

1 August 2025

Price (p)	20.75
Shares in issue (m)	441
Mkt Cap (£m)	91
Net debt (£m)	-3
EV (£m)	88
BVPS (p)	29.6

Share price performance

1m	-12.6%
3m	54.9%
12m	-13.5%
12 m high/low	28.6/7.9
Ave daily vol (30D)	769,103

Shareholders

National Wealth F'nd	24.7%
Schroders plc	13.7%
Artha Global	5.1%
Janus Henderson	5.0%
Premier Miton	4.0%
Herald	3.7%

Next news Ints Q4

Business description

Vanadium flow battery manufacturer and developer



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DOUBLE WHAMMY

Invinity has made two important announcements this morning with a **10.8MWh order confirmed for a ENDURIUM flow battery for a project in Hungary and planning permission approved for the 20.7MWh LoDES project in the UK. Separately the company has also had it confirmed that the LoDES project will receive a £10m grant. This is the maximum available under the LoDES grant programme.**

Hungarian ENDURIUM Order for 10.8MWh

The Hungarian project comes from STS Group with whom Invinity has partnered to deploy flow batteries in Hungary under a reseller agreement. The confirmation today is by way of a Notice to Proceed that will unlock downpayment for Invinity and allow manufacturing to commence with a view to making shipment later in the current year. STS Group has already successfully deployed a number of Invinity's earlier VS3 technology. With Hungary still pursuing ambitious decarbonisation targets largely backed by inflexible nuclear generation expansion, the need for long duration storage in the country is likely to grow in our view.

LoDES Project Wins Planning and Grant Now Confirmed

The UK grant-backed LoDES project has been granted planning approval and has separately had the grant funding confirmed at £10m, the maximum available under the programme. The site in Southeast England now has both grid connection agreements together with planning approval so can progress to construction with the flow batteries delivered to the site before the end of the year. When completed it will be Europe's largest vanadium flow battery installation and act as a key reference site for new and existing clients. The planning approval also allows (although is not contingent on) a solar PV array to be installed on the site further demonstrating the benefits of co-locating long duration storage with PV.

£,000 Dec	2022a	2023a	2024a	2025e	2026e	2027e
Sales	2,944	22,066	5,015	23,183	92,073	95,193
EBITDA	-17,632	-21,379	-22,674	-18,680	2,185	9,169
PBT	-18,537	-23,179	-22,797	-21,754	-2,437	1,694
EPS	-16.0	-13.1	-6.6	-4.9	-0.6	0.3
CFPS	-19.5	-11.7	-8.0	-5.3	-2.2	0.0
DPS	0.0	0.0	0.0	0.0	0.0	0.0
Net Debt (Cash)	-3,428	-3,458	-30,657	-8,407	1,011	945
Debt/EBITDA	0.2	0.2	1.4	0.5	0.5	0.1
P/E	-1.3	-1.6	-3.1	-4.2	-37.5	72.0
EV/EBITDA	-5.0	-4.1	-2.7	-4.4	42.3	10.1
EV/sales	29.9	4.0	17.5	3.8	1.0	0.9
FCF yield	-0.9%	-0.6%	-0.4%	-0.3%	-0.1%	0.0%
Div yield	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

FINANCIAL MODEL

Profit and Loss Account

£,000, Dec	2022a	2023a	2024a	2025e	2026e	2027e
Turnover						
Sales	2,944	22,066	5,015	13,183	91,719	93,589
Projects	0	0	0	0	354	1,605
Grants	0	0	0	10,000	0	0
Other	0	0	0	0	0	0
Total	2,944	22,066	5,015	23,183	92,073	95,193
Operating profit						
Sales	-18,982	-22,778	-24,057	-32,638	-2,750	1,002
Projects	0	0	0	0	-222	216
Grants	0	0	0	10,000	0	0
Other	0	0	0	0	0	0
Operating profit	-18,982	-22,778	-24,057	-22,638	-2,972	1,218
P&L Account	2022a	2023a	2024a	2025e	2026e	2027e
Turnover	2,944	22,066	5,015	23,183	92,073	95,193
Operating Profit	-18,982	-22,778	-24,057	-22,638	-2,972	1,218
Investment income	0	0	0	0	264	527
Net Interest	445	-401	1,260	885	271	-52
Pre Tax Profit (UKSIP)	-18,537	-23,179	-22,797	-21,754	-2,437	1,694
Goodwill amortisation	0	0	0	0	0	0
Exceptional Items	0	0	0	0	0	0
Pre Tax Profit (IFRS)	-18,537	-23,179	-22,797	-21,754	-2,437	1,694
Tax	0	0	0	0	0	-423
Post tax exceptionals	0	0	0	0	0	0
Minorities	0	0	0	0	0	0
Net Profit	-18,537	-23,179	-22,797	-21,754	-2,437	1,270
Dividend	0	0	0	0	0	0
Retained	-18,537	-23,179	-22,797	-21,754	-2,437	1,270
EBITDA	-17,632	-21,379	-22,674	-18,680	2,185	9,169
EPS (p) (UKSIP)	-15.96	-13.14	-6.65	-4.94	-0.55	0.29
EPS (p) (IFRS)	-15.96	-13.14	-6.65	-4.94	-0.55	0.29
FCFPS (p)	-19.49	-11.70	-7.99	-5.25	-2.20	0.03
Dividend (p)	0.00	0.00	0.00	0.00	0.00	0.00

