

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the contents of this document or as to the action you should take, you are recommended to seek your own personal financial advice immediately from your stockbroker, bank manager, solicitor, accountant or other independent financial adviser authorised under the Financial Services and Markets Act 2000 (as amended) if you are resident in the United Kingdom or, if not, from another appropriately authorised independent financial adviser.

If you have sold or otherwise transferred all of your Existing Ordinary Shares before the date that the Existing Ordinary Shares are marked “ex-entitlement” to the Open Offer by the London Stock Exchange, please immediately forward this document, together with the accompanying Form of Proxy, to the purchaser or transferee, or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for delivery to the purchaser or transferee. If you have sold only part of your holding of Existing Ordinary Shares, please contact your stockbroker, bank or other agent through whom the sale or transfer was effected immediately.

The Directors and the Company accept responsibility, both collectively and individually, for the information contained in this document and compliance with the AIM Rules and AQSE Rules. To the best of the knowledge and belief of the Directors and the Company (who have taken all reasonable care to ensure that such is the case), the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information. The names and functions of the Directors, as well as details of the Company’s registered office, appear in the Directors, Secretary and Advisers section of this document.

The Existing Ordinary Shares are admitted to trading on AIM and the APEX segment of the AQSE Growth Market of AQSE. Conditional upon completion of the Fundraising, application will be made to the London Stock Exchange and AQSE for the Fundraising Shares to be admitted to trading. Subject to shareholder approval, it is expected that Admission will become effective and dealings in the Fundraising Shares will commence on AIM and on the AQSE Growth Market on 24 May 2024. The Fundraising Shares will, on Admission, rank *pari passu* in all respects with the Existing Ordinary Shares and will rank in full for all dividends and other distributions declared, made or paid on Ordinary Shares after Admission.

AIM and the AQSE Growth Market are designed primarily for emerging or smaller companies to which a higher investment risk tends to be attached than to larger or more established companies. AIM and AQSE Growth Market securities are not admitted to the Official List of the Financial Conduct Authority. A prospective investor should be aware of the risks of investing in such companies and should make the decision to invest only after careful consideration and, if appropriate, consultation with an independent financial adviser. The London Stock Exchange and AQSE have not themselves examined or approved the contents of this document. Prospective investors should read this document in its entirety.

The total consideration under the Open Offer will be less than €8 million (or an equivalent amount) in aggregate and the Placing Shares will only be available to qualified investors for the purposes of the Prospectus Rules or otherwise in circumstances not resulting in an offer of transferable securities to the public under section 102B of FSMA. Therefore, in accordance with section 85 and section 86 of FSMA, this document is not, and is not required to be, a prospectus for the purposes of the Prospectus Rules and has not been prepared in accordance with the Prospectus Rules. Accordingly, this document has not been, and will not be, reviewed or approved by the FCA, pursuant to sections 85 and 87 of FSMA, the London Stock Exchange, AQSE or any other authority or regulatory body. In addition, this document does not constitute an admission document drawn up in accordance with the AIM or AQSE Rules.

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## **Invinity Energy Systems plc**

*(Incorporated and registered in Jersey under the Companies (Jersey) Law 1991 with registered no: 92432)*

### **Subscription for 121,739,130 new Ordinary Shares**

### **Placing of 121,739,130 new Ordinary Shares**

### **Open Offer of a maximum of 28,660,096 new Ordinary Shares each at a price of 23 pence per share and**

### **Notice of General Meeting**

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Your attention is drawn to the letter from the Chairman of the Company which is set out in Part I of this document and which contains, amongst other things, the Directors’ unanimous recommendation that you vote in favour of the Resolution to be proposed at the General Meeting.

The latest time and date for acceptance and payment in full under the Open Offer is 11.00 a.m. on 21 May 2024. The procedure for acceptance and payment is set out in Part III of this document and, where relevant, in the Application Form.

Canaccord Genuity Limited, which, in the United Kingdom, is authorised and regulated by the FCA, is acting as joint bookrunner and (for the purposes of the AIM Rules) as nominated adviser to the Company in connection with the Fundraising and will not be acting for any other person (including a recipient of this document) or otherwise be responsible to any person for providing the protections afforded to clients of Canaccord Genuity Limited or for advising any other person in respect of the proposed Fundraising or any transaction, matter or arrangement referred to in this document. Canaccord Genuity Limited’s responsibilities as the Company’s nominated adviser are owed solely to the London Stock Exchange and as joint bookrunner are owed solely to the London Stock Exchange and AQSE. They are not owed to the Company or to any Director or to any other person in respect of their decision to acquire shares in the Company in reliance on any part of this document.

VSA Capital Limited, which, in the United Kingdom, is authorised and regulated by the FCA, is acting as joint bookrunner and AQSE Corporate Adviser to the Company in connection with the Fundraising and will not be acting for any other person (including a recipient of this document) or otherwise be responsible to any person for providing the protections afforded to clients of VSA Capital Limited or for advising any other person in respect of the proposed Fundraising or any transaction, matter or arrangement referred to in this document. VSA Capital Limited's responsibilities as the Company's joint bookrunner are not owed to any other person in respect of their decision to acquire shares in the Company in reliance on any part of this document.

Apart from the responsibilities and liabilities, if any, which may be imposed on Canaccord Genuity Limited and/or VSA Capital Limited by the FSMA or the regulatory regime established thereunder, the AIM Rules and the AQSE Rules, Canaccord Genuity Limited and VSA Capital Limited do not accept any responsibility whatsoever for the contents of this document, including its accuracy, completeness or verification or for any other statement made or purported to be made by it, or on its behalf, in connection with the Company, the Ordinary Shares, the Fundraising or Admission. Canaccord Genuity Limited and VSA Capital Limited accordingly disclaim all and any liability whether arising in tort, contract or otherwise (save as referred to above) in respect of this document or any such statement. However, nothing in this document shall be effective to limit or exclude liability for fraud or which cannot otherwise, by law or regulation, be so limited or excluded.

Notice of a General Meeting of Invinity Energy Systems plc, to be held at the offices of Canaccord Genuity Ltd at 88 Wood Street, London EC2V 7QR at 11:00 a.m. on 22 May 2024, is set out at the end of this document. To be valid, the accompanying Form of Proxy for use in connection with the General Meeting should be completed, signed and returned as soon as possible and, in any event, so as to reach the Company's registrars, Computershare Investor Services (Jersey) Limited, by not later than 11:00 a.m. on 20 May 2024 (or, if the General Meeting is adjourned, 48 hours (excluding any part of a day that is not a working day) before the time fixed for the adjourned meeting). Completion and return of Forms of Proxy will not preclude Shareholders from attending and voting at the General Meeting should they so wish.

Shareholders who hold their Existing Ordinary Shares in uncertificated form in CREST may alternatively use the CREST Proxy Voting Service in accordance with the procedures set out in the CREST Manual as explained in the notes accompanying the Notice of General Meeting at the end of this document. Proxies submitted via CREST must be received by the issuer's agent (ID 3RA50) by no later than 11:00 a.m. on 20 May 2024 (or, if the General Meeting is adjourned, 48 hours (excluding any part of a day that is not a working day) before the time fixed for the adjourned meeting). The Company may treat as invalid a proxy appointment sent by CREST in the circumstances set out in Article 34 of the Companies (Uncertificated Securities) (Jersey) Order 1999.

Qualifying non-CREST Shareholders will find an Application Form accompanying this document. Qualifying CREST Shareholders (none of whom will receive an Application Form) will receive a credit to their stock accounts in CREST in respect of the Open Offer Entitlements which will be enabled for settlement on 7 May 2024. Applications under the Open Offer may only be made by the Qualifying Shareholder originally entitled or by a person entitled by virtue of a *bona fide* market claim arising out of a sale or transfer of Existing Ordinary Shares prior to the date on which the Existing Ordinary Shares were marked "ex-entitlement". If the Open Offer Entitlements are for any reason not enabled by 3.00 p.m. or such later time as the Company may decide on 16 May 2024, an Application Form will be sent to each Qualifying CREST Shareholder in substitution for the Open Offer Entitlements credited to its stock account in CREST. Qualifying CREST Shareholders who are CREST sponsored members should refer to their CREST sponsors regarding the action to be taken in connection with this document and the Open Offer. Applications for Excess Shares pursuant to the Excess Application Facility may be made by the Qualifying Shareholder provided that their Open Offer Entitlement has been taken up in full and subject to being scaled back in accordance with the provisions of this document.

Holdings of Existing Ordinary Shares in certificated and uncertificated form will be treated as separate holdings for the purpose of calculating entitlements under the Open Offer.

A copy of this document has been delivered to the registrar of companies in accordance with Article 5 of the Companies (General Provisions) (Jersey) Order 2002, and he has given, and has not withdrawn, his consent to its circulation. The Jersey Financial Services Commission has given, and has not withdrawn, its consent under Article 2 of the Control of Borrowing (Jersey) Order 1958 to the issue of shares in the Company. It must be distinctly understood that, in giving these consents, neither the registrar of companies nor the Jersey Financial Services Commission takes any responsibility for the financial soundness of the Company or for the correctness of any statements made, or opinions expressed, with regard to it. If you are in any doubt about the contents of this document you should consult your stockbroker, bank manager, solicitor, accountant or other financial adviser. The Directors of the Company have taken all reasonable care to ensure that the facts stated in this document are true and accurate in all material respects, and that there are no other facts the omission of which would make misleading any statement in the document, whether of facts or of opinion. All the Directors accept responsibility accordingly. It should be remembered that the price of the shares and the income from them can go down as well as up.

A copy of this document is available, subject to certain restrictions relating to persons resident in certain overseas jurisdictions, at the Company's website [www.invinity.com](http://www.invinity.com).

## IMPORTANT NOTICE

### Cautionary note regarding forward-looking statements

This document includes statements that are, or may be deemed to be, “forward-looking statements”. These forward-looking statements can be identified by the use of forward-looking terminology, including the terms “believes”, “estimates”, “plans”, “projects”, “anticipates”, “expects”, “intends”, “may”, “will”, or “should” or, in each case, their negative or other variations or comparable terminology. These forward-looking statements include matters that are not historical facts. They appear in a number of places throughout this document and include statements regarding the Directors’ current intentions, beliefs or expectations concerning, among other things, the Group’s results of operations, financial condition, liquidity, prospects, growth, strategies and the Group’s markets.

By their nature, forward-looking statements involve risk and uncertainty because they relate to future events and circumstances. Actual results and developments could differ materially from those expressed or implied by the forward-looking statements.

Forward-looking statements may and often do differ materially from actual results. Any forward-looking statements in this document are based on certain factors and assumptions, including the Directors’ current view with respect to future events and are subject to risks relating to future events and other risks, uncertainties and assumptions relating to the Group’s operations, results of operations, growth strategy and liquidity. Whilst the Directors consider these assumptions to be reasonable based upon information currently available, they may prove to be incorrect. Save as required by law or by the AIM and AQSE Rules, neither the Company, Canaccord Genuity Limited nor VSA Capital Limited undertakes any obligation to publicly release the results of any revisions to any forward-looking statements in this document that may occur due to any change in the Directors’ expectations or to reflect events or circumstances after the date of this document.

### Notice to overseas persons

The distribution of this document and/or any accompanying documents in certain jurisdictions may be restricted by law and therefore persons into whose possession these documents come should inform themselves about and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction. In addition, the transfer of Open Offer Entitlements or Excess Open Offer Entitlements through CREST, in jurisdictions other than the UK, including the Restricted Jurisdictions (as defined below), may be restricted by law and therefore persons into whose possession this document comes should inform themselves about and observe any of those restrictions. Any failure to comply with any of those restrictions may constitute a violation of the securities laws of any such jurisdiction.

The New Ordinary Shares, the Open Offer Entitlements and the Excess Open Offer Entitlements have not been, nor will they be, registered under the United States Securities Act of 1933, as amended, (the “**U.S. Securities Act**”) and may not be offered, sold or delivered in, into or from the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act. Subject to certain exemptions, this document and the Application Form does not constitute an offer of Ordinary Shares to any person with a registered address, or who is resident in, the United States. There will be no public offer in the United States. Outside of the United States, the New Ordinary Shares are being offered in reliance on Regulation S under the U.S. Securities Act. The New Ordinary Shares will not qualify for distribution under the relevant securities laws of Australia, New Zealand, Canada, the Republic of South Africa or Japan, nor has any prospectus in relation to the New Ordinary Shares been lodged with, or registered by, the Australian Securities and Investments Commission or the Japanese Ministry of Finance or any securities commission or the Financial Markets Authority of New Zealand or other regulatory body in Canada or the Republic of South Africa. Accordingly, subject to certain exemptions, the New Ordinary Shares may not be offered, sold, taken up, delivered or transferred in, into or from the United States, Australia, New Zealand, Canada, the Republic of South Africa, Japan or any other jurisdiction where to do so would constitute a breach of local securities laws or regulations (each a “**Restricted Jurisdiction**”) or to or for the account or benefit of any national, resident or citizen of a Restricted Jurisdiction. This document does not constitute an offer to issue or sell, or the solicitation of an offer to subscribe for or purchase, any Ordinary Shares to any person in a Restricted Jurisdiction and is not for distribution in, into or from a Restricted Jurisdiction.

The New Ordinary Shares, the Open Offer Entitlements and the Excess Open Offer Entitlements have not been approved or disapproved by the U.S. Securities and Exchange Commission, or any other securities

commission or regulatory authority of the United States, nor have any of the foregoing authorities passed upon or endorsed the merits of the offering of the New Ordinary Shares nor have they approved this document or confirmed the accuracy or adequacy of the information contained in this document. Any representation to the contrary is a criminal offence in the US.

