



2022 Financial Results Presentation

June 2023

- Invinity Energy Systems (**AIM:IES**)
- A global **leader** in vanadium flow batteries
- **Largest fleet** of flow batteries ever deployed (>275)
- Standardized, **factory-built** products
- **Sales pipeline** over 2 GWh
- Installing **largest flow batteries** (U.S., UK, Can, Aus)



70
PROJECTS
Across 15 countries on five continents

65
MWH
Deployed or contracted

134
EMPLOYEES
The most experienced team in flow batteries

73
PATENTS
Granted or pending, plus trade secrets

15+
YEARS
R&D investment in product and manufacturing



EDF Renewables' 5 MWh Invinity VS3, Oxford UK



1 *Renewable energy requires energy storage*

2 *Lithium will not meet all energy storage needs*

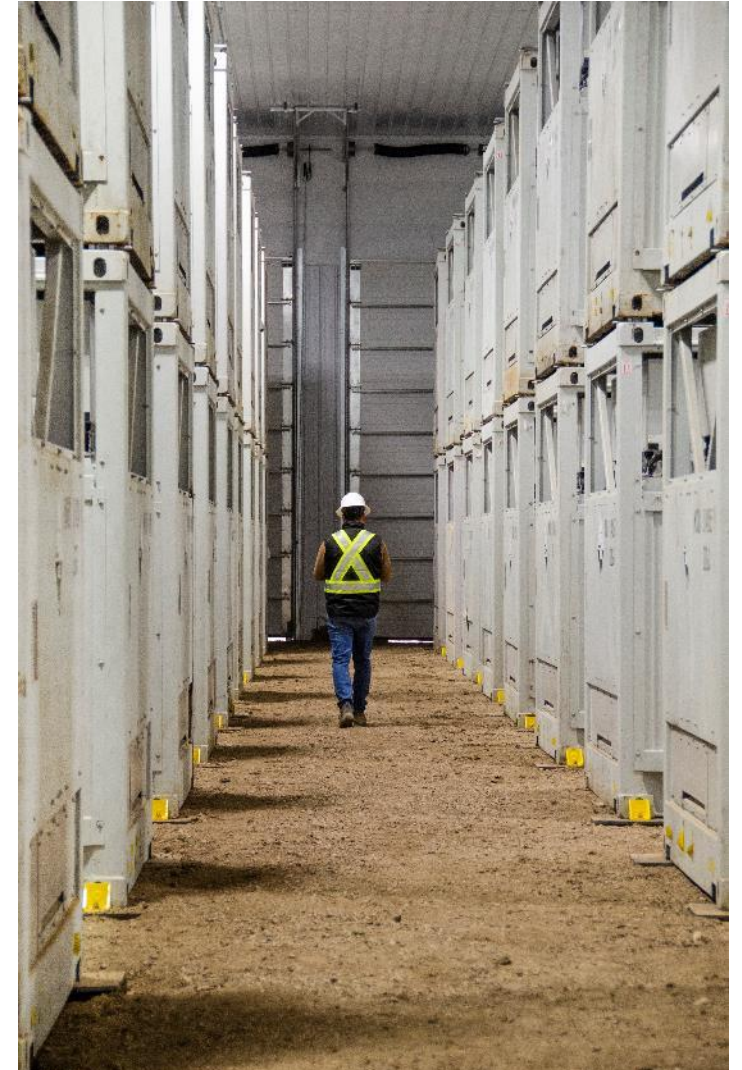
3 *Invinity delivers the proven alternative*

2022 FINANCIAL RESULTS

Invinity is making progress on its pathway to profitability

- **£3.6m** total income (inc. sales revenue and project related grant income) **+13% YoY**
- **£2.3m** reduction in operating loss **-12% YoY**
- **39.2 MWh** of sales closed in 2022 (2021: 0.5 MWh)
- **£23.7m** revenue backlog* for 2023 delivery **+72% vs. 2021 year-end**
- **£14.9m** inventory and pre-paid inventory **+51% YoY**
- **13.2 MWh** manufactured in 2022 **+100% YoY**
- **£15.3m** current cash (as at 31 May 2023) following **£23m** equity raise in Q1 2023, including **£2.5m strategic investment** from Taiwanese technology group Everbrite

* as at 31 May 2023 – defined as both contracted orders already recognised in 2023 and contracted orders still to be delivered over the remainder of 2023



