,528 |

6 Administrative Expenses

| | Six Months Ended 30 June 2025 £000 | Six Months Ended 30 June 2024 £000 | Year Ended 31 December 2024 £000 |
|---|--|--|---|
| Staff costs | 6,985 | 6,840 | 12,886 |
| Research and development costs | 1,225 | 1,029 | 2,421 |
| Research and development recoveries, tax credits and grants | (928) | (145) | (1,150) |
| Professional fees | 282 | 345 | 755 |
| Sales and marketing costs | 294 | 398 | 847 |
| Facilities and office costs | 195 | 277 | 345 |
| Depreciation and amortisation | 623 | 501 | 1,314 |
| Other administrative costs | 1,502 | 1,051 | 2,936 |
| Total administrative expenses | 10,178 | 10,296 | 20,334 |

Total expenditures incurred included in administrative expenses for the Redomiciliation and business combination were as follows:

| | Six Months Ended 30 June 2025 £000 | Six Months Ended 30 June 2024 £000 | Year Ended 31 December 2024 £000 |
|-----------------------|--|--|---|
| Redomiciliation | 9 | - | 483 |
| Business combination | 39 | - | - |
| Total expenses | 48 | - | 483 |

7 Staff Costs

| | Six Months Ended 30 June 2025 £000 | Six Months Ended 30 June 2024 £000 | Year Ended 31 December 2024 £000 |
|---|--|--|---|
| Wages and salaries | 6,063 | 5,783 | 11,010 |
| Employer payroll taxes | 602 | 514 | 905 |
| Contributions to defined contribution plans | 81 | 69 | 143 |
| Other benefits | 460 | 577 | 969 |
| Share-based payments | 245 | 264 | 622 |
| Total staff costs | 7,451 | 7,207 | 13,649 |

| | Six Months Ended 30 June 2025 | Six Months Ended 30 June 2024 | Year Ended 31 December 2024 |
|--|--|-------------------------------------|-----------------------------------|
| | £000 | £000 | £000 |
| Staff costs charged to cost of sales | 466 | 367 | 783 |
| Staff costs charged to cost of administrative expenses | 6,985 | 6,840 | 12,866 |
| Total staff costs | 7,451 | 7,207 | 13,649 |

8 Other Items of Operating Income and Expense

| | Six Months Ended 30 June 2025 | Six Months Ended 30 June 2024 | Year Ended 31 December 2024 |
|---|--|-------------------------------------|-----------------------------------|
| | £000 | £000 | £000 |
| (Income)/expenses | | | |
| Project Grant Income | (1,758) | - | - |
| Gain on curtailment of right-of-use asset | (23) | - | (2) |
| Gain on legal settlement | - | - | (169) |
| Sublease income | (27) | - | (18) |
| Impairment of inventory to net realisable value | 181 | 43 | 376 |
| Reversal of impairment of inventory to net realisable value | (425) | (60) | (47) |
| Obsolete inventory | 114 | - | 70 |
| Total other operating (income)/expenses (net) | (1,938) | (17) | 210 |

9 Loss per Share

The weighted average number of shares used to calculate basic and diluted loss per share as presented in the consolidated statement of comprehensive loss was as follows:

| | Six Months Ended 30 June 2025 | Six Months Ended 30 June 2024 | Year Ended 31 December 2024 |
|--|--|-------------------------------------|-----------------------------------|
| In issue at 1 January | 440,561,739 | 191,067,464 | 191,067,464 |
| Shares issued in the period – weighted average | - | 52,091,369 | 151,744,900 |
| Weighted average shares in issue at the end of the period | 440,561,739 | 243,158,833 | 342,812,364 |
| Effect of employee share options and warrants not exercised | 1,031,100 | 1,324,728 | 1,245,271 |
| Weighted average number of diluted shares at the period end | 441,592,839 | 244,483,561 | 344,057,635 |

Additional potential shares used in the calculation of diluted earnings per share primarily relate to potential shares outstanding at 30 June 2025 that may be issued in satisfaction of 'in-the-money' employee share options. Potentially dilutive shares related to 'in-the-money' outstanding warrants to subscribe for ordinary shares in the Company are also included in calculating diluted earnings per share.