In addition, Application Forms are not being posted to and no Open Offer Entitlements or Excess Open Offer Entitlements will be credited to a stock account of any person in the United States, Canada, Australia, New Zealand, Japan or the Republic of South Africa. The attention of Overseas Shareholders and other recipients of this document who are residents or citizens of any country other than the United Kingdom is drawn to the section entitled “Overseas Shareholders” at paragraph 6 of Part III of this document.

#### **Presentation of financial information**

Certain data in this document, including financial, statistical and operational information has been rounded. As a result of the rounding, the totals of data presented in this document may vary slightly from the actual arithmetical totals of such data. Percentages in tables have been rounded and, accordingly, may not add up to 100 per cent. In this document, references to “pounds sterling”, “£”, “pence” and “p” are to the lawful currency of the United Kingdom, references to “US dollar”, “dollar”, “US\$” or “\$” are to the lawful currency of the United States and references to “Euros” and “€” are to a lawful currency of the European Union.

#### **Presentation of market, economic and industry data**

Where information contained in this document originates from a third-party source, it is identified where it appears in this document together with the name of its source. Such third-party information has been accurately reproduced and, so far as the Company is aware and is able to ascertain from information published by the relevant third party, no facts have been omitted which would render the reproduced information inaccurate or misleading.

#### **No incorporation of website information**

The contents of the Company’s website or any hyperlinks accessible from the Company’s website do not form part of this document and Shareholders should not rely on them.

#### **Interpretation**

Certain terms used in this document are defined and certain technical and other terms used in this document are explained at the section of this document under the heading “Definitions”.

All times referred to in this document, the Application Form and the Form of Proxy are, unless otherwise stated, references to London time.

All references to legislation in this document, the Application Form and the Form of Proxy are to the legislation of England and Wales unless the contrary is indicated. Any reference to any provision of any legislation or regulation shall include any amendment, modification, re-enactment or extension thereof.

Words importing the singular shall include the plural and *vice versa*, and words importing the masculine gender shall include the feminine or neutral gender.

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## DIRECTORS, SECRETARY AND ADVISERS

<b>Directors</b>	Neil O'Brien ( <i>Non-executive Chairman</i> ) Larry Zulch ( <i>Chief Executive Officer</i> ) Jonathan Marren ( <i>Chief Financial Officer and Chief Development Officer</i> ) Matthew Harper ( <i>Chief Commercial Officer</i> ) Rajat Kohli ( <i>Senior Independent non-executive Director</i> ) Michael Farrow ( <i>Non-executive Director</i> ) Kristina Peterson ( <i>Non-executive Director</i> )  All of whose business address is at the Company's registered office
<b>Registered Office</b>	3rd Floor IFC5 Castle Street St. Helier Jersey JE2 3BY
<b>Company website</b>	<a href="http://www.invinity.com">www.invinity.com</a>
<b>Company Secretary</b>	Oak Secretaries (Jersey) Limited 3 <sup>rd</sup> Floor IFC5 Castle Street St Helier Jersey JE2 3BY
<b>Nominated Adviser and joint bookrunner</b>	Canaccord Genuity Limited 88 Wood Street London EC2V 7QR
<b>AQSE Corporate Adviser, Financial Adviser and joint bookrunner</b>	VSA Capital Limited Park House 16-18 Finsbury Circus London EC2M 7EB
<b>UK legal advisers to the Company</b>	Armstrong Teasdale Limited 38-43 Lincoln's Inn Fields London WC2A 3PE
<b>Jersey legal advisers to the Company</b>	Pinel Advocates One Liberty Place St Helier Jersey JE2 3NY
<b>Legal advisers to Nominated Adviser and joint bookrunners</b>	DAC Beachcroft LLP 25 Walbrook London EC4N 8AF

**Registrars**

Computershare Investor Services (Jersey) Limited  
13 Castle Street  
St Helier  
Jersey  
JE1 1ES

**Bankers**

HSBC  
Corporate Banking  
HSBC House  
Esplanade  
St Helier  
Jersey  
JE1 1HS

**Auditors**

BDO LLP  
55 Baker Street  
London  
W1U 7EU



## FUNDRAISING STATISTICS

Issue Price of each New Ordinary Share	23p
Number of Existing fully paid Ordinary Shares of €0.01 each at the Record Date	191,067,307
Number of Subscription Shares	121,739,130
Number of Placing Shares	121,739,130
Open Offer basic entitlement	3 Open Offer Shares for every 20 Existing Ordinary Shares
Maximum number of Open Offer Shares to be issued by the Company pursuant to the Open Offer*	28,660,096
Maximum number of Ordinary Shares in issue following Admission*	463,205,663
Percentage of the Existing Ordinary Shares to be issued pursuant to the Subscription, Placing and Open Offer*	142.4 per cent.
Gross proceeds of the Subscription	£28.0 million
Gross proceeds of the Placing	£28.0 million
Gross proceeds of the Open Offer*	£6.6 million
Estimated expenses of the Subscription, Placing and Open Offer *	£3.1 million
Estimated net proceeds of the Subscription, Placing and Open Offer *	£59.5 million
Ordinary Share ISIN	JE00BLR94N79
Open Offer Basic Entitlements ISIN	JE00BRJKV624
Open Offer Excess Entitlements ISIN	JE00BRJKV731

\* Assuming take-up in full of the Open Offer by Qualifying Shareholders or take-up in full under the Placing Option

## EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Record Date for entitlements under the Open Offer	30 April 2024
Announcement of the Fundraising and Open Offer	4:44 p.m. on 1 May 2024
Posting of this Document, Proxy Form and, to Qualifying Non-Crest Shareholders, the Application Form	3 May 2024
Ex-entitlement date of the Open Offer	8.00 a.m. on 2 May 2024
Open Offer Entitlements and Excess CREST Open Offer Entitlements credited to stock accounts in CREST of Qualifying CREST Shareholders	as soon as practicable after 8.00 a.m. on 7 May 2024
Latest recommended time and date for requesting withdrawal of CREST Open Offer Entitlements and Excess CREST Open Offer Entitlements	4.30 p.m. on 15 May 2024
Latest time and date for depositing CREST Open Offer Entitlements and Excess CREST Open Offer Entitlements	3.00 p.m. on 16 May 2024
Latest time and date for splitting of Application Forms under the Open Offer (to satisfy bona fide market claims only)	3.00 p.m. on 17 May 2024
Latest time and date for receipt of Forms of Proxy and CREST voting instructions	11.00 a.m. on 20 May 2024
Latest time and date for receipt of completed Application Forms and payment in full under the Open Offer and settlement of relevant CREST instructions (as appropriate)	11.00 a.m. on 21 May 2024
General Meeting	11.00 a.m. on 22 May 2024
Results of the General Meeting and the Open Offer announced	22 May 2024
Admission and dealing in the Placing Shares, Subscription Shares and Open Offer Shares expected to commence on AIM and AQSE Growth Market	8:00 a.m. on 24 May 2024
Where applicable, expected date for CREST accounts to be credited in respect of the Fundraising Shares	24 May 2024
Where applicable, expected date for despatch of definitive share certificates for the Fundraising Shares in certificated form	within 14 days of Admission

**Notes:**

1. Each of the above times and/or dates is subject to change at the absolute discretion of the Company, Canaccord Genuity and VSA Capital. If any of the above times and/or dates should change, the revised times and/or dates will be announced through a Regulatory Information Service.
2. All of the above times refer to London time unless otherwise stated.
3. All events listed in the above timetable following the General Meeting in respect of the Fundraising are conditional on the passing of the Resolution at the General Meeting. The Subscription is also conditional on, amongst other things, shareholder approval.

## DEFINITIONS

The following definitions apply throughout this document unless the context otherwise requires:

“£”, “pounds sterling”, “pence” or “p”	are references to the lawful currency of the United Kingdom
“€” or “Euros”	are references to a lawful currency of the European Union
“Admission”	admission of the Fundraising Shares to trading on AIM and AQSE in accordance with Rule 6 of the AIM Rules and in accordance with the AQSE Rules
“AIM Rules”	the AIM Rules for Companies published by the London Stock Exchange from time to time
“AIM”	the AIM Market operated by the London Stock Exchange
“AQSE”	Aquis Stock Exchange Limited, a company incorporated in England and Wales with registered company number 04309969 and a recognised investment exchange under section 290 of FSMA
“AQSE Growth Market”	the multilateral trading facility operated by AQSE
“AQSE Rules”	the rules contained in the AQSE Growth Market Apex Rulebook for issuers in effect from time to time, which set out the admission requirements and continuing obligations of companies seeking admission to and whose securities are admitted to trading on the Apex segment of the AQSE Growth Market issued by AQSE
“Canaccord Genuity” or “Nominated Adviser”	Canaccord Genuity Limited, the Company’s nominated adviser and joint bookrunner
“certificated form” or “in certificated form”	an Ordinary Share recorded on a company’s share register as being held in certificated form (namely, not in CREST)
“Circular” or “this document”	this circular to shareholders setting out details of the Fundraising and containing notice of the General Meeting
“Companies Law”	the Companies (Jersey) Law 1991
“Company” or “Invinity”	Invinity Energy Systems plc, a company incorporated and registered in Jersey under the Companies Law with registered no: 92432
“Conditional Subscription” or “Subscription”	the UKIB Subscription and KIP Subscription
“CREST Regulations”	the Uncertificated Securities Regulations 2001 (S.I. 2001 No. 3755)
“CREST”	the relevant system (as defined in the CREST Regulations) in respect of which Euroclear is the operator (as defined in those regulations)
“Dealing Day”	a day on which the London Stock Exchange is open for business in London
“Directors” or “Board”	the directors of the Company whose names are set out on page 7 of this document, or any duly authorised committee thereof
“Enlarged Share Capital”	the issued Ordinary Shares immediately following Admission
“Euroclear”	Euroclear UK & International Limited, the operator of CREST “Excess Application Facility”

“Excess Application Facility”	the arrangement pursuant to which Qualifying Shareholders may apply for additional Open Offer Shares in excess of their Open Offer Entitlement in accordance with the terms and conditions of the Open Offer
“Excess CREST Open Offer Entitlements”	in respect of each Qualifying CREST Shareholder, an entitlement, of the maximum number of Open Offer Shares available through the Open Offer (in addition to their Open Offer Entitlement), to apply for Open Offer Shares pursuant to the Excess Application Facility, which is conditional on them taking up their Open Offer Entitlement in full and which may be subject to scaling back in accordance with the provisions of this document
“Excess Open Offer Entitlements”	an entitlement for each Qualifying Shareholder to apply to subscribe for Open Offer Shares in addition to their Open Offer Entitlement pursuant to the Excess Application Facility which is conditional on them taking up their Open Offer Entitlement in full and which may be subject to scaling back in accordance with the provisions of this document
“Excess Shares”	Open Offer Shares applied for by Qualifying Shareholders under the Excess Application facility
“Ex-entitlement Date”	the date on which the Existing Ordinary Shares are marked “ex” for entitlement under the Open Offer, being 8:00 a.m. on 2 May 2024
“Existing Ordinary Shares”	the 191,067,307 Ordinary Shares in issue at the date of this document, all of which are admitted to trading on AIM and AQSE
“FCA”	the UK Financial Conduct Authority
“Form of Proxy”	the form of proxy for use in connection with the General Meeting which accompanies this document
“FSMA”	the Financial Services and Markets Act 2000 (as amended)
“Fundraising”	together, the Conditional Subscriptions, Placing, and the Open Offer
“Fundraising Shares”	the Subscription Shares, the Placing Shares and the Open Offer Shares
“General Meeting”	the extraordinary general meeting of the Company to be held at the offices of Canaccord Genuity Ltd at 88 Wood Street, London EC2V 7QR at 11:00 a.m. on 22 May 2024, notice of which is set out at the end of this document
“Group”	the Company, its subsidiaries and its subsidiary undertakings
“IP”	intellectual property
“Issue Price”	23 pence per New Ordinary Share
“KIP”	Korea Investment Partners Co., Ltd., a company incorporated and registered in the Republic of Korea
“KIP Investment Entity”	KIP RE-UP II Fund, a fund incorporated and registered in the Republic of Korea with registration number 121-80-21925 – of which KIP is general partner
“KIP Subscription”	the conditional subscription by KIP Investment Entity at the Issue Price in accordance with the KIP Subscription Agreement to raise £3 million before expenses
“KIP Subscription Agreement”	the subscription agreement dated 1 May 2024 between the Company and KIP Investment Entity relating to the KIP Subscription
“KIP Subscription Shares”	13,043,478 new Ordinary Shares to be issued by the Company pursuant to the KIP Subscription
“kWh”	kilowatt hour
“Launch Announcement”	the announcement released by the Company on 1 May 2024 relating to the Fundraising and Open Offer