Source: Company data, Longspur Research estimates

KEY POINTS

- Sales drop in FY 24 given headwinds in market and evolution of product offering
- Operating profit and EBITDA broadly static through to FY 25 as gross margins remain low
- Grant income separated out in FY 25. Could end up being capitalised.
- ENDURIUM volumes drive both sales and gross margin in FY 26
- Revenue from FY 25 includes some royalty sales replacing full equipment sales
- Gross margins move positive from FY 26 with full profitability from FY 27
- Small initial investment income from UK projects from FY 26

Balance Sheet

£,000, Dec	2022a	2023a	2024a	2025e	2026e	2027e
Fixed Asset Cost	6,581	6,658	7,582	19,605	36,356	36,771
Fixed Asset Depr'n	-3,528	-3,401	-3,710	-7,668	-12,561	-19,985
Net Fixed Assets	3,053	3,257	3,872	11,937	23,795	16,786
Goodwill	24,050	24,002	23,959	23,959	23,959	23,959
Other intangibles	0	0	0	0	0	0
Investments	0	0	0	3,365	6,730	10,096
Stock	9,827	3,288	5,753	7,622	10,135	18,256
Trade Debtors	1,737	2,496	1,976	5,716	15,135	15,648
Other Debtors	9,281	3,913	7,648	3,908	3,908	3,908
Trade Creditors	-4,935	-3,948	-4,525	-10,742	-29,831	-32,531
Other Creditors <1yr	-9,144	-1,718	-1,663	-7,163	-7,163	-7,163
Creditors >1yr	0	0	0	0	0	0
Provisions	-2,907	-935	-2,008	-3,094	-4,180	-5,266
Pension	0	0	0	0	0	0
Capital Employed	30,962	30,355	35,012	35,508	42,489	43,693
Cash etc	5,137	5,014	32,352	9,988	466	440
Borrowing <1yr	740	723	550	550	550	550
Borrowing >1yr	969	833	1,145	1,031	927	835
Net Borrowing	-3,428	-3,458	-30,657	-8,407	1,011	945
Share Capital	50,716	51,348	53,473	53,473	53,473	53,473
Share Premium	141,579	162,883	215,121	215,121	215,121	215,121
Retained Earnings	-162,094	-185,273	-208,070	-229,824	-232,261	-230,991
Other	4,189	4,855	5,145	5,145	5,145	5,145
Minority interest	0	0	0	0	0	0
Capital Employed	30,962	30,355	35,012	35,508	42,489	43,693
Net Assets	34,390	33,813	65,669	43,915	41,478	42,748
Total Equity	34,390	33,813	65,669	43,915	41,478	42,748

Source: Company data, Longspur Research estimates

KEY POINTS

- Cash position increased following fund raising in FY 24
- Investments in UK project (LODES) show from FY 25
- Slight inventory improvement as royalty sales increase from FY 26

Cashflow

£,000, Dec	2022a	2023a	2024a	2025e	2026e	2027e
Operating profit	-18,982	-22,778	-24,057	-22,638	-2,972	1,218
Depreciation	1,350	1,399	1,383	3,958	4,893	7,424
Provisions	-3,069	-1,864	1,086	1,086	1,086	1,086
Other	1,013	879	2,255	0	0	0
Working capital	-2,246	2,707	-6,770	9,848	7,420	-5,829
Operating cash flow	-21,934	-19,657	-26,103	-7,747	10,427	3,899
Tax paid	0	0	0	0	0	0
Capex (less disposals)	-708	-984	-1,301	-12,023	-16,751	-415
Investments	0	0	0	-3,365	-3,365	-3,365
Net interest	3	254	1,209	885	271	-52
Net dividends	0	0	0	0	0	0
Residual cash flow	-22,639	-20,387	-26,195	-22,250	-9,419	67
Equity issued	1,161	21,927	54,386	0	0	0
Change in net borrowing	22,157	-30	-27,199	22,250	9,419	-67
Adjustments	-679	-1,510	-992	0	0	0
Total financing	22,639	20,387	26,195	22,250	9,419	-67

Source: Company data, Longspur Research estimates

KEY POINTS

- Working capital improvements in FY 26 on royalty model
- Capex on Bathgate FY 24 to FY 26
- Major equity issue completed in FY 24

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