Where additional potential shares have an anti-dilutive impact on the calculation of loss per share calculation, such potential shares are excluded from the weighted average number of shares used in the calculation.

Additional potential shares are anti-dilutive where their inclusion in the calculation of loss per share results in a lower loss per share.

10 Cash Flows from Operating Activities

| | Six Months Ended 30 June 2025 £000 | Six Months Ended 30 June 2024 £000 | Year Ended 31 December 2024 £000 |
|--|---|--|--|
| Loss after income tax | (9,952) | (11,108) | (22,797) |
| Adjustments for: | | | |
| Depreciation and amortisation | 684 | 693 | 1,383 |
| Gain on curtailment or remeasurement of right-of-use asset | (23) | - | (2) |
| Impairment of inventory | 181 | 43 | 329 |
| Reversal of impairment of inventory | (425) | (60) | - |
| Obsolete inventory | 114 | - | 70 |
| Share-based payments charge | 245 | 264 | 622 |
| Net finance costs/(income) | 19 | (277) | (43) |
| Loss on unrealised foreign currency transactions | 177 | 49 | 19 |
| | (8,980) | (10,396) | (20,419) |
| Changes in operating assets and liabilities | | | |
| Increase in inventory | (4,451) | (1,174) | (2,971) |
| Decrease/(increase) in contract assets | 490 | (19) | 28 |
| Decrease in trade receivables and other receivables | 233 | 940 | 1,610 |
| Increase in other assets and prepaid inventory | (1,412) | (3,441) | (6,125) |
| Increase in other non-cash operating working capital | (208) | - | - |
| Increase in trade payables | 401 | 1,190 | 624 |
| Increase in other liabilities | 1,613 | - | - |
| Increase in contract liabilities | 323 | 136 | 64 |
| Increase/(decrease) in warranty provision | - | 7 | (481) |
| Increase in onerous contract provision | - | 143 | 1,567 |
| | (3,011) | (2,218) | (5,684) |
| Cash used in operations | (11,991) | (12,614) | (26,103) |

11 Business Combination

During the period, Invinity Energy (UK) Ltd. acquired a group of four companies where Invinity Energy (UK) Ltd. holds 100% of the equity in Invinity Energy BESS Holdings Ltd.; Invinity Energy BESS Holdings Ltd. owns 100% of the equity in Uckfield BESS Ltd.; Uckfield BESS Ltd. holds 100% of the equity in Uckfield Energy Centre Ltd.; Uckfield Energy Centre Ltd. holds 100% of the equity in Uckfield Solar Electric Forecourt Ltd. Consequently, the Group exercises full control over each subsidiary through successive, direct ownership at each level. The total consideration paid for the acquisition was £300,000.

On 31 March 2025, the acquisition date, the consideration given was allocated to the fair value of assets acquired and liabilities assumed or discharged based on their assessed fair values. The fair value of the total consideration was allocated as follows:

Assets Acquired and Liabilities Assumed at 31 March 2025

| | Fair value £'000 |
|---|-----------------------------|
| Non-current assets | |
| Property, plant and equipment | 197 |
| Right-of-use asset | 847 |
| Current liabilities | |
| Lease liability | (10) |
| Non-current liabilities | |
| Lease liability | (734) |
| Net identifiable assets acquired | 300 |
| Goodwill | - |
| Consideration for acquisition of Forecourt | 300 |

Fair Value Adjustments Made

Property, plant and equipment relates to assets under construction for the development of a 20.7 MWh vanadium flow battery system ("VFB BESS Project") at the Group's Uckfield location in the South East of England. Given the early stage of development of the project, the Group recognised the fair value of expenditures incurred up to the acquisition date rather than the fair value of the project as a whole.