“LDES”	Long Duration Energy Storage
“London Stock Exchange”	London Stock Exchange plc
“Money Laundering Regulations”	The Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 (as amended)
“MWh”	megawatt hour
“New Ordinary Shares”	together the Subscription Shares, the Placing Shares and Open Offer Shares
“Notice of General Meeting”	the notice convening the General Meeting which is set out at the end of this document
“Open Offer”	the conditional invitation by the Company to Qualifying Shareholders to apply to subscribe for the Open Offer Shares at the Issue Price on the terms and subject to the conditions set out in this document
“Open Offer Entitlement”	the individual entitlements of Qualifying Shareholders to subscribe for Open Offer Shares allocated to Qualifying Shareholders pursuant to the Open Offer
“Open Offer Shares”	up to 28,660,096 new Ordinary Shares to be issued by the Company pursuant to the Open Offer
“Ordinary Shares”	ordinary shares of €0.01 each in the capital of the Company
“Overseas Shareholders”	Shareholders with a registered address outside the United Kingdom
“Placing”	the placing of the Placing Shares by Canaccord Genuity and VSA Capital, as agents on behalf of the Company, pursuant to the Placing Agreement, the issue of which is conditional upon the passing of the Resolution at the General Meeting
“Placing Agreement”	the conditional agreement dated 1 May 2024 and made between Canaccord Genuity, VSA Capital and the Company in relation to the Placing, further details of which are set out in this document
“Placing Option”	in the event that the Open Offer is not fully subscribed, the placing by Canaccord Genuity and VSA Capital as agents on behalf of the Company, pursuant to the Placing Agreement, further details of which are set out in this document, of the balance of the Open Offer Shares, at not less than the Issue Price, in order to raise up to the maximum proceeds under the Open Offer
“Placing Shares”	the 121,739,130 new Ordinary Shares to be issued by the Company under the Placing in accordance with the Placing Agreement
“Prospectus Rules”	the prospectus regulation rules made by the FCA pursuant to section 73A of the FSMA
“Qualifying CREST Shareholders”	Qualifying Shareholders holding Existing Ordinary Shares in uncertificated form
“Qualifying Non-CREST Shareholders”	Qualifying Shareholders holding Existing Ordinary Shares in certificated form
“Qualifying Shareholders”	holders of Existing Ordinary Shares on the register of members of the Company at the Record Date but excluding any Overseas Shareholder who has a registered address in any Restricted Jurisdiction
“Record Date”	30 April 2024
“Registrars”	Computershare Investor Services (Jersey) Limited, 13 Castle Street, St. Helier, Jersey, JE1 1ES

“Regulatory Information Service”	a service approved by the FCA for the distribution to the public of regulatory announcements and included within the list maintained on the FCA’s website
“Resolution”	the special resolution in the Notice of General Meeting
“Restricted Jurisdiction”	has the meaning set out on page 4 of this Circular
“Shareholders”	holders of Ordinary Shares
“Subscription Shares”	121,739,130 new Ordinary Shares to be issued by the Company pursuant to the Subscription
“UK”	the United Kingdom of Great Britain and Northern Ireland
“UKIB”	UK Infrastructure Bank Limited, a private limited company registered in England and Wales, registration number 06816271, that is wholly owned by HM Treasury
“UKIB Relationship Agreement”	the relationship agreement dated 1 May 2024 between the Company and UKIB
“UKIB Subscription”	the conditional subscription by UKIB at the Issue Price in accordance with the UKIB Subscription Agreement to raise £25 million before expenses
“UKIB Subscription Agreement”	the agreement dated 1 May 2024 between the Company and UKIB relating to the UKIB Subscription
“UKIB Subscription Shares”	108,695,652 new Ordinary Shares to be issued by the Company pursuant to the UKIB Subscription
“uncertificated” or “in uncertificated form”	an Ordinary Share recorded on a company’s share register as being held in uncertificated form in CREST and title to which, by virtue of the CREST Regulations, may be transferred by means of CREST
“U.S. dollar”, “dollar”, “U.S.\$” or “\$”	are references to the lawful currency of the United States
“U.S.” or “United States”	the United States of America, each State thereof, its territories and possessions (including the District of Columbia) and all other areas subject to its jurisdiction
“VSA Capital” or “AQSE Corporate Adviser”	VSA Capital Limited, the Company’s joint bookrunner and AQSE Corporate Adviser
“VWAP”	volume-weighted average price

## PART I

### LETTER FROM THE CHAIRMAN OF INVINITY ENERGY SYSTEMS PLC

#### Invinity Energy Systems plc

(incorporated in Jersey under the Companies Law with registered no: 92432)

*Directors:*

Neil O'Brien (*Non-executive Chairman*)  
Larry Zulch (*Chief Executive Officer*)  
Jonathan Marren (*Chief Financial Officer and Chief Development Officer*)  
Matthew Harper (*Chief Commercial Officer*)  
Rajat Kohli (*Senior Independent non-executive Director*)  
Michael Farrow (*Non-executive Director*)  
Kristina Peterson (*Non-executive Director*)

*Registered office:*

3rd Floor  
IFC5  
Castle Street  
St Helier  
Jersey  
JE2 3BY

3 May 2024

Dear Shareholder,

#### **Subscription for 121,739,130 new Ordinary Shares**

#### **Placing of 121,739,130 new Ordinary Shares**

#### **Open Offer of a maximum of 28,660,096 new Ordinary Shares**

#### **Each at a price of 23 pence per new Ordinary Share**

**and**

#### **Notice of General Meeting**

##### **1. Introduction and summary**

As announced on 2 May 2024, the Company has conditionally raised approximately £56 million (before expenses) pursuant to the Subscription of £28 million and a Placing of £28 million (before expenses). The Company also announced that it would be carrying out an Open Offer to raise gross proceeds of up to an additional £6.6 million (before expenses). The New Ordinary Shares issued pursuant to the Subscription, Placing and Open Offer will all be issued at the Issue Price.

The Subscription, Placing and Open Offer are all conditional upon, amongst other conditions, Shareholders approving the Resolution at the General Meeting that will give the Directors the authority to allot the Fundraising Shares for cash on a non-pre-emptive basis.

The Placing and Open Offer are conditional on the Subscription, and the Subscription is conditional on the Placing. It is intended that Admission of all the Fundraising Shares will occur at the same time.

The Board recognises and is grateful for the support that it has received from Shareholders and is offering all Qualifying Shareholders the opportunity to participate in an Open Offer at the Issue Price of 23 pence per Open Offer Share. The Open Offer will raise up to approximately £6.6 million (assuming full take up of the Open Offer, being less than the €8 million maximum amount permitted without requiring the publication by the Company of a prospectus under the Prospectus Rules). The Open Offer is in addition to and separate from the funds raised pursuant to the Placing and the Subscription. The Open Offer is not being underwritten.

The Issue Price represents a discount of 5 per cent. to the 15-day volume weighted average price to 30 April 2024 of 24.1 pence per Ordinary Share. The New Ordinary Shares together will represent approximately 142.4 per cent. of the Company's issued ordinary share capital following Admission (assuming

the Open Offer Shares are taken-up in full or the Placing Option is taken-up in full).

The total amount that the Company could raise pursuant to the Subscription, Placing, and Open Offer is approximately £62.6 million (before expenses), assuming that the Open Offer is fully subscribed or the Placing Option is taken-up in full.

The Placing, which has been arranged by Canaccord Genuity and VSA Capital pursuant to the terms of the Placing Agreement, has not been underwritten.

The Board also wishes to state its intention to re-domicile the Company from Jersey to the UK following the successful completion of the Fundraising. The Board aims to commence this process as soon as practical after the conclusion of the Fundraise, and complete such process by the end of September 2024.

The Resolution is contained in the Notice of General Meeting at the end of this document. Admission of the Fundraising Shares is expected to occur no later than 8.00 a.m. on 24 May 2024 or such later time and/or dates as the Company, Canaccord Genuity and VSA Capital may agree (being in any event no later than 28 June 2024).

**The purpose of this document is, amongst other things, to provide you with more information about the background to and reasons for the Subscription, Placing, and Open Offer and to explain why the Board considers the Subscription, Placing, and Open Offer to be in the best interests of the Company and its Shareholders as a whole and why the Directors unanimously recommend that, in order to implement the Subscription, Placing, and Open Offer, you vote in favour of the Resolution to be proposed at the General Meeting, notice of which is set out at the end of this document.**

**Should the Resolution at the General Meeting not be passed and the Fundraising not be completed, the proposed use of proceeds would not be achievable and the Company would have to explore other funding alternatives to support its immediate working capital requirements and to ensure it can continue to trade as a going concern.**

A copy of the Company's latest annual report, along with recent corporate presentations, executive interviews and webcasts are available for public download at <https://invinity.com/investors/>.

## **2. Background to and reasons for the Subscription, Placing, and Open Offer**

Invinity has successfully developed and commercialized its VS3 Vanadium Flow Battery product with more than 1,200 individual battery modules, containing nearly 2,500 cell stacks, manufactured and sold around the world to date. In the past 12 months, the Company has successfully delivered on a number of its corporate objectives. These include:

- 1) becoming the world's only Tier 1 non-lithium battery manufacturer<sup>1</sup> and securing a position as one of the world's leading vanadium flow battery companies;
- 2) recognising significant and growing total income of at least £21.6m for 2023, a 500% increase on prior year; and
- 3) growing a pipeline of confirmed commercial interest by 176% year-on-year<sup>2</sup> to more than 6 GWh and announcing almost 100 MWh of Mistral projects for delivery starting late 2024.

These achievements signify important progress for the Company along the pathway to profitability and Invinity is now ready to progress to the next stage of its corporate journey, with the aim of achieving net cash generation and building a self-sustaining, profitable business which returns significant value to shareholders.

The Company believes its next-generation product, code-named "Mistral" will be key to this corporate transition. Jointly developed since May 2021 alongside Gamesa Electric S.A.U. ("Gamesa"), the Mistral product has been successfully validated through in-house testing and remains on track for its official launch later this year.

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<sup>1</sup> Invinity was included in the Bloomberg New Energy Finance (BNEF) Energy Storage Tier 1 list published January 2024

<sup>2</sup> Compared with total pipeline for May 2023



The Company believes strategic partnerships such as the one in place with Gamesa are key to Invinity's future success. As was previously communicated to shareholders, the conclusion of ongoing strategic partnership discussions has been an important corporate priority in the past 12 months. The Company has been extremely pleased with the level of interest shown by a number of strategic investors, each of which conducted due diligence on Invinity ahead of their proposed investment. The Company is delighted to have reached agreement with UKIB and KIP Investment Entity, who have agreed to invest a total of £28m subject to certain conditions.

### *Strategic Investors*

Details of each of the strategic investors and the nature of their respective agreements with Invinity are summarised below. For further information, please see the use of proceeds section later in this document.

UKIB is a British policy bank, wholly owned and backed by HM Treasury. UKIB was launched in June 2021 and partners with the private sector and local government to increase infrastructure investment in pursuit of two strategic objectives: tackling climate change and supporting regional and local economic growth. UKIB's investments must achieve one or both of its strategic objectives, generate a positive financial return and demonstrate additionality – focusing where there is an undersupply of private sector financing and reducing barriers to investment – thereby mobilising private capital. The bank is based in Leeds and has £22bn of finance to deploy across the capital structure, including loans, credit enhancement, equity investments and guarantees.

UKIB has agreed to invest a total of £25m pursuant to the UKIB Subscription Agreement, conditional on the proceeds of the Placing and funds raised from other parties participating in the Subscription being at least the same amount. As a result of the investment, UKIB will become a major shareholder in the Company and will have the right to appoint a director to the Board pursuant to the UKIB Relationship Agreement. Invinity's Board have also provided an undertaking to UKIB that they will commence the process of re-domiciling the Company to the UK following the conclusion of the Fundraising. Further details of the UKIB Subscription Agreement and UKIB Relationship Agreement are set out later in this document.

KIP is a venture capital and equity house which describes itself as “*Asia's leading venture capital and private equity house*”. Founded in 1986, KIP has 58 active funds and around 4.1 trillion Korean won (approximately £2.4bn) in assets under management. Headquartered in Seoul, KIP is an affiliate of Korea Investment Holdings, one of the top financial conglomerates in Korea.

KIP Investment Entity has agreed to invest £3m pursuant to the KIP Subscription Agreement. Further details of the KIP Subscription Agreement are set out later in this document.

In addition to the strategic investors announced above, the Company confirms it is also reviewing a number of potential partnerships concerning vanadium supply, Australian market development and U.S. supply chain.

The gross proceeds conditionally receivable by the Company pursuant to the Placing will be £28 million before expenses with the Subscription providing a further £28 million. The maximum gross proceeds receivable by the Company pursuant to the Open Offer (assuming take-up in full of the Open Offer by Qualifying Shareholders) will be approximately £6.6 million before expenses (being less than the €8 million maximum amount permitted in a year without requiring the publication by the Company of a prospectus under the Prospectus Rules).

### ***Use of Proceeds***

The proceeds of the Subscription and the Placing total approximately £56m. The Directors believe that both the capital injection and new strategic relationships which would result from the Fundraising will unlock a transformational next stage in Invinity's business by ensuring that the Company:

- is fully funded to net cash generation;
- will further benefit from endorsement by new strategic investors;
- has a strengthened balance sheet that will support larger sales; and
- can further develop its licence and royalty model outside its core markets.

The Company expects to invest the funds raised into the following key areas:

### *Investment to scale the business to support demand for Invinity's next generation product*

Invinity's next-generation Mistral product is on track for official commercial launch later this year. Almost 100 MWh of Mistral launch projects have already been announced, which once delivered, would more than double the number of batteries manufactured and deployed by Invinity to date. Furthermore, Company forecasts indicate that there is sufficient demand for the Mistral product to support gigawatt-hours of future battery manufacturing. Consequently, scaling operational capabilities to meet the expected step-change in demand is considered to be an important priority by the Company.

The Company has already deployed resources into scaling up its manufacturing capabilities over the past 12 months, including a significant expansion of Invinity's manufacturing facility in Vancouver, Canada. The Directors intend to deploy capital from the Fundraising to further expand manufacturing and supply chain activities in the UK and North America in the near term.