2022 Profit and Loss Statement

2022 Profit and Loss: £'000	2022	2021
Revenue	2,944	3,185
Grant Income against Direct Costs	647	0
Total Revenue and Grant Income	3,591	3,185
Direct Costs (excluding Grant Income)	(2,927)	(6,622)
Gross Profit	664	(3,437)
Staff costs	(10,322)	(8,980)
R&D costs	(2,592)	(1,792)
Professional fees	(2,983)	(1,950)
Sales and Marketing costs	(399)	(249)
Facilities and Office costs	(385)	(655)
Other Admin expenses	(2,361)	(813)
Admin Expenses	(19,042)	(14,439)
Provision for Onerous Contracts	(554)	(3,762)
Reversal of Impairment of Obsolete Stock	0	390
Other	(50)	(16)
Other items of Operating Income and Expenditure	(604)	(3,388)
Loss from Operations	(18,982)	(21,264)

Notes

- 2022 revenue principally driven by delivery of EMEC, Soboba and Miramar
- Staff costs increased as result of investment in headcount
- Professional fees increased by £1m as a result of one-off items
- One-off £1m increase in other admin expenses as result of manufacturing transition to Baojia
- P&L charge for onerous contracts significantly reduced

2022 Balance Sheet & Cashflows

2022 Balance Sheet: £'000	2022		2021	
Total Inventory	9,827		5,797	
Pre-paid Inventory	5,102		4,112	
Total Inventory and Pre-paid Inventory		14,929		9,909
Trade and Other Receivables		1,737		1,683
Accrued Income		500		324
Deferred Revenue		(8,375)		(5,142)
Trade Payables		(3,706)		(1,484)
Onerous Contract provision		(1,607)		(4,859)
Net Position		3,478		431

2022 Cash and other: £'000	2022	2021
Cash and Cash Equivalents	5,137	26,355
Derivative Financial Instruments	(769)	0
	4,368	26,355
Cash as at 31 May (2023 & 2022 respectively)	15,300	18,300

Notes

- £3.0m increase in net value of contract activity
- £15m of Inventory and Pre-paid Inventory
- Derivative financial instruments of £769k reflecting part of \$2.5m Riverfort Facility (repaid in March 2023)
- Cash of £15.3m as at 31 May 2023 after net £20m fundraising in March 2023 (taking account of repayment of Riverfort Facility)

CURRENT TRADING

Commercial Momentum

- **5.3 MWh** sold year-to-date
- **New commercial partnerships** signed
- **£11m** matched-funding secured from DESNZ for large-scale UK battery project
- Delivering against **£23.7m backlog**.

Scaling the Business

- **Expansion of Vancouver facility** to fulfil growing order book
- **First deliveries** direct from new manufacturing partner Baojia to customer sites

Progress Towards Mistral Launch

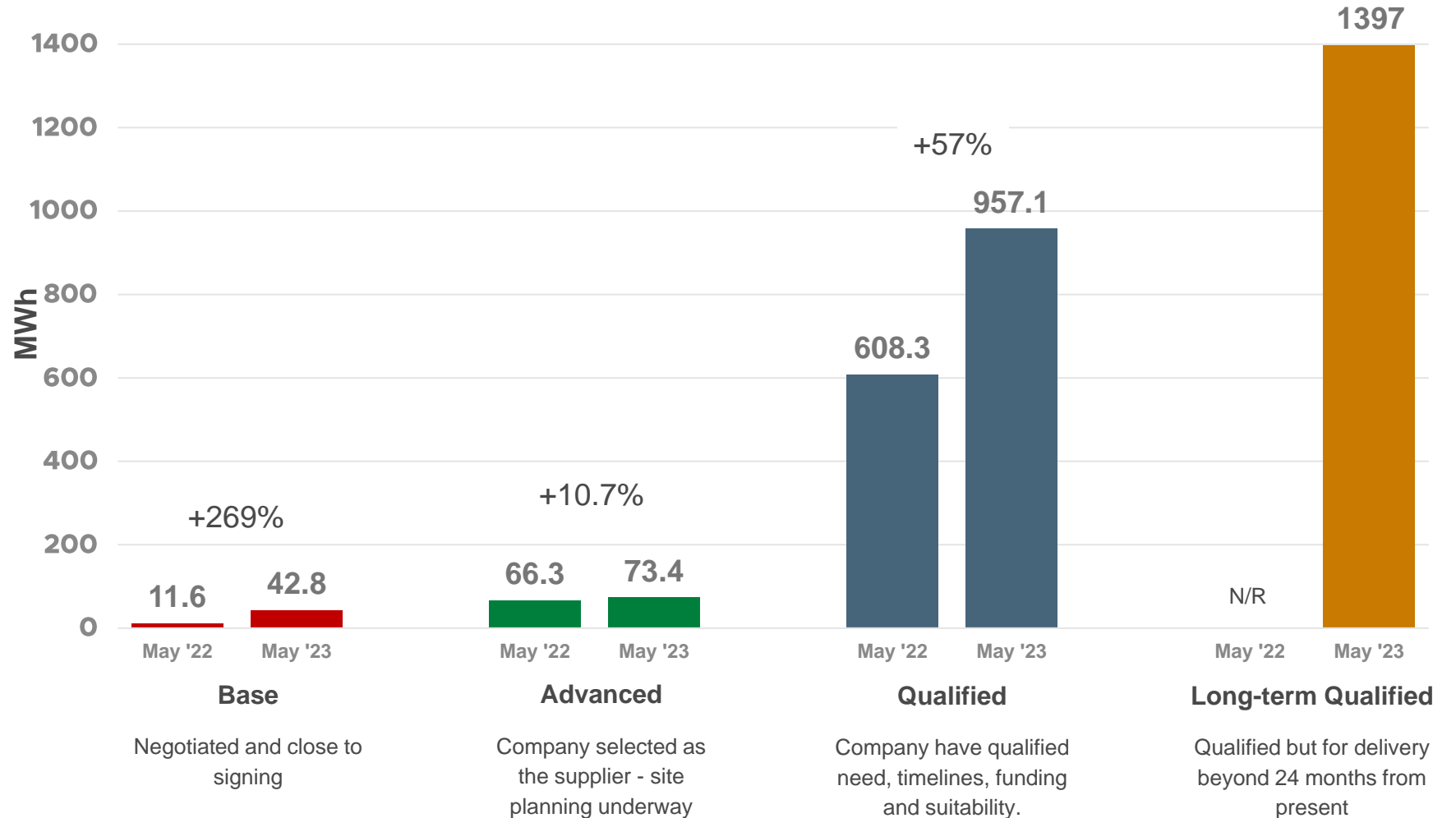
- **First prototype project announced** with further pilot projects expected to be announced during 2023