The right-of-use asset was subject to a purchase price allocation (PPA) uplift due to qualitative factors identified during the acquisition. These included the strategic location of the site, proximity to a grid connection substation, a successful planning application, and an agreement in place to construct necessary infrastructure. As a result, the carrying value of the right-of-use asset was increased by £132,684 as part of the acquisition accounting. This uplift is being amortised over the remaining lease term and depreciation is capitalised until asset is available for use.

The lease liability represents the Group's interest in leased land designated as the site for the VFB BESS Project. The fair value of the lease liability has been determined to be equivalent to its carrying value. This assessment reflects the terms of the lease which include annual inflationary adjustments tied to the consumer price index. Additionally, the lease liability was remeasured at the acquisition date to incorporate an updated incremental borrowing rate and revised management assumption regarding the lease extension option.

Goodwill in the Business Combination

The fair value of the identifiable net assets acquired was equal to the total consideration transferred and no goodwill was recognised.

This reflects that the purchase price was fully absorbed by the fair value of the identifiable net assets acquired, and no intangible future economic benefits beyond those assets and liabilities were identified at acquisition.

Revenue and Profit Contribution

The acquired group contributed no revenue or profit to the consolidated group for the period from 31 March 2025 to 30 June 2025.

If the acquisition had taken place on 1 January 2025, consolidated pro-forma revenue and net loss for the period ended 30 June 2025 would have been unchanged from the reported consolidated revenue and net loss for the period.

12 Goodwill and Intangible Assets

| | Goodwill £000 | Patents and Certifications £000 | Software and Domain Names £000 | Total £000 |
|--|------------------|---------------------------------------|---|---------------|
| Cost | | | | |
| At 1 January 2025 | 23,944 | 203 | 32 | 24,179 |
| Effects of movements in foreign exchange | - | - | (2) | (2) |
| At 30 June 2025 | 23,944 | 203 | 30 | 24,177 |
| Accumulated amortisation | | | | |
| At 1 January 2025 | - | (193) | (27) | (220) |
| Amortisation charge | - | (10) | - | (10) |

| | | | | |
|--|------------------|---------------------------------------|---|---------------|
| Effects of movements in foreign exchange | - | - | 1 | 1 |
| At 30 June 2025 | - | (203) | (26) | (229) |
| Net book value | | | | |
| At 1 January 2025 | 23,944 | 10 | 5 | 23,959 |
| At 30 June 2025 | 23,944 | - | 4 | 23,948 |
| | Goodwill £000 | Patents and Certifications £000 | Software and Domain Names £000 | Total £000 |
| Cost | | | | |
| At 1 January 2024 | 23,944 | 203 | 34 | 24,181 |
| Effects of movements in foreign exchange | - | - | (1) | (1) |
| At 30 June 2024 | 23,944 | 203 | 33 | 24,180 |
| Accumulated amortisation | | | | |
| At 1 January 2024 | - | (153) | (26) | (179) |
| Amortisation charge | - | (20) | (1) | (21) |
| At 30 June 2024 | - | (173) | (27) | (200) |
| Net book value | | | | |
| At 1 January 2024 | 23,944 | 50 | 8 | 24,002 |
| At 30 June 2024 | 23,944 | 30 | 6 | 23,980 |

| | | | | |
|--|------------------|---------------------------------------|---|---------------|
| | Goodwill £000 | Patents and Certifications £000 | Software and Domain Names £000 | Total £000 |
| Cost | | | | |
| At 1 January 2024 | 23,944 | 203 | 34 | 24,181 |
| Disposals | - | - | - | - |
| Effects of movements in foreign exchange | - | - | (2) | (2) |
| At 31 December 2024 | 23,944 | 203 | 32 | 24,179 |
| Accumulated amortisation | | | | |
| At 1 January 2024 | - | (153) | (26) | (179) |
| Amortisation charge | - | (40) | (2) | (42) |
| Disposals | - | - | - | - |
| Effects of movements in foreign exchange | - | - | 1 | 1 |
| Amortisation at 31 December 2024 | - | (193) | (27) | (220) |
| Net book value | | | | |
| At 1 January 2024 | 23,944 | 50 | 8 | 24,002 |
| At 31 December 2024 | 23,944 | 10 | 5 | 23,959 |