In respect of the UK expansion, the Company will deploy up to £2m of the funds received from UKIB to invest in plant and equipment at the Company's manufacturing facilities in Scotland, UK.

In order to support the above activities, the Company will deploy £35.6m towards supporting the Company's working capital requirements and ensuring that the Company is fully funded to net cash generation.

Invinity also intends to deploy £0.4m to partially settle the expenses in relation to the Fundraising, expected to be approximately £3.1m in total, with the balance of such transaction expenses being paid from existing cash reserves or the proceeds of the Open Offer

### *Investment into activities in the UK*

£18m of the funds received from UKIB will be deployed by the Company into LDES projects in the UK utilising Invinity's batteries. The Company plans to take a minority, passive equity stake (or purchase and rent back the electrolyte) in these projects, co-investing to enhance customer returns, whilst unlocking significant revenue for Invinity in the form of margin-generative product sales, helping the Company to establish a dominant position as a leading LDES provider both in the UK and globally and generate recurring cash inflows from a durable asset which could be sold and capital recycled at a later date.

The Company sees significant opportunity in the UK market as battery developers and project owners increasingly look towards new longer duration, high-throughput battery business models which align closely with the strengths of Invinity's technology. This viewpoint has been further supported by positive policy developments in the UK including a proposal to introduce a cap and floor mechanism for LDES announced in January 2024 and growing calls from a wide range of stakeholders to accelerate deployment of the technology. This includes a report released by the House of Lords Science and Technology Committee in March 2024, titled "Long-duration energy storage: get on with it" which urges the UK Government to rapidly implement appropriate support mechanisms to ensure LDES technologies such as Invinity's can contribute to the UK's decarbonisation plan.

Invinity is targeting deployment of this ringfenced UK capital into c. 96 MWh of projects which could correspond to c. £43m of sales revenue for Invinity. This initial portfolio of projects being targeted by Invinity includes 2-3 Mistral projects and the previously announced LODES project which is expected to be fulfilled by c. 26 MWh of VS3 batteries.

Proceeds from the Open Offer, net of certain fees incurred in connection with the Subscription and Placing, will also be deployed into LDES projects in the UK utilising Invinity's batteries.

### **3. Information on Invinity**

Since its formation in April 2020, Invinity has focused on developing and selling energy storage products to accelerate the global energy transition to renewable sources such as wind, solar and tidal power. The need for energy storage remains clear: renewable energy is fundamentally intermittent, yet the future grid must deliver robust and reliable power. Energy storage in many forms will increasingly be required to bridge the gaps across periods of darkness for solar, calm for wind turbines, and slack tide for tidal power.

To date, the only battery energy storage technology widely deployed to meet the need for stationary energy storage uses lithium-ion cells. While very energy dense and highly efficient, and therefore quite appropriate for mobile and personal applications, lithium-based batteries have characteristics making them less than ideal

for stationary energy storage: they degrade with use, are prone to thermal runaway and are expensive to recycle at end of life. In addition, global supply of lithium cells is not keeping up with demand from the automotive industry, causing grid storage projects to experience delays and increased costs. However, purchasers of batteries for stationary energy storage have had few proven alternatives to lithium-based batteries to date.

The Invinity VS3, the Company’s current energy storage product, is already providing that alternative. The VS3 uses VFB technology that has been developed over more than 15 years, utilising over £60 million of investment to date. The relative maturity of the Company’s technology and Invinity’s ability to deliver is also well documented with 75 MWh of batteries either already deployed or contracted for delivery across 82 projects in 15 countries on five continents. Invinity has been a pioneer in delivering VFBs as a standardized, factory- built product rather than a bespoke engineering project, yielding the increased quality and decreased costs typically associated with factory manufacture of a standardized product.

What makes the VS3 particularly well-suited to storing and dispatching energy on demand from renewable generation is its “utility-grade” nature. The table below lists the four key characteristics of utility-grade energy storage and highlights the main differences between Invinity’s VS3 and lithium-ion batteries. Note that Invinity’s products are often suitable for either complementing or replacing systems using lithium-ion technology:

	<i>Lithium-ion</i>	<i>Invinity VFB</i>
<i>Safe</i>	Prone to catching fire – difficult to put out.	No fire risk – the electrolyte is an aqueous (water-based) solution
<i>Long life</i>	Degrades with use – five to seven years of daily cycling.	Unlimited cycles – over 20 years of continuous operation.
<i>Economical</i>	Lower upfront capital cost, but higher per MWh over life on a Levelised Cost of Storage (LCOS) basis.	Low cost per MWh over life (LCOS).
<i>Proven</i>	Many installations at utility scale around the globe.	Invinity’s first grid-connected installations operational.

#### 4. Current Trading and Prospects

Invinity continues to trade in line with expectations and remains on track to recognise at least £21.6m total income for 2023, a 500% increase on the prior year. The Company has made material progress in a number of commercial and operational areas since the beginning of 2024. The majority of the projects that the Company expect to close during 2024 are timetabled to complete in the second half of the year, and accordingly the Company expects 2024 revenues to be significantly second-half weighted.

Copies of the Company’s latest financial statements are available on the Company’s website at <https://invinity.com/investors/>.

##### Commercial

The Company’s pipeline of commercial interest, detailed below, supports the Company’s near-term forecasts and ambitions and has increased in total size by 17% since last reported in November 2023 and 47% since September 2023. Live opportunities within this pipeline include both large one-off projects with end-users and electricity generators as well as multi-site portfolio opportunities with utility companies, multinational developers and government entities. Projects in more than 15 countries are represented in the pipeline, located across North America, UK & Europe, Australia and Asia.

Date	Base (MWh)	Advanced (MWh)	Qualified Near Term (MWh)	Qualified Further Term (MWh)
22-Sep-2023 (HY23 Results)	43.1	137.3	1,415.0	3,057.8

30-Nov-2023 (Year End Business Update)	49.8	92.0	1,898.5	3,790.7
25-Apr-2024 (Current Trading)	49.8	432.0	1,943.4	4,391.8
% change vs. HY23	+16%	+215%	+37%	+44%

### Next Generation Product Development

Invinity remains on track to officially launch its next-generation Mistral VFB later this year and has hit a number of key milestones along the development pathway in previous months. As announced on 26 February 2024, the Company has now completed initial performance testing of the first operating Mistral prototype. The results of this testing successfully verified Mistral’s fundamental performance targets and operating parameters. This significant development milestone has enabled Invinity’s team to conclude the development of the production tooling, processes and procedures and initiate the pilot manufacturing phase of the programme.

## **5. Outlook and Strategy**

McKinsey estimates that the global LDES market could potentially grow to over \$1 trillion by 2040, presenting the Company with a significant opportunity to capture an increasing share of a growing market. To address this opportunity and succeed in its corporate objectives, the Group must continue to advance many areas where it has already deployed capital: expand global manufacturing and supply chain capability, increase commercial engagement, and strengthen product development, project management, quality systems, supply chain, manufacturing operations, customer solutions, and logistics.

Invinity is pursuing a two-part market-engagement strategy that relies on partners for regionally-appropriate functions and capabilities, thereby reducing capital requirements and accelerating the schedule required to achieve progress in the essential areas listed above. In the core markets of the UK and North America, the Group will work with partners to offer a full set of capabilities, including commercial engagement, product delivery, and after-sales support, whereas outside the core markets Invinity will focus on identifying, engaging with, and supporting partners capable of providing the entire set of services the Company provides directly in North America and the UK.

The Company’s capex-light manufacturing strategy also relies on partners except for production of Invinity’s cell stack which is currently produced by the Group in leased facilities in Bathgate, UK, and Vancouver, Canada. Invinity has expanded its manufacturing capabilities through the transition to a larger manufacturing partner, Baojia, who is an existing strategic investor in Invinity. Baojia is currently delivering components to Invinity’s factories in North America and the United Kingdom and completed products to Invinity customers in the Asia-Pacific region. Invinity has also increased the capacity of its own facilities, recently expanding its Vancouver-based operations significantly in response to growing demand.

Outside of the core markets of UK and North America, the Company’s manufacturing strategy is based on a licence and royalty model that leverages the capabilities of Invinity’s market-engagement partners. When appropriate, Invinity grants its partner a licence to assemble the Company’s batteries in region, reducing working-capital requirements by providing direct access to the Company’s supply chain and generating gross margin for the Company in the form of royalty payments made by the partner to Invinity. The Company supplies the required cell stacks, manufacturing them at its own facilities, thereby retaining and protecting this core intellectual property (“IP”). A prominent example of the successful implementation of this model can be seen in Taiwan where Invinity signed a strategic manufacturing agreement with the Company’s strategic partner Everdura, announced 26 February 2024.

Through the strategy outlined above, Invinity intends to achieve the following financial targets in the near term and achieve net cash generation in the next two years.

- Drive cost of storage down
  - Mistral is forecast to achieve a 46% reduction in levelised cost at launch vs the VS3 with an ultimate target of at least -60%
- Drive margins up
  - Reduced manufacturing costs allow Invinity to achieve industry standard margins or better with Mistral
- Drive sales up
  - Near-term focus on progressing deals contained within the Base and Advanced section of Invinity's pipeline
- Improve cash profile of sales
  - Utilise working capital facilities and structure deposits and progress payments to reduce impact of sales driven cash volatility
- Reduce operational costs
  - Reduce operating expenditure as a percentage of revenue as the business scales

## 6. Material Contracts

### 6.1 *UKIB Subscription Agreement*

UKIB has conditionally agreed to subscribe for 108,695,652 New Ordinary Shares at the Issue Price pursuant to the UKIB Subscription Agreement dated 1 May 2024. The UKIB Subscription Shares will, when issued, rank *pari passu* with the Existing Ordinary Shares, including the right to receive all dividends and other distributions declared, made or paid in respect of Ordinary Shares after Admission. The UKIB Subscription Shares will represent approximately 23.5 per cent. of the Enlarged Share Capital, assuming full take up of the Open Offer Entitlements or take-up in full of the Placing Option. Completion of the UKIB Subscription is conditional on, *inter alia*, Invinity entering into legally binding agreements in relation to any funds raised from other investors (through the issue of new Ordinary Shares) totalling at least the same amount as the UKIB Subscription, and the passing of the Resolution at the General Meeting. The Fundraising is also conditional on completion of the UKIB Subscription.

Subject to the satisfaction of the UKIB Subscription conditions, Invinity will procure the Board to appoint: (a) a director nominated by UKIB (subject to confirmation from the Nominated Adviser that due diligence checks and assessment on the candidate have been completed to its satisfaction as required under the AIM Rules); and (b) a representative nominated by UKIB as a Board observer. More information on the role of the Board observer will be detailed in section 6.3 below on the UKIB Relationship Agreement.

Under the UKIB Subscription Agreement, the proceeds of the UKIB Subscription can only be applied in a certain specified manner – being: (a) £18.0m to make equity investments in energy storage projects in the UK which incorporate the Company's vanadium flow batteries (the "**Projects**") or to fund the purchase of vanadium electrolyte to be leased by the Company for use in the Projects and subject to a rental agreement with the owner(s) of the Projects; (b) £4.6m to support working capital costs incurred in the UK; (c) up to £2.0m to invest in UK plant and equipment at the Company's manufacturing sites; and (d) up to £0.4m for fees incurred in connection with the Fundraising.

Invinity will apply the £0.4m proceeds allocated for fees incurred in connection with the Fundraising to pay, in part, the following plus any applicable VAT: (a) the costs and expenses properly and reasonably incurred by UKIB in connection with the UKIB Subscription Agreement, the UKIB Relationship Agreement and the Fundraising generally, up to a maximum amount of £0.5m; and (b) where UKIB nominates an external candidate to be its nominated director, the fees, costs and expenses properly and reasonably incurred by or on behalf of UKIB in recruiting such external candidate (collectively, the "**UKIB Costs**"). The UKIB Costs shall be payable by the Company: (i) where

Admission takes place, within 10 business days; or (ii) where the UKIB Subscription Agreement terminates prior to Admission (other than where such termination is due to the gross negligence, wilful default or fraud of UKIB), within 3 months – in each case following receipt by the Company of a relevant invoice for such UKIB Costs from UKIB.

The Company will establish an investment committee as a committee of the Board, which shall consider and recommend (where appropriate) proposed investments to be made by the Company in accordance with any reasonable standards mutually agreed between the Company and UKIB. Such committee will comprise a nominee director of UKIB, the chairman of the Board and one executive director.

The UKIB Subscription Agreement contains customary warranties from the Company in favour of UKIB in relation to, *inter alia*, the accuracy of the information: (a) contained in the Circular and other documents or announcements issued by the Company pursuant to any regulatory obligation; and (b) relating to other matters relating to the Group and its business.

## 6.2 ***KIP Subscription Agreement***

KIP Investment Entity has conditionally agreed to subscribe for 13,043,478 New Ordinary Shares at the Issue Price pursuant to the KIP Subscription Agreement dated 1 May 2024. The KIP Subscription Shares will, when issued, rank *pari passu* with the Existing Ordinary Shares, including the right to receive all dividends and other distributions declared, made or paid in respect of Ordinary Shares after Admission. The KIP Subscription Shares will represent approximately 2.8 per cent. of the Enlarged Share Capital, assuming full take up of the Open Offer Entitlements or take-up in full of the Placing Option. Completion of the KIP Subscription is conditional on, *inter alia*, the Fundraising receiving contractual commitments of no less than £40m (of which no less than £7m being committed by a substantial shareholder of the Company) and the passing of the Resolution at the General Meeting. The Fundraising is also conditional on completion of the KIP Subscription.

