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Invinity Energy Systems plc

("Invinity" or the "Company")

UK Government Confirms LDES Cap & Floor Scheme

Long Duration Energy Storage investment support scheme will boost investor confidence and could unlock billions in funding for UK LDES projects

Invinity Energy Systems plc (AIM: IES) (AQSE: IES) (OTCQX: IESVF), a leading global manufacturer of utility-grade energy storage, warmly welcomes the UK Government's confirmation of a cap and floor regime as the investment framework for new large-scale, long-duration electricity storage projects which was announced this morning. The UK Government press release can be [read here](#) and the outcome of the consultation [here](#).

The Long Duration Electricity Storage investment support scheme will see a "cap and floor" mechanism guaranteeing a minimum income for investors deploying large scale, long duration energy storage ("LDES") technologies, including vanadium flow batteries, onto the UK grid. The move aims to boost investor confidence and could unlock billions in funding for projects using vanadium flow batteries and other types of LDES.

The Company views today's announcement very positively, especially the Government's assertion that this news should be seen as a "green light" for the next generation of LDES projects in the UK, with flow batteries specifically mentioned as a qualifying technology. Under current proposals, the scheme envisages a minimum project size of 300 MWh which represents support for a material increase in opportunity size for the Company in the UK market. The Company also notes the Government's objective to support GB businesses, like Invinity, through the scheme and unlock investment in green jobs and opportunities as a result.

This announcement sees the Government appointing Ofgem as the scheme's regulator and delivery body. A technical decision document addressing any outstanding questions and outlining the final detailed structure of the scheme will be published "this winter" with the first round of the scheme expected to be open to applications next year.

Jonathan Marren, Chief Executive Officer at Invinity said:

"We are delighted to see the announcement this morning from DESNZ. This is a very important step forward in paving the way for LDES technologies to make a large and meaningful impact on our national grid and confirms the Company's optimistic view on future policy support for Invinity's products in the UK market.

We look forward to continuing our regular engagement with DESNZ as well as Ofgem and other

key stakeholders as the scheme moves through the remaining steps of the process. The support for LDES embodied in this scheme is most welcome and we look forward to our products playing an even greater role in supporting energy security, faster decarbonisation and lower costs for consumers in the UK.”

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

Enquiries:

Invinity Energy Systems plc

Jonathan Marren, Chief Executive Officer

Joe Worthington, Director of Communications and Investor Relations

+44 (0)20 4551 0361

Tavistock (Financial PR Advisor)

Simon Hudson / Saskia Sizen / Adam Baynes

+44 (0)20 7920 3150

invinity@tavistock.co.uk

Notes to Editors

Invinity Energy Systems plc (AIM: IES) (AQSE: 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 25 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 75 MWh of systems already deployed or contracted for delivery across 82 sites in 15 countries, Invinity is active in all major global energy storage markets and has operations in the UK, Canada, USA, China and Australia. Invinity Energy Systems plc is quoted in the UK on AIM and AQSE 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.

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