Goodwill

All goodwill is tested annually for impairment. At 31 December 2024, goodwill was tested for impairment using the fair value less cost of disposal method. The closing share price on 30 June 2025 was 23.75 pence giving a market capitalisation of £104.6 million which is more than £48.8 million higher than the Net Assets value of the Company on this date. The share price would need to have dropped below 12.65 pence for the market value to be below the Net Asset value of the Company at that date. Based on the above, no impairment loss was identified in relation to goodwill.

Patents and Certifications

There have been no events or circumstances that would indicate that the carrying value of patents and certifications may be impaired at 30 June 2025.

13 Property, Plant and Equipment

| | Computer and Office Equipment £000 | Leasehold Improvements £000 | Vehicles and Equipment £000 | Total £000 |
|---|---|-----------------------------------|-----------------------------------|---------------|
| Cost | | | | |
| At 1 January 2025 | 655 | 1,257 | 2,866 | 4,778 |
| Additions | 37 | 24 | 863 | 924 |
| Additions from business combination | - | 631 | - | 631 |
| Fair value adjustment from business combination | - | (434) | - | (434) |
| Effects of movements in foreign exchange | (14) | (32) | (77) | (123) |
| At 30 June 2025 | 678 | 1,446 | 3,652 | 5,776 |

Accumulated Depreciation

| | | | | |
|--|--------------|--------------|----------------|----------------|
| At 1 January 2025 | (504) | (623) | (1,305) | (2,432) |
| Depreciation charge | (38) | (126) | (181) | (345) |
| Effects of movements in foreign exchange | 11 | 24 | 41 | 75 |
| At 30 June 2025 | (531) | (725) | (1,445) | (2,701) |

Net book value

| | | | | |
|-------------------|-----|-----|-------|-------|
| At 1 January 2025 | 151 | 634 | 1,561 | 2,346 |
| At 30 June 2025 | 147 | 721 | 2,207 | 3,075 |

| | Computer and office Equipment £000 | Leasehold Improvements £000 | Vehicles and Equipment £000 | Total £000 |
|--|---|-----------------------------------|-----------------------------------|---------------|
| Cost | | | | |
| At 1 January 2024 | 554 | 823 | 2,235 | 3,612 |
| Additions | 34 | 77 | 283 | 394 |
| Disposals | - | - | (9) | (9) |
| Effects of movements in foreign exchange | (7) | (20) | (41) | (68) |
| At 30 June 2024 | 581 | 880 | 2,468 | 3,929 |

Accumulated Depreciation

| | | | | |
|--|-------|-------|---------|---------|
| At 1 January 2024 | (465) | (424) | (1,024) | (1,913) |
| Depreciation charge | (23) | (112) | (172) | (307) |
| Disposals | - | - | 9 | 9 |
| Effects of movements in foreign exchange | 5 | 10 | 16 | 31 |
| Depreciation at 30 June 2024 | (483) | (526) | (1,171) | (2,180) |