## 6.3 ***UKIB Relationship Agreement***

Following Admission, UKIB may hold approximately 25 per cent. of the Enlarged Share Capital, subject to funds raised via the Placing Option and the Open Offer. Pursuant to the UKIB Relationship Agreement, which will be effective from Admission, for so long as: (a) the Ordinary Shares are admitted to trading on AIM; (b) UKIB (either alone or together with any member of its group) is interested in the voting rights (attached to the Ordinary Shares) representing 10 per cent. or more of the rights to vote at a general meeting of the Company; and (c) UKIB has not given notice to terminate the UKIB Relationship Agreement as a result of a material breach by the Company, UKIB has agreed (amongst other things) that: (i) the Group will be managed independently of UKIB and any member of UKIB's group; (ii) all transactions and relationships between any member of the Group and UKIB will be on an arm's length basis; and (iii) the remuneration committee, nomination committee, audit and risk committee and any other corporate governance Board committee established by the Board from time to time shall be comprised of at least a majority of independent directors (including the director nominated in accordance with the UKIB Relationship Agreement).

In addition, for so long as UKIB (individually or together with any member of its group) is interested in voting rights representing 10 per cent. or more of the rights to vote at a general meeting of the Company, UKIB will be entitled to nominate one director for appointment to the Board and may require such nominated director's removal from the Board by giving notice in writing (in which case, UKIB will also be entitled to appoint a replacement nominated director). Further, for so long as UKIB (individually or together with any member of its group) is interested in voting rights representing 5 per cent. or more of the rights to vote at a general meeting of the Company, it shall have the right to appoint (and to remove and replace) a representative to attend any meeting of the Board or Board committee (including the investment committee established pursuant to the UKIB Subscription Agreement and/or the UKIB Relationship Agreement) as an observer, and this right to appoint a Board observer will survive termination of the UKIB Relationship Agreement.

The UKIB Relationship Agreement also acknowledges that UKIB may seek to exit its investment under the UKIB Subscription Agreement, which may be by way of a bilateral or brokered sale of some or all of its Ordinary Shares to third parties or by way of a sale made in connection with an issue of Ordinary Shares by the Company. Should UKIB make any reasonable request for support and assistance in connection with its exit at any time after the third anniversary of the UKIB Relationship Agreement, the Company agrees to consider any such reasonable request and provide such support

and assistance (including to any prospective purchaser(s) of Ordinary Shares from UKIB).

#### 6.4 **Placing Agreement**

On 1 May 2024, the Company entered into a placing agreement with Canaccord Genuity and VSA Capital, pursuant to which Canaccord Genuity and VSA Capital, as agents for the Company, conditionally agreed to use their respective reasonable endeavours to procure subscribers for placing shares comprising 121,739,130 Ordinary Shares at a price of 23 pence per share. The placing agreement contained customary warranties from the Company in favour of Canaccord Genuity and VSA Capital in relation to, *inter alia*, the accuracy of the information contained in the RNS announcements issued by the Company and other matters relating to the Group and its business. In addition, the Company agreed to indemnify Canaccord Genuity and VSA Capital in relation to certain defined liabilities they may incur in respect of the placing.

#### 6.5 **February 2023, Placing agreement**

On 22 February 2023, the Company entered into a placing agreement with Canaccord Genuity and VSA Capital, pursuant to which Canaccord Genuity and VSA Capital, as agents for the Company, conditionally agreed to use their respective reasonable endeavours to procure subscribers for placing shares comprising 59,375,000 Ordinary Shares at a price of 32 pence per share. The placing agreement contained customary warranties from the Company in favour of Canaccord Genuity and VSA Capital in relation to, *inter alia*, the accuracy of the information contained in the RIS announcements issued by the Company and other matters relating to the Group and its business. In addition, the Company agreed to indemnify Canaccord Genuity and VSA Capital in relation to certain defined liabilities they may incur in respect of the placing.

#### 6.6 **February 2023, Subscription agreement**

Everbrite Technology Co., Ltd. subscribed for 7,812,500 new Ordinary Shares at £2.5m pursuant to the Subscription Agreement dated 22 February 2023. The Subscription Shares rank *pari passu* with the Existing Ordinary Shares, including the right to receive all dividends and other distributions declared, made or paid in respect of Ordinary Shares after Admission. The Subscription Shares represented 4.09 per cent. of the enlarged share capital, following completion of the fundraising in March 2023.

#### 6.7 **December 2022, Funding Facility**

On 14 December 2022 the Company entered into a convertible funding agreement with Riverfort Global Opportunities PCC Limited and YA II PN Ltd (together, the “**Noteholders**”), pursuant to which a facility of up to \$10 million was made available to the Company (the “**Facility**”). As part of the facility 2,700,038 Ordinary Shares were allotted to the Noteholders and an initial advance of \$2.5 million was made to the Company on 14 December 2022. No interest is payable on the initial advance and any interest rate on any further advance is to be agreed between the parties.

Any amount drawn down under the Facility is convertible into Ordinary Shares at a price equal to the lower of (a) 130% of the five day VWAP immediately prior to that drawdown (the “**Reference Price**”) and (b) 92% of the lowest daily VWAP in the 10 days prior to the Noteholder’s notice of conversion (but such period can commence no earlier than 1 December 2022 and will be shortened accordingly). The Noteholders will also be granted a number of warrants equal to 30% of each drawdown divided by the Reference Price. The exercise price of the warrants will be 150% of the Reference Price.

### 7. **Interests of Directors**

#### 7.1 **The Directors and their respective functions are set out below:**

Neil O’Brien	(Non-executive Chairman)
Larry Zulch	(Chief Executive Officer)
Jonathan Marren	(Chief Financial Officer and Chief Development Officer)
Matthew Harper	(Chief Commercial Officer)
Rajat Kohli	(Senior Independent non-executive Director)
Michael Farrow	(Non-executive Director)
Kristina Peterson	(Non-executive Director)

#### 7.2 **Directors’ Shareholdings**

The interests of each of the Directors and their family (within the meaning of the AIM and AQSE

Rules) in the issued ordinary share capital of the Company and the existence of which is known to, or could with reasonable due diligence be ascertained by, any Director (i) as at the date of this Circular and (ii) as they are expected to be following Admission are as follows:

	<i>Number of Existing Ordinary Shares</i>	<i>Percentage of current existing issued share capital</i>	<i>Number of Ordinary Shares (following Admission)</i>	<i>Percentage of diluted Enlarged Share Capital (following Admission)<sup>1</sup></i>
Neil O'Brien	165,625	0.09%	165,625	0.04%
Larry Zulch	2,290,199	1.20%	2,290,199	0.49%
Jonathan Marren	280,000	0.15%	280,000	0.06%
Matthew Harper	1,613,470	0.84%	1,613,470	0.35%
Rajat Kohli	0	0.00%	0	0.00%
Michael Farrow	9,224	0.00%	9,224	0.002%
Kristina Peterson	0	0.00%	0	0.00%

1. Assumes that 100 per cent. of the Ordinary Shares theoretically available under the Open Offer are subscribed for in the Fundraising or placed pursuant to the Placing Option.

### 7.3 **Directors' Options**

On 2 May 2024, being the last practicable date prior to the publication of this Circular, the Directors and (so far as is known to the Directors, having made appropriate enquiries) their family (within the meaning of the AIM and AQSE Rules) will have the following options over Ordinary Shares:

	<i>Number of Option Shares</i>	<i>Percentage of diluted Share capital (after taking account of the outstanding Options)</i>	<i>Percentage of Enlarged Share Capital (following Admission)</i>
Larry Zulch	1,500,000	0.79%	0.32%
Matthew Harper	1,886,099	0.98%	0.40%
Jonathan Marren	1,750,000	0.92%	0.38%

## 8. **Options**

As at 2 May 2024, being the last practicable date prior to the publication of this Circular, the Company has granted options over 22,628,581 Ordinary Shares, including those mentioned in section 7.3 above. The options are the subject of certain vesting criteria.

## 9. **Director Service Contracts**

Neil O'Brien was appointed Non-executive Chairman on 2 April 2020, pursuant to an appointment letter dated 14 March 2019, as amended on 13 March 2020. Under Neil's revised appointment letter, the Company shall pay him an annual fee of £72,000. The remaining terms of his appointment letter remain unchanged. Neil served as Executive Chairman from 14 March 2019 to 2 April 2020.

Larry Zulch was appointed Chief Executive Officer of the Company on 2 April 2020 pursuant to a deed of appointment with the Company dated 2 April 2020. Larry is employed as Chief Executive Officer by Invinity Energy Systems (U.S.) Corporation, a wholly owned subsidiary of the Company, pursuant to an employment agreement dated 2 April 2020 under which he receives an annual salary of £250,000. The employment agreement may be terminated by either party at will, without notice. The deed of appointment terminates, *inter alia*, if Larry's employment agreement with Invinity Energy Systems U.S. Corporation is terminated, or if Larry is removed from office by shareholders or not re-elected.

Jonathan Marren was appointed Chief Development Officer on 11 July 2022 and agreed to take on the role of Chief Financial Officer on 25 September 2023. Under Jonathan's service agreement the Company shall pay him an annual salary of £220,000. The agreement is terminable by either party on six months' written notice. Jonathan Marren was previously appointed as the Chief Financial Officer of the Company on 9 July 2012 but



resigned from this position on 29 February 2016 and was previously Non-executive Director pursuant to a letter of appointment with the Company dated 23 February 2016 and appointed Senior Independent Director on 1 May 2021.

Matthew Harper was appointed Chief Commercial Officer of the Company on 2 April 2020 pursuant to an employment agreement with Invinity Energy Systems (Canada) Corporation, a wholly owned subsidiary of the Company, under which he receives an annual salary of £220,000. The agreement terminates, *inter alia*, if Matthew is removed from office by shareholders or not re-elected.

Rajat Kohli was originally appointed Non-executive Director of the Company on 22 June 2020. Pursuant to a letter of appointment dated 20 June 2020 Rajat receives an annual fee of £40,000. Originally appointed as board representative for Bushveld Vametco Limited, Rajat has continued as an independent Non-executive Director of the Company. The appointment terminates, *inter alia*, if Rajat is removed from office under the Company's articles of association. The appointment may also be terminated by the Company without notice in certain circumstances including incapacity for three months in any 12-month period and serious or repeated breach of obligations in connection with the appointment as determined by the Board. Rajat Kohli was appointed as Senior Independent Director on 11 July 2022 and receives an additional £5,000 per annum for acting in this capacity. He also receives an additional fee of £5,000 per annum for acting as chairman of the ESG Committee, £2,500 per annum for membership of the Remuneration Committee, and £2,500 per annum for membership of the Audit and Risk Committee.

Michael Farrow was appointed as Non-executive Director pursuant to a letter of appointment with the Company dated 16 March 2006 governing the terms of his appointment as a non-executive Director of the Company. The letter of appointment provides for an annual fee of £40,000 and termination on three months' written notice by either party. The appointment may also be terminated by the Company without notice in certain circumstances including incapacity for three months in any 12-month period, serious or repeated breach of obligations in connection with the appointment or unsatisfactory performance as determined by the Board. He also receives an additional fee of £5,000 per annum for acting as chairman of the Audit and Risk Committee, £2,500 per annum for membership of the Remuneration Committee and £2,500 for membership of the ESG committee.

Kristina Peterson was appointed as a Non-executive Director on 2 November 2021 pursuant to a letter of appointment with the Company dated on 30 October 2021 governing the terms of her appointment as a Non-executive Director of the Company. The letter of appointment provides for an annual fee of \$50,000 and termination on three months written notice by either party. The appointment may also be terminated by the Company without notice in certain circumstances, including incapacity for three months in any 12-month period, serious or repeated breach of obligations in connection with the appointment or unsatisfactory performance as determined by the Board. Kristina receives an additional \$10,000 per year for acting as chair of the Remuneration Committee and \$7,500 for membership of the Audit and Risk Committee.

## 10. Securities

10.1 The following warrants, entitling the holders to subscribe for Ordinary Shares are presently outstanding:

- a. 14,463,665 warrants with an exercise price of £1.00 per share exercisable until 16 December 2024;
- b. 340,000 warrants held by VSA Capital with an exercise price of £0.50 per share exercisable until 2 April 2025; and
- c. 1,800,000 warrants held by RiverFort Global Opportunities PCC Limited and YA II PN with an exercise price of £0.32 per share exercisable until 14 December 2026.

10.2 The following employee options conferring a right to acquire Ordinary Shares are presently in place:

Type of option	No. of options outstanding
CSOP (UK employees)	1,694,471
Option (Canadian employees)	6,710,220
ISO (US employees)	2,292,600
Unapproved (UK employees)	2,881,017
Consultant	378,000

**TOTAL**

**13,956,308**

1.7m of the above options have an exercise price of 7p, 4.2m of the above options have an exercise price of between 38p and 45.5p, 4.2m of the above options have an exercise price of 51.2p, 1.2m of the above options have an exercise price of between 64.5p and 93.5p, 1.8m of the above options have an exercise price of between 111.5p and 113.0p and 0.9m of the above options have an exercise price of between 134.5p and 352.5p.

- 10.3 Gamesa Electric S.A.U have an option to subscribe for 8,672,273 Ordinary Shares with an exercise price of £1.75 per share exercisable until 10 May 2025.
- 10.4 Save as disclosed in this document there are no subscriptions, allotments or options to be given, or already existing, in respect of any other securities of the Company, including any that have a prior right over the securities covered by the offer to a distribution of the Company's profits.