June 2023: Sales Pipeline Increases

Growth across all pipeline categories reflecting VS3 traction, Mistral opportunity.

- **Lithium limitations** becoming more clear
- **Policy support** for domestic solutions in core markets
- **Regulation emerging** to enhance long-duration storage profitability.



¹ Near term dates in the Qualified categories are where estimated delivery is within the next 24 months. Further term reflects estimated deliveries that are beyond the next 24 months.

² Not reported at time of pipeline publication

³ Increase given from when figure first reported

Delivered in 2023

Chappice Lake Solar & Storage, Canada

Merchant Trading | 8.4 MWh | 38 VS3s | 21 MW PV



Delivered in 2023

Spencer Energy, Australia

PV Dispatch / FCAS | 8 MWh | 41 VS3s | 6 MW PV



Delivery in process, completion in 2023

Indian Energy, United States

Microgrid | 10 MWh | 44 VS3s | 15 MW PV



Operations Expansion

Scaling to meet growing North American demand

- Expanded Vancouver factory now operational
- Up to 200 MWh per year into North America
- Work in progress: Viejas, OPALCO, Hyosung, others
- Key part of U.S. supply chain (Inflation Reduction Act ITC)



Vancouver
Open House
June 2023



Baojia manufacturing plant operational

- Delivering components to Vancouver, Bathgate
- Final deliveries to Asia Pacific, including Australia
- Key part of GWh+ Mistral supply chain.



Mistral: Evolution & Optimisation

Mistral builds on Invinity’s proven core technology. Meeting the **global storage imperative** with class-leading performance, simplified installation, reduced maintenance and **dramatically lower costs**.

	VS3		Mistral	Improvement
Efficiency	67%	➔	78%	17%
MWh Footprint	96m ²	➔	38m ²	60%
Field Wiring Connections	11	➔	4	55%
Tanks and Pumps	12	➔	2	83%
Battery Controllers	7	➔	2	71%
Levelised Cost	\$0.11/kWh	➔	\$0.06/kWh	45%



Pilot projects announcement: 2023

First customer ship: 2024

Deliver on backlog

- *Scale up manufacturing*
- *Scale up delivery capabilities*
- *Scale up supply chain*

Deliver Mistral

- *Focus on economics*
- *Focus on capability*
- *Focus on manufacturability*

Close new deals

- *Engage with the market*
- *Engage with governments and regulators*
- *Engage with developers*

Operational Excellence

- *Improve margins*
- *Improve systems and processes*
- *Improve value to shareholders*

- **Accessing a large market**
 - Global sales staff
 - 2 GWh sales pipeline
 - Widespread government support
- **Fit-for-purpose product: Mistral**
 - Proven Invinity technology
 - Dramatic improvement in economics
 - Ability to scale
- **Supportive partnerships**
 - Asian strategic investment
 - Strong product development partnership
 - EPCs in U.S. and worldwide

£11 million UK government grant

First Mistral pilot project announced

£23.7 million backlog

Project deliveries for 2023 revenue