Net book value

| | | | | |
|-------------------|----|-----|-------|-------|
| At 1 January 2024 | 89 | 399 | 1,211 | 1,699 |
| At 30 June 2024 | 98 | 354 | 1,297 | 1,749 |

| | Computer and Office Equipment £000 | Leasehold Improvements £000 | Vehicles and Equipment £000 | Total £000 |
|---------------------------------------|---|-----------------------------------|-----------------------------------|---------------|
| Cost | | | | |
| At 1 January 2024 | 554 | 823 | 2,235 | 3,612 |
| Additions | 118 | 386 | 807 | 1,311 |
| Transfers | - | 99 | (68) | 31 |
| Foreign currency exchange differences | (17) | (51) | (108) | (176) |
| At 31 December 2024 | 655 | 1,257 | 2,866 | 4,778 |

| | | | | |
|--|-------|-------|---------|---------|
| Accumulated Depreciation | | | | |
| At 1 January 2024 | (465) | (424) | (1,024) | (1,913) |
| Depreciation charge | (52) | (232) | (328) | (612) |
| Effects of movements in foreign exchange | 13 | 33 | 47 | 93 |
| Depreciation at 31 December 2024 | (504) | (623) | (1,305) | (2,432) |
| Net book value | | | | |
| At 1 January 2024 | 89 | 399 | 1,211 | 1,699 |
| At 31 December 2024 | 151 | 634 | 1,561 | 2,346 |

The Group has no assets pledged as security. No amounts of interest have been capitalised within property, plant and equipment at 30 June 2025 (2024: £nil).

14 Other Non-Current Assets

| | 30 June 2025 £000 | 30 June 2024 £000 | 31 December 2024 £000 |
|---------------------------------------|----------------------|----------------------|--------------------------|
| Sublease net investment | 218 | - | - |
| Total other non-current assets | 218 | - | - |

The Group has entered into a sublease agreement in respect of a property in the United States that is held under an existing lease arrangement. The sublease covers the remaining lease term, ending on 31 July 2029.

15 Inventory

| | 30 June 2025 £000 | 30 June 2024 £000 | 31 December 2024 £000 |
|-------------------------------|----------------------|----------------------|--------------------------|
| Raw materials and consumables | 4,574 | 2,768 | 3,377 |
| Work in progress | 3,979 | 1,572 | 2,285 |
| Finished goods | 1,683 | 97 | 91 |
| Total inventory | 10,236 | 4,437 | 5,753 |

16 Other Current Assets

| | 30 June 2025 £000 | 30 June 2024 £000 | 31 December 2024 £000 |
|-----------------------------------|----------------------|----------------------|--------------------------|
| Project Grant Income receivable | 2,780 | - | - |
| Prepayments and deposits | 740 | 639 | 736 |
| Prepaid inventory | 3,889 | 1,960 | 2,469 |
| Tax credits recoverable | 1,078 | 425 | 856 |
| Short-term investment | - | 3,000 | 3,000 |
| Sublease net investment | 56 | - | 65 |
| Other receivables | 188 | 153 | 522 |
| Total other current assets | 8,731 | 6,177 | 7,648 |

Prepaid inventory is recognised on inventory payments where physical delivery of that inventory has not yet been taken by the Group and is stated at the lower of cost and net realisable value.

Project Grant Income receivable as at 30 June 2025 from the Department of Energy Security and Net Zero (“DESNZ”) of £2.78m in relation to the LoDES BESS project has been received on 10 July 2025.

17 Contract Related Balances

| | 30 June 2025 £000 | 30 June 2024 £000 | 31 December 2024 £000 |
|---|----------------------|----------------------|--------------------------|
| Amounts due from customer contracts included in trade receivables | 496 | 1,530 | 827 |
| Contract assets (accrued income for work done not yet invoiced) | 647 | 897 | 1,149 |
| Non-current contract assets | - | 304 | - |
| Contract liabilities (deferred revenue related to advances on customer contracts) | (1,592) | (1,454) | (1,392) |
| Net position of sales contracts | (449) | 1,277 | 584 |

The amount of revenue recognised in the period that was included in contract liabilities at the end of the prior year was £37,588 (2024: £876,586).