## **11. The Fundraising**

### **11.1 *The Placing***

The Company has conditionally raised approximately £28 million (before expenses) through the issue of the Placing Shares at the Issue Price, which represents a discount of 5 per cent. to the 15-day volume weighted average price to 30 April 2024 of 24.1 pence per Ordinary Share.

The Company will require authorities to allot the Fundraising Shares. Accordingly, Placing is conditional upon the Shareholders approving the Resolution at the General Meeting that will *inter alia* grant to the Directors the authority to allot the Placing Shares for cash on a non-pre-emptive basis.

The Placing Shares will represent 26.3 per cent. of the Company's issued share capital immediately following Admission assuming full take-up under the Open Offer or take-up in full under the Placing Option.

The Placing is conditional upon, *inter alia*, the Placing Agreement not having been terminated, the passing of the Resolution at the General Meeting, the completion of the Subscription and Admission occurring on or before 8.00 a.m. on 24 May 2024 (or such later date as Canaccord Genuity, VSA Capital and the Company may agree, being not later than 8.00 a.m. on 28 June 2024).

The issue of 32,745,541 Placing Shares to Schroders plc and/or its affiliated entities, a substantial shareholder of the Company, constitutes a related party transaction under the AIM and AQSE Rules. The Directors consider, having consulted with Canaccord Genuity, acting in its capacity as the Company's Nominated Adviser, and VSA Capital, acting in its capacity as the Company's AQSE Corporate Adviser, that the terms of such placing are fair and reasonable insofar as the Company's shareholders are concerned.

### **11.2 *The Placing Agreement***

Pursuant to the terms of the Placing Agreement dated 1 May 2024, Canaccord Genuity and VSA Capital, as agents for the Company, have conditionally agreed to use their respective reasonable endeavours to procure subscribers for the Placing Shares, and any Shares to be issued pursuant to the Placing Option. Canaccord Genuity and VSA Capital have conditionally placed the Placing Shares with certain institutional and other investors at the Issue Price. The Placing has not been underwritten. The Placing is conditional upon, *inter alia*, the Placing Agreement not having been terminated, the passing of the Resolution at the General Meeting and Admission occurring on or before 8.00 a.m. on 24 May 2024 (or such later date as Canaccord Genuity, VSA Capital and the Company may agree, being not later than 8.00 a.m. on 28 June 2024). The Placing Agreement is conditional on the completion of the Subscription.

The Placing Agreement contains customary warranties from the Company in favour of Canaccord Genuity and VSA Capital in relation to, *inter alia*, the accuracy of the information in this document and other matters relating to the Group and its business. In addition, the Company has agreed to indemnify Canaccord Genuity and VSA Capital in relation to certain defined liabilities that they may incur in respect of the Placing, Open Offer and Subscription.

The Placing Agreement also provides for the Company to pay all costs, charges and expenses of, or

incidental to, the Placing and Admission including all legal and other professional fees and expenses.

The Placing Shares have not been made available to the public and have not been offered or sold in any jurisdiction where it would be unlawful to do so.

### 11.3 *Details of the Open Offer*

The Company considers it important that Qualifying Shareholders have an opportunity (where it is practicable for them to do so) to participate in the Fundraising and accordingly the Company is making the Open Offer to Qualifying Shareholders. The Company is proposing to raise up to approximately £6.6 million (before expenses) (assuming full take up of the Open Offer but being less than the €8 million maximum amount permitted in a year without requiring the publication by the Company of a prospectus under the Prospectus Rules) through the issue of up to 28,660,096 Open Offer Shares. The Open Offer is conditional upon, *inter alia*, the passing of the Resolution at the General Meeting.

The Open Offer Shares are available to Qualifying Shareholders pursuant to the Open Offer at the Issue Price.

Open Offer Shares applied for pursuant to the Open Offer are payable in full on acceptance. Any Open Offer Shares not subscribed for by Qualifying Shareholders will be available to Qualifying Shareholders under the Excess Application Facility. Qualifying Shareholders may apply for Open Offer Shares under the Open Offer at the Issue Price on the following basis:

#### **3 Open Offer Shares for every 20 Existing Ordinary Shares held by the Qualifying Shareholder on the Record Date**

Entitlements of Qualifying Shareholders will be rounded down to the nearest whole number of Open Offer Shares. Fractional entitlements which would otherwise arise will not be issued to the Qualifying Shareholders but will be made available under the Excess Application Facility. The Excess Application Facility enables Qualifying Shareholders to apply for Excess Shares in excess of their Open Offer Entitlement. Not all Shareholders will be Qualifying Shareholders. Shareholders who are located in, or are citizens of, or have a registered office in certain overseas jurisdictions will not qualify to participate in the Open Offer. The attention of Overseas Shareholders is drawn to paragraph 6 of Part III of this document.

Valid applications by Qualifying Shareholders will be satisfied in full up to their Open Offer Entitlements as shown on the Application Form. Applicants can apply for less or more than their entitlements under the Open Offer but the Company cannot guarantee that any application for Excess Shares under the Excess Application Facility will be satisfied as this will depend in part on the extent to which other Qualifying Shareholders apply for less than or more than their own Open Offer Entitlements. The Company may satisfy valid applications for Excess Shares of applicants in whole or in part but reserves the right not to satisfy any excess above any Open Offer Entitlement. Applications made under the Excess Application Facility will be scaled back *pro rata* to the number of shares applied for if applications are received from Qualifying Shareholders for more than the available number of Excess Shares.

In the event that the Open Offer is not fully subscribed, Canaccord Genuity and VSA Capital reserve the right to place the balance of the Open Offer Shares, at not less than the Issue Price, in order to raise up to the maximum proceeds under the Open Offer (the “**Placing Option**”). Any exercise of the Placing Option would be on substantially the same terms as the Placing Agreement and the placing of any Open Offer Shares thereunder would be at not less than the Issue Price. However, neither Canaccord Genuity nor VSA Capital is under any obligation to exercise the Placing Option.

Application has been made for the Open Offer Entitlements to be admitted to CREST. It is expected that such Open Offer Entitlements will be credited to CREST on 7 May 2024. The Open Offer Entitlements will be enabled for settlement in CREST until 3:00 p.m. on 16 May 2024. Applications through the CREST system may only be made by the Qualifying CREST Shareholder originally entitled or by a person entitled by virtue of *bona fide* market claims. The Open Offer Shares must be paid in full on application. The latest time and date for receipt of completed Application Forms or CREST applications and payment in respect of the Open Offer is 11:00 a.m. on 21 May 2024. The Open Offer is not being made to Overseas Shareholders, as set out in paragraph 6 of Part III of this document.

Qualifying Shareholders should note that the Open Offer is not a rights issue and therefore the Open Offer Shares which are not applied for by Qualifying Shareholders will not be sold in the market for

the benefit of the Qualifying Shareholders who do not apply under the Open Offer. The Application Form is not a document of title and cannot be traded or otherwise transferred.

Further details of the Open Offer and the terms and conditions on which it is being made, including the procedure for application and payment, are contained in Part III of this document and on the accompanying Application Form.

The Open Offer is conditional on, *inter alia*, shareholder approval to enable the issue of the Open Offer Shares, which will be sought at the General Meeting, and the Subscription and Placing becoming or being declared unconditional in all respects. Accordingly, if these conditions are not satisfied or waived (where capable of waiver), the Open Offer will not proceed, and the Open Offer Shares will not be issued, and all monies received by the Registrars will be returned to the applicants (at the applicant's risk and without interest) as soon as possible thereafter. Any Open Offer Entitlements admitted to CREST will thereafter be disabled.

#### 11.4 ***The Subscription***

The Company has conditionally raised £28 million (before expenses) through the issue of the 121,739,130 Subscription Shares at the Issue Price.

UKIB and KIP Investment Entity have each conditionally agreed to subscribe for 108,695,652 and 13,043,478 New Ordinary Shares respectively at the Issue Price pursuant to the UKIB Subscription Agreement and KIP Subscription Agreement.

The Subscription Shares will, when issued, be credited as fully paid and will rank *pari passu* with the Existing Ordinary Shares, including the right to receive all dividends and other distributions declared, made or paid in respect of Ordinary Shares after Admission. The Subscription Shares will represent approximately 26.3 per cent. of the Enlarged Share Capital, assuming full take up of the Open Offer Entitlements or take-up in full of the Placing Option. Completion of the Subscription is conditional, *inter alia*, on the passing of the Resolution. The UKIB Subscription Agreement and KIP Subscription Agreement are conditional on completion of the Placing and Open Offer.

#### 11.5 ***Settlement and dealings***

Application will be made to the London Stock Exchange and AQSE for the Fundraising Shares to be admitted to trading on AIM and AQSE.

It is expected that Admission will become effective at 8.00 a.m. on 24 May 2024.

The New Ordinary Shares will, when issued and fully paid, rank *pari passu* in all respects with the Existing Ordinary Shares including the right to receive dividends and other distributions declared, made or paid after the date of their issue.

#### 11.6 ***Effect of the Fundraising***

Upon Admission, and assuming full take up of the Open Offer Entitlements or take-up in full of the Placing Option and no further exercise of options under the Company's share schemes, the Enlarged Share Capital is expected to be 463,205,663 Ordinary Shares. On this basis, the New Ordinary Shares will represent approximately 58.8 per cent. of the Company's Enlarged Share Capital.

Following the issue of the New Ordinary Shares pursuant to the Fundraising, assuming full take up of the Open Offer Entitlements or take-up in full of the Placing Option and no further exercise of options under the Company's share schemes, a Qualifying Shareholder who does not take up any of their Open Offer Entitlements nor participate in the Placing will suffer a dilution of approximately 58.8 per cent. to their interests in the Company. Qualifying Shareholders that take up their Open Offer Entitlements in full, and do not participate in the Placing, will suffer a dilution of approximately 52.6 per cent. to their interest in the Company.

The expenses of the Fundraising are expected to be approximately £3.1 million.

## 12. **The General Meeting**

The Directors do not currently have authority to allot the New Ordinary Shares on a non-pre-emptive basis. Accordingly, the Board is seeking the approval of Shareholders at the General Meeting to disapply the pre-emption rights in the Company's articles of association from the allotment and issue of the New Ordinary Shares in connection with the Fundraising.

The Resolution will be proposed as a special resolution. To be passed, the Resolution will require the support of not less than two-thirds of the total voting rights of Shareholders who (being entitled to do so) vote on such resolution (in person or by proxy) at the General Meeting.

Set out at the end of this document is a notice convening the General Meeting to be held on 22 May 2024 at 11:00 a.m. at the offices of Canaccord Genuity Ltd at 88 Wood Street, London EC2V 7QR at which the Resolution will be proposed for the purposes of implementing the Fundraising.

### **13. Action to be taken**

#### **13.1 *In respect of the General Meeting***

A Form of Proxy for use at the General Meeting accompanies this document. The Form of Proxy should be completed and signed in accordance with the instructions thereon and returned to the Company's registrars, Computershare Investor Services (Jersey) Limited, Corporate Actions Projects, Bristol BS99 6AH, as soon as possible, but in any event so as to be received by no later than 11:00 a.m. on 20 May 2024 (or, if the General Meeting is adjourned, 48 hours (excluding any part of a day that is not a working day) before the time fixed for the adjourned meeting).

If you hold your Existing Ordinary Shares in uncertificated form in CREST, you may vote using the CREST Proxy Voting service in accordance with the procedures set out in the CREST Manual. Further details are also set out in the notes accompanying the Notice of General Meeting at the end of this document. Proxies submitted via CREST must be received by the issuer's agent (ID 3RA50) by no later than 11:00 a.m. on 20 May 2024 (or, if the General Meeting is adjourned, 48 hours (excluding any part of a day that is not a working day) before the time fixed for the adjourned meeting). The Company may treat as invalid a proxy appointment sent by CREST in the circumstances set out in Article 34 of the Companies (Uncertificated Securities) (Jersey) Order 1999.

#### **13.2 *In respect of the Open Offer***

Qualifying Non-CREST Shareholders wishing to apply for Open Offer Shares, or the Excess Shares must complete the enclosed Application Form in accordance with the instructions set out in paragraph 3 of Part III of this document and on the accompanying Application Form and return it to Computershare Investor Services PLC, Corporate Actions Projects, Bristol BS99 6AH, so as to arrive no later than 11:00 a.m. on 21 May 2024.

If you do not wish to apply for any Open Offer Shares under the Open Offer, you should not complete or return the Application Form. Shareholders are nevertheless requested to complete and return the Form of Proxy.

If you are a Qualifying CREST Shareholder, no Application Form will be sent to you. Qualifying CREST Shareholders will have Open Offer Entitlements and Excess CREST Open Offer Entitlements credited to their stock accounts in CREST. You should refer to the procedure for application set out in paragraph 3 of Part III of this document. The relevant CREST instructions must have settled in accordance with the instructions in paragraph 3.2 of Part III of this document by no later than 11.00 a.m. on 21 May 2024.

Qualifying CREST Shareholders who are CREST sponsored members should refer to their CREST sponsors regarding the action to be taken in connection with this document and the Open Offer.

### **14. Overseas Shareholders**

Information for Overseas Shareholders who have registered addresses outside the United Kingdom or who are citizens or residents of countries other than the United Kingdom appears in paragraph 6 of Part III of this document, which sets out the restrictions applicable to such persons. If you are an Overseas Shareholder, it is important that you pay particular attention to that paragraph of this document.

### **15. Recommendation**

The Directors consider the Fundraising to be in the best interests of the Company and its Shareholders as a whole and accordingly recommend unanimously for Shareholders to vote in favour of the Resolution to be proposed at the General Meeting as they intend to do so in respect of their beneficial holdings amounting, in aggregate, to 4,358,518 Existing Ordinary Shares, representing approximately 2.3 per cent. of the existing issued Ordinary Share capital of the Company.

**Should the Resolution at the General Meeting not be passed and the Fundraising not be completed, the above mentioned use of proceeds would not be achievable and the Company would have to explore other funding alternatives to support its immediate working capital requirements and to ensure it can continue to trade as a going concern.**

Yours faithfully

**Neil O'Brien**

*Non-executive Chairman*

## PART II

### RISK FACTORS

Any investment in the Company is subject to a number of risks. Accordingly, prospective investors should carefully consider the risk factors set out below as well as the other information contained in this document before making a decision whether to invest in the Company. The risks described below are not the only risks that the Group faces. Additional risks and uncertainties that the Directors are not aware of or that the Directors currently believe are immaterial may also impair the Group's operations. Any of these risks may have a material adverse effect on the Group's business, financial condition, results of operations and prospects. In that case, the price of the Ordinary Shares could decline and investors may lose all or part of their investment. Prospective investors should consider carefully whether an investment in the Company is suitable for them in light of the information in this document and their personal circumstances.

Before making an investment, prospective investors are strongly advised to consult an investment adviser authorised under FSMA who specialises in investments of this kind. A prospective investor should consider carefully whether an investment in the Company is suitable in the light of his or her personal circumstances, the financial resources available to him or her and his or her ability to bear any loss which might result from such investment.

The following factors do not purport to be a complete list or explanation of all the risk factors involved in investing in the Company. In particular, the Company's performance may be affected by changes in the market and/or economic conditions and in legal, regulatory and tax requirements.

#### **1. General Risks**

An investment in the Company is only suitable for investors capable of evaluating the risks and merits of such investment and who have sufficient resources to bear any loss which may result. A prospective investor should consider with care whether an investment in the Company is suitable for them in the light of their personal circumstances and the financial resources available to them.

Investment in the Company should not be regarded as short-term in nature. There can be no guarantee that any appreciation in the value of the Company's investments will occur or that the investment objectives of the Company will be achieved. Investors may not get back the full or any amount initially invested.

The prices of shares and the income derived from them can go down as well as up. Past performance is not necessarily a guide to the future.

Changes in economic conditions including, for example, interest rates, rates of inflation, industry conditions, competition, political and diplomatic events and trends, tax laws and other factors can substantially and adversely affect equity investments and the Company's prospects.

#### **2. Risks relating to the Fundraising and the Ordinary Shares**

##### **2.1 *Future sales of Ordinary Shares could adversely affect the market price of the Ordinary Shares***

Sales of additional Ordinary Shares into the public market following the Open Offer could adversely affect the market price of the Ordinary Shares if there is insufficient demand for the Ordinary Shares at the prevailing market price.

##### **2.2 *If the Resolution is not passed, the Company will not be able to proceed with the Fundraising***

The Resolution to be proposed at the General Meeting will be proposed as a special resolution and, to be passed, will require the support of not less than two-thirds of the total voting rights of Shareholders who (being entitled to do so) vote on such resolution at the General Meeting. The Fundraising is conditional on, *inter alia*, the passing of the Resolution.

In the event that the Resolution is not passed, the Company will not be able to proceed with the Fundraising. The Fundraising is very important to the Company's working capital projections.

##### **2.3 *Holders of Existing Ordinary Shares who do not acquire Open Offer Shares pursuant to the Open Offer will experience a further dilution of their percentage ownership of the Company's Ordinary***

## ***Shares***

Shareholders' proportionate ownership and voting interest in the Company will be reduced pursuant to the Placing and Subscription. Shareholders' proportionate ownership and voting interest in the Company will be further reduced pursuant to Open Offer to the extent that Shareholders do not take up the offer of Open Offer Shares under the Open Offer. Subject to certain exceptions, Shareholders in the United States and other Restricted Jurisdictions will not be able to participate in the Open Offer.

### **2.4 *Pre-emption rights may not be available to Overseas Shareholders of Ordinary Shares***

In the case of certain increases in the Company's issued share capital, holders of Ordinary Shares have the benefit of statutory pre-emption rights to subscribe for such shares, unless Shareholders waive such rights by a resolution passed at a Shareholders' meeting, or in certain other circumstances. United States and other overseas holders of shares are very likely to be excluded from exercising any such pre-emption rights they may have, unless a registration statement under the U.S. Securities Act is effective with respect to those rights, or an exemption from the registration requirements under the U.S. Securities Act is available. The Company is unlikely to file any such registration statement, and the Company cannot assure prospective investors that any exemption from those registration requirements would be available to enable United States or other overseas shareholders to exercise such pre-emption rights or, if available, that the Company will utilise any such exemption.

### **2.5 *Access to further capital***

The Company may require additional funds to respond to enable future acquisitions, expansion activity and/or business development, and/or respond to business challenges, enhance existing products and services or further develop its sales and marketing channels and capabilities. Accordingly, Invinity may need to engage in equity or debt financings to secure additional funds. If the Company raises additional funds through further issues of equity or convertible debt securities, existing shareholders could suffer significant dilution, and any new equity securities could have rights, preferences and privileges superior to those of current shareholders. Any debt financing secured by the Company in the future could involve restrictive covenants relating to its capital raising activities and other financial and operational matters, which may make it more difficult for the Company to obtain additional capital and to pursue business opportunities, including potential acquisitions.

In addition, the Company may not be able to obtain additional financing on terms favourable to it, if at all. If the Company is unable to obtain adequate financing or financing on terms satisfactory to it, when required, its ability to continue to support its business growth and to respond to business challenges could be significantly limited or could affect its financial viability.

### **2.6 *Dilution***

If available, any future financings to provide required capital may dilute shareholders' proportionate ownership in the Company. The Company may raise capital in the future through public or private equity financings or by raising debt securities convertible into Ordinary Shares, or rights to acquire these securities. Any such issues may exclude the pre-emption rights pertaining to the then outstanding shares. If the Company raises significant amounts of capital by these or other means, it could cause dilution for the Company's existing shareholders. Moreover, the further issue of Ordinary Shares could have a negative impact on the trading price and increase the volatility of the market price of the Ordinary Shares. The Company may also issue further Ordinary Shares, or create further options over Ordinary Shares, as part of its employee remuneration policy, which could in aggregate create a substantial dilution in the value of the Ordinary Shares and the proportion of the Company's share capital in which investors are interested.

### **2.7 *Shareholders may be exposed to fluctuations in currency exchange rates***

The Existing Ordinary Shares and the New Ordinary Shares are priced in pounds sterling and will be quoted and traded in pounds sterling. Accordingly, Shareholders resident in non-UK jurisdictions are subject to risks arising from adverse movements in the value of their local currencies against pounds sterling, which may reduce the value of the Ordinary Shares. This is particularly relevant given the uncertainty around the UK's exit from the European Union.

### **2.8 *The ability of Overseas Shareholders to bring actions or enforce judgments against the Company or the Directors may be limited***



The ability of an Overseas Shareholder to bring an action against the Company may be limited under law. The Company is a public limited company incorporated in Jersey. The rights of holders of Ordinary Shares are governed by Jersey law and by the Articles. These rights differ from the rights of shareholders in typical U.S. corporations, UK corporations and other non-Jersey corporations. An Overseas Shareholder may not be able to enforce a judgment against the Company, the Group or some or all of the Directors and executive officers. Consequently, it may not be possible for an Overseas Shareholder to effect service of process upon the Company or the Directors and executive officers within the Overseas Shareholder's country of residence or to enforce against the Company or the Directors and executive officers within the Overseas Shareholder's country of residence or to enforce against the Company or the Directors and executive officers' judgments of courts of securities laws. There can be no assurance that an Overseas Shareholder will be able to enforce any judgments in civil and commercial matters or any judgments under the securities laws of countries other than the UK and Jersey against the Company or the Directors or executive officers who are residents of the UK, Jersey or countries other than those in which judgment is made. In addition, English, Jersey or other courts may not impose civil liability on the Company or the Directors or executive officers in any original action based solely on foreign securities laws brought against the Company or the Directors in a court of competent jurisdiction in England, Jersey or other countries.

**2.9 *The New Ordinary Shares may not be suitable as an investment***

The New Ordinary Shares may not be a suitable investment for all the recipients of this document. Before making a final decision, investors are advised to consult an independent investment adviser authorised under the FSMA who specialises in advising on the acquisition of shares and other securities. The value of the New Ordinary Shares and any income received from them can go down as well as up and investors may get back less than their original investment.

**2.10 *The Company's securities are traded on AIM and AQSE rather than the Official List***

The Existing Ordinary Shares are, and the New Ordinary Shares will be, traded on AIM and AQSE rather than the Official List of the Financial Conduct Authority. An investment in shares traded on AIM and AQSE may carry a higher risk than those listed on the Official List. The market price of the Ordinary Shares may be subject to wide fluctuations in response to many factors, including variations in the operating results of the Group, divergence in financial results from analysts' expectations, changes in estimates by stock market analysts, general economic conditions, overall market or sector sentiment, legislative changes in the Group's sector and other events and factors outside of the Group's control. Stock markets have from time to time experienced severe price and volume fluctuations, a recurrence of which could adversely affect the market price for the Ordinary Shares. Prospective investors should be aware that the value of the Ordinary Shares may be volatile and could go down as well as up, and investors may therefore not recover their original investment especially as the market in the Ordinary Shares may have limited liquidity. Admission to AIM and AQSE should not be taken as implying that there will be a liquid market for the Ordinary Shares.

**2.11 *The Company's share price fluctuates***

The market price of the Ordinary Shares could be subject to significant fluctuations due to a change in sentiment in the market regarding the Ordinary Shares (or securities similar to them). Such risks depend on the market's perception of the likelihood of success of the Fundraising, and/or may occur in response to various facts and events, including any variations in the Group's operating results, business developments of the Group and/or its competitors. Stock markets have, from time to time, experienced significant price and volume fluctuations that have affected the market prices for securities and which may be unrelated to the Group's operating performance or prospects. Furthermore, the Group's operating results and prospects from time to time may be below the expectations of market analysts and investors. Any of these events could result in a decline in the market price of the Ordinary Shares and investors may, therefore, not recover their original investment.

Any sale of Ordinary Shares could have an adverse effect on the market price of the Ordinary Shares. Furthermore, it is possible that the Company may decide to offer additional shares in the future. An additional offering could also have an adverse effect on the market price of the Ordinary Shares.

**2.12 *The Company does not plan on making dividend payments in the foreseeable future***

There can be no assurance as to the level of future dividends. The declaration, payment and amount of any future dividends of the Company are subject to the discretion of the Directors and will depend on, among other things, the Company's results of operations and financial condition, its future business

prospects, any applicable legal or contractual restrictions and availability of profits. At present, there is no intention to pay a dividend.

### 2.13 ***The Company is not profitable***

The Company is not currently profitable and there is no guarantee that it will be profitable in the future. Any future profitability is subject to the Company's ability to convert its pipeline of potential sales to contracts and perform those contracts profitably as well as by factors outside of the Directors' control, including taxation, economic climate and third parties.

## **3. Risks relating to the Group's business**

### 3.1 ***Key personnel***

The Company's business, development and prospects are dependent on a small number of key management personnel. The loss of the service of one or more of such key management personnel may have an adverse effect on the Company. The Directors believe that the operational experience and technical know-how of the Company's key management personnel are important to the Company's future development. The loss of the services of any key management personnel, for any reason, or failure to attract and retain necessary additional personnel, could adversely impact on the business, development, financial condition, results of operations and prospects of the Company. The Directors believe the Company operates a progressive and competitive remuneration policy which plays an important part in retaining and attracting key management personnel.

### 3.2 ***US tax inversion risk***

Following the merger with Avalon Battery Corporation, as Avalon is US-based there is a risk that the Company may be deemed to be onshore for U.S. tax purposes. However, the Company has taken advice and believes that this should not be the case under current U.S. legislation. There is a risk that the U.S. government could introduce retrospective legislation to change the rules, in which case the Company might be deemed to be a U.S. tax resident, with the consequence being that the Company would be subject to U.S. federal taxation on its worldwide operations.

### 3.3 ***Transfer pricing***

The Company trades between Canada and the US, which includes the importation of materials from Canada to sell into the US, and between the UK and Ireland. There is a risk around the transfer pricing arrangements which could be challenged by the tax authorities. The relevant transfer pricing regimes are kept under close internal review and the Company takes active steps to ensure compliance.

### 3.4 ***Tariffs***

Current U.S. rules require tariffs to be paid on imports from China. The Company imports certain goods from China to Canada which, once assembled into stacks and electrolyte is added, are labelled as "made in Canada". The Company has taken professional advice on these arrangements and believes it complies with the relevant U.S. requirements. There is a risk that authorities, including U.S. authorities, might look through these arrangements and retrospectively impose tariffs.

### 3.5 ***VFB market may not mature in the way the Directors expect***

The market for vanadium flow batteries ("VFBs") is developing. The Directors expect the market to mature to a stage where the capabilities of VFBs are fully understood. The Company has a number of proof-of-concept units in the market, but to meet growth projections VFBs need to become widely accepted and utilised in grid stabilisation and for energy storage. There is a risk that the market may not mature in this way, or at the pace expected.