Provisions Related to Contracts with Customers

| | Warranty Provision £000 | Provision for Contract Losses £000 | Total £000 |
|----------------------------------|----------------------------|--|---------------|
| At 1 January 2025 | 114 | 1,894 | 2,008 |
| Charges to profit or loss | | | |
| ▪ Provided in period | 153 | - | 153 |
| ▪ Unused amounts reversed | - | | |
| Amounts used in period | (153) | - | (153) |
| Movement due to foreign exchange | (1) | (57) | (58) |
| At 30 June 2025 | 113 | 1,837 | 1,950 |
| Current | 101 | 316 | 417 |
| Non-current | 12 | 1,521 | 1,533 |

| | Warranty Provision £000 | Provision for Contract Losses £000 | Total £000 |
|----------------------------------|----------------------------|--|---------------|
| At 1 January 2024 | 602 | 333 | 935 |
| Charges to profit or loss | | | |
| ▪ Provided in period | 258 | 151 | 409 |
| ▪ Unused amounts reversed | - | (4) | (4) |
| Amounts used in period | (252) | (4) | (256) |
| Movement due to foreign exchange | (3) | (2) | (5) |
| At 30 June 2024 | 605 | 474 | 1,079 |
| Current | 584 | 371 | 955 |
| Non-current | 21 | 103 | 124 |

| | Warranty Provision £000 | Provision for Contract Losses £000 | Total £000 |
|----------------------------------|----------------------------|--|---------------|
| At 1 January 2024 | 602 | 333 | 935 |
| Charges to profit or loss | | | |
| ▪ Provided in year | 81 | 2,198 | 2,279 |
| ▪ Unused amounts reversed | (103) | - | (103) |
| Amounts used in year | (460) | (631) | (1,091) |
| Movement due to foreign exchange | (6) | (6) | (12) |

| | | | |
|---------------------|------------|--------------|--------------|
| At 31 December 2024 | 114 | 1,894 | 2,008 |
| Current | 85 | 296 | 381 |
| Non-current | 29 | 1,598 | 1,627 |

Warranty Provision

The warranty provision represents management's best estimate of the costs anticipated to be incurred related to warranty claims, both current and future, from customers in respect of goods and services sold that remain within their warranty period. The estimate of future warranty costs is updated periodically based on the Company's actual experience of warranty claims from customers.

The element of the provision related to potential future claims is based on management's experience and is judgmental in nature. As for any product warranty, there is an inherent uncertainty around the likelihood and timing of a fault occurring that would cause further work to be undertaken or the replacement of equipment parts.

A standard warranty of up to two years from the date of commissioning is generally provided to customers on goods and services sold and is included in the original cost of the product. Customers are also able to purchase extended warranties that extend the warranty period for up to a total of ten years.

Provision for Contract Losses

A provision is established for contract losses when it becomes known that a contract has become onerous. A contract is onerous when the unavoidable costs of fulfilling the Group's obligations under a contract are greater than the revenue that will be earned from it.

The unavoidable costs of fulfilling contract obligations will include both direct and indirect costs.

The creation of an additional provision is recognised immediately in profit and loss. The provision is used to offset subsequent costs incurred as the contract moves to completion.

18 Trade Receivables

| | 30 June 2025 | 30 June 2024 | 31 December 2024 |
|--------------------------------|---------------------|--------------|------------------|
| | £000 | £000 | £000 |
| Total trade receivables | 496 | 1,530 | 827 |

All trade and other receivables relate to receivables arising from contracts with customers.

Trade receivables are amounts due from customers for sales of vanadium flow battery systems in the ordinary course of business. Trade receivables do not bear interest and generally have 30-day payment terms and therefore are all classified as current.

An allowance for potential credit losses of £nil (2024: £nil) has been recognised.

19 Cash and Cash Equivalents

| 30 June 2025 | 30 June 2024 | 31 December 2024 |
|---------------------|--------------|------------------|
| £000 | £000 | £000 |

| | | | |
|--|---------------|--------|--------|
| Cash and cash equivalents | 5,738 | 5,243 | 3,352 |
| Term deposits | 13,002 | 41,000 | 29,000 |
| Total cash and cash equivalents | 18,740 | 46,243 | 32,352 |

Term deposits are presented as cash equivalents if they have a maturity of three months or less from the date of acquisition, are readily convertible to a known amount of cash and are subject to an insignificant amount of risk of change in value.

20 Trade and Other Payables

| | 30 June 2025 | 30 June 2024 | 31 December 2024 |
|---------------------------------------|---------------------|--------------|------------------|
| | £000 | £000 | £000 |
| Trade payables | 3,498 | 2,062 | 2,967 |
| Other payables | - | 17 | 58 |
| Accrued liabilities | 423 | 1,462 | 891 |
| Accrued employee compensation | 696 | 1,389 | 571 |
| Government remittances payable | 130 | 171 | 38 |
| Total trade and other payables | 4,747 | 5,101 | 4,525 |

Trade payables are unsecured and are usually paid within 30 days.

The carrying amounts of trade and other payables are the same as their fair values due to the short-term nature of the underlying obligation representing the liability to pay.

21 Derivative Financial Instruments

| | 30 June 2025 | 30 June 2024 | 31 December 2024 |
|---|---------------------|--------------|------------------|
| | £000 | £000 | £000 |
| Derivative value of warrants issued | 203 | 339 | 271 |
| Total derivative financial instruments | 203 | 339 | 271 |

22 Other Current Liabilities

| | 30 June 2025 | 30 June 2024 | 31 December 2024 |
|---|---------------------|--------------|------------------|
| | £000 | £000 | £000 |
| Deferred Project Grant Income | 1,022 | - | - |
| Deferred income under Joint Development & Commercialisation Agreement | 532 | - | - |
| Other current liabilities | 13 | - | - |
| Total other current liabilities | 1,566 | - | - |

23 Related Parties

The only related parties of the Company are the key management and close members of their family. Key management has been determined as the CEO and his direct reports.

There have been no related party transactions in the period.

24 Events Occurring After the Reporting Period

Subsequent to the reporting period, on 1 July 2025, the Group's subsidiary, Invinity Energy (South Africa) (PTY) Ltd., was formally dissolved in accordance with the requirements of the Companies Act 61 of 1973. No adjustments have been made to the financial statements as at 30 June 2025 and the Group is assessing the potential impact of the dissolution on future period financial results.

On 11 July 2025, the Company announced it had entered into a licensing and royalty agreement with UESNT, a manufacturer of vanadium electrolyte and battery products based in China. Together, they have identified an opportunity for vanadium flow batteries to provide large-scale, commercially viable energy storage solutions in China. The Company will support UESNT in establishing manufacturing capacity, reducing costs, and marketing Endurium in this key market. Revenue and financial impact from this agreement will be recognised in future periods.

On 1 August 2025, the Company announced it had received planning approval for its LoDES project in the South East of England and confirmation of a £10m grant from DESNZ, the maximum available. Of the total expected grant, £2.78m has been received on 10 July 2025. The Project Grant Income of £2.78m has been partially recognised within other items of operating income and expense. The portion relating to future expenditure has been deferred and recorded within other current liabilities.

In addition, on 1 August 2025, the Company announced it had received a formal Notice to Proceed (“NTP”) from STS Group in respect of a 10.8 MWh Endurium battery system in western Hungary, supported by the European Union. Following NTP, a downpayment is due, allowing manufacturing and order fulfillment to commence ahead of shipment. There is no financial impact on current reporting period. However, this event will positively impact revenue and cash flow in future periods.

On 9 September 2025, the Company announced it had entered into conditional subscription agreements with two new investors, Atri Energy and Next Gen (together the “Subscribers”), to raise a total of £25m through the issue of 128,205,128 new Ordinary Shares at a price of 19.5 pence per share. The funds will be used to enhance global manufacturing, diversify the Company’s supply chain, support product development and cost reduction, and strengthen working capital for expansion.