### 3.6 ***Government energy market policy may change***

The energy markets in many countries rely, to a large degree, on national and international regulatory policy. The EU, the UK and the USA have, in recent years, adopted policies and mechanisms actively supporting renewable energy. It is possible that this approach could be modified or changed in the future, including as a result of a change in Government or a change in Government policy, relating to renewable energy directly or to energy policy more generally. Government funding, including grants, is required for projects in the Company's pipeline. If such funding is reduced or withdrawn, the Company's business and growth plans would be adversely affected.

### 3.7 ***R&D spend may affect profitability***

The Company will need to reduce the costs of its products, and as such R&D spend to effect this reduction will continue. Product costs must be reduced to a point where the deployment of VFBs provides the desired returns for their purchasers. Until the Company is able to achieve these cost reductions, and even afterwards, R&D spend may adversely affect profitability.

### 3.8 ***Failure to achieve projected revenues and potential impact on the viability of the business***

If the Company fails to achieve the anticipated level of sales in its pipeline, the Company will have to consider alternative financing methods and sources. Should the market not develop as expected by the Directors, the Company may have to cease trading. The Directors closely monitor sales and projections on a month-by-month basis and will adjust the Company's costs and infrastructure to react to the market.

### 3.9 ***Vanadium price volatility***

A key component of VFBs is the vanadium feedstock used as electrolyte in the battery, which currently constitutes approximately 19 per cent. of the Company's VS3 unit price. There is a general assumption that VFB projects are viable for investors when the vanadium price is below \$12/lb. In November 2018 the price of vanadium reached \$28/lb, but the Directors believe that this was a one-off spike due to a monopolistic supply and sudden enforcement of Chinese building regulations (as vanadium is used to strengthen steel). As at the date of this document the price of Vanadium Pentoxide (V<sub>2</sub>O<sub>5</sub>) is around \$6/lb, which is in below the historic average price. There is a risk that the price of vanadium could make the vanadium in the Company's products financially unviable for purchase, which the Directors are striving to mitigate by developing relationships with vanadium suppliers. The Company's customers are also able to lease the vanadium, which further mitigates the impact of any vanadium price increases.

### 3.10 ***Reliance on suppliers***

The manufacturing of the Company's product is dependent on a number of key suppliers. This reliance may not diminish as there are very few suppliers of the materials required. The Company has, however, developed multiple relationships in the industry which mean that alternative suppliers can be used at relatively short notice for most specialised components.

### 3.11 ***Additional managerial and operational resources***

As the Company continues to grow and expand with customer demand, there may be a need to deploy additional skills and resources to meet the needs of the Company beyond those included in current cost projections. The Company's management, though, has the relevant experience to know when these resources should be obtained and deployed on an as-needed basis.

### 3.12 ***Reliance on manufacturing partners***

The manufacture of the Company's product is also dependent upon manufacturing partners, most notably Baojia New Energy which operates a factory in Suzhou, China. The Company has plans to address geo-political challenges regarding China. However, if issues of this kind arise, addressing them could require additional capital and introduce delays to the Company's plans to enable customer deliveries to occur within six months of closing a new contract, potentially leading to an interval of a year or even longer.

### 3.13 ***Counterparty Risk***

There is a possibility that the contracting party for one or more projects considered closed may not fulfil their part of the deal and may default on contractual obligations. While this risk is mitigated in part by the Company's practice of requiring deposits upon contract signing, by progress payments required as fulfilment of the contract progresses, and by the financial strength of the counterparties, some exposure remains.

### 3.14 ***Currency fluctuations***

Currency fluctuations may affect the costs that the Company incurs in its operations. A proportion of the Company's revenues and capital and operating expenditure is incurred in currencies other than the GBP Sterling, principally U.S. Dollars and Canadian Dollars. The Company currently hedges its

foreign exchange risk on anticipated materials purchases though, in future, the opportunities to hedge any foreign exchange exposure in these currencies may be limited. The Company will seek to mitigate transaction risk by maintaining controlled amounts of cash in the required currencies. Currency fluctuations may also result in unrealised foreign exchange gains or losses that materially adversely affect the financial results of the Company reported in GBP Sterling.

### 3.15 *Warranties and liquidated damages*

Certain of the Company's contracts include warranties and/or liquidated damages clauses. Historically these are provided for on the balance sheet. There is a risk that these provisions will not be adequate.

### 3.16 *General Economic Climate*

Factors such as inflation, interest rates, supply and demand of capital and industrial disruption have an impact on business costs and commodity prices and stock market prices. The Company's operations, business and profitability can be affected by these factors, which are beyond the control of the Company.

### 3.17 *Tax*

The Company has operations in Canada, the U.S., the UK, and Australia. The Company manages all of its tax affairs in these jurisdictions carefully and takes appropriate advice from appropriately qualified tax agents in each jurisdiction. However, the Company is exposed to the Government taxation policies in each of the countries over which they have no direct control.

### 3.18 *Intellectual property and know-how*

The Company has sought to protect its proprietary software, know-how and other intellectual property by the filing of patent applications, entering into non-disclosure agreements with employees, independent contractors and third parties in the ordinary course of its business, implementing and maintaining internal and external controls and processes restricting access to the software's underlying source code and using the laws of copyright, trade secret and confidentiality.

Any intellectual property, whether or not registered owned and/or used by the Company in the course of its business or in respect of which the Company believes it has rights, may be prejudiced and/or open to challenge by third parties (including where such third parties have or claim to have pre-existing rights in such intellectual property). In any such case, the Company may be prevented from using such intellectual property or may become involved in litigation to protect its intellectual property rights, each of which may have a material adverse effect on the operating results, business, financial condition and prospects of the Company. Although it has taken precautions, the Company cannot guarantee that any action or inaction by the Group will not inadvertently infringe the intellectual property rights of others. Any infringement by the Company of the intellectual property rights of others could have a material adverse effect on the operating results, business, financial condition and prospects of the Company. Despite precautions which may be taken by the Company to protect its software, unauthorised parties may attempt to copy, or obtain and use, its software and the technology incorporated in them. This could cause the Company to incur significant unbudgeted costs in defending its software and technology.

### 3.19 *Product liability or other claims*

Whilst the Company has instituted measures to manufacture its products in accordance with appropriate quality-control standards, there can be no assurance that each of the Company's products are free from defects or that they will not be involved in a product recall or product liability or other claims relating to product quality. Product liability or other claims in relation to the Company's products and services could result in reduced sales, recalls, injury or consequential damages to customers or third parties, or harm to the Company's reputation. Actual or perceived quality defects could adversely affect sales and require recalls. Further, express or implied warranties and strict product liability laws in certain jurisdictions could lead to significant damage claims which the Company may be forced to settle, regardless of fault. Such events could materially adversely affect the Company's business, results of operations or financial condition. The Company maintains appropriate insurance to mitigate against these risks where possible.

### 3.20 *Health and safety risks*

The Company is subject to various statutory compliance and litigation risks under health, safety and

employment laws. There can be no guarantee that there will be no accidents or incidents suffered by the Company's employees, its contractors or other third parties at the Company's facilities. If any of these incidents occur, the Company could be subject to prosecutions and litigation, which may lead to fines, penalties and other damages being imposed and cause damage to the Company's reputation. Such events could have a material adverse effect on the Company's business operations, prospects, financial condition and operational results.

### 3.21 *Transport and logistics risks*

The Company's global footprint includes manufacturing facilities and suppliers in the UK, Europe, China, Canada and USA, with major customers in those locations as well as in Australia. As a result, Invinity has a globally distributed supply chain, which can be affected from time to time by macro events, specifically those which affect the cost and duration of transport and logistics for the Company's products and key components, which are beyond its control.

### 3.22 *Gamesa Electric JDCA*

The Company continues to make significant progress in the development of Mistral, its next-generation product, under the auspices of the joint development and commercialisation agreement ("JDCA") with Gamesa announced 11 May 2021. On 26 February 2024, the Company completed initial performance testing of the first operating Mistral prototype and expects to announce further pilot projects in 2024 with commercial launch of Mistral expected to occur in 2024. The JDCA with Gamesa may not progress in the way envisaged by the Directors. In particular the Company may not reach the expected joint commercial release under the agreement, including for reasons outside of its control. Accordingly the Company may not achieve the rates of growth which the Directors expect to follow from commercialisation.

### 3.23 *LODES Competition*

The Company has been awarded £11m of funding from the UK Government's Department for Energy Security and Net Zero ("DESNZ") under Phase 2 of the Longer Duration Energy Storage Demonstration ("LODES") Competition.

This funding has been provided on a matched basis which it is anticipated will be provided by a development partner. Whilst Invinity is engaged with a number of suitable partners, a binding contract to provide the matched funding has not yet been executed and therefore the project may be unable to proceed to the build and commissioning stage.

In order to mitigate this risk to the greatest possible extent, The Company is actively progressing negotiations with various partners and has certain contingencies in place should negotiations be unsuccessful for any reason.

The risks above do not necessarily comprise all those faced by the Company and are not intended to be presented in any assumed order of priority. The investment offered in this document may not be suitable for all of its recipients. Investors are accordingly advised to consult an investment adviser, who is authorised under the FSMA if you are resident in the United Kingdom or, if not, from another appropriate authorised independent financial adviser and who or which specialises in investments of this kind before making a decision to apply for New Ordinary Shares.

## PART III

### TERMS AND CONDITIONS OF THE OPEN OFFER

#### Introduction

As explained in the letter from the Chairman set out in Part I of this document, the Company has conditionally raised £56.0 million (before expenses) through the issue of Placing Shares and the Subscription Shares. In addition, it is proposing to raise up to approximately £6.6 million (before expenses) (assuming full take up of the Open Offer but being less than the €8 million maximum amount permitted in a year without requiring the publication by the Company of a prospectus under the Prospectus Rules) in addition and separate to the funds raised pursuant to the Placing and Subscription, through the issue of Open Offer Shares to Qualifying Shareholders at the Issue Price. The Open Offer is conditional upon, inter alia, the passing of the Resolution at the General Meeting.

The Issue Price represents a discount of 5 per cent. to the 15-day volume weighted average price of 24.1 pence per Ordinary Share on 30 April 2024, being the last practicable date prior to the Launch Announcement.

The purpose of this Part III is to set out the terms and conditions of the Open Offer. Up to 28,660,096 Open Offer Shares will be issued through the Open Offer. Qualifying Shareholders are being offered the right to subscribe for Open Offer Shares in accordance with the terms of the Open Offer. The Open Offer has not been underwritten.

The Record Date for entitlements under the Open Offer for Qualifying CREST Shareholders and Qualifying Non-CREST Shareholders is 30 April 2024. Qualifying Non-CREST Shareholders will have received Application Forms with this document and Open Offer Entitlements are expected to be credited to the stock accounts of Qualifying CREST Shareholders in CREST by 24 May 2024.

Subject to availability, the Excess Application Facility will enable Qualifying Shareholders to apply for Excess Shares. Excess Open Offer Entitlements are expected to be credited to the stock accounts of Qualifying CREST Shareholders in CREST by 16 May 2024.

The latest time and date for receipt of a completed Application Form and payment in full under the Open Offer and settlement of relevant CREST instructions (as appropriate) is 11:00 a.m. on 21 May 2024 with Admission and commencement of dealings in Open Offer Shares expected to take place at 8:00 a.m. on 24 May 2024.

This document and, for Qualifying Non-CREST Shareholders only, the Application Form contain the formal terms and conditions of the Open Offer. Your attention is drawn to paragraph 3 of this Part III, which gives details of the procedure for application and payment for the Open Offer Shares and any Excess Shares applied for pursuant to the Excess Application Facility.

The Open Offer Shares will, when issued and fully paid, rank equally in all respects with the Existing Ordinary Shares, including the right to receive all dividends or other distributions made, paid or declared, if any, by reference to a record date after the date of their issue.

The Open Offer is an opportunity for Qualifying Shareholders to apply for up to 28,660,096 Open Offer Shares pro rata (excepting fractional entitlements) to their current holdings of Ordinary Shares at the Issue Price in accordance with the terms of the Open Offer.

Qualifying Shareholders are also being offered the opportunity to apply for additional Open Offer Shares in excess of their Open Offer Entitlement to the extent that other Qualifying Shareholders do not take up their Open Offer Entitlement in full. The Excess Application Facility enables Qualifying Shareholders to apply for Excess Shares in excess of their Open Offer Entitlement as at the Record Date.

Any Qualifying Shareholder who has sold or transferred all or part of his/her registered holding(s) of Ordinary Shares prior to the Ex-entitlement Date is advised to consult his or her stockbroker, bank or other agent through or to whom the sale or transfer was effected as soon as possible since the invitation to apply for Open Offer Shares under the Open Offer may be a benefit which may be claimed from him/her by the purchasers under the rules of the London Stock Exchange.

#### 1. The Open Offer

Subject to the terms and conditions set out below (and, in the case of Qualifying Non-CREST Shareholders, in the Application Form), Qualifying Shareholders are hereby invited to apply for Open Offer Shares at the Issue Price, payable in full in cash on application, free of all expenses, on the basis of:

- (a) 3 Open Offer Shares for every 20 Existing Ordinary Shares held by Qualifying Shareholders at the Record Date and so in proportion for any other number of Ordinary Shares then held; and
- (b) further Open Offer Shares in excess of the Open Offer Entitlement through the Excess Application Facility (although such Open Offer Shares will only be allotted to the extent that not all Qualifying Shareholders apply for their Open Offer Entitlement in full).

Entitlements under the Open Offer will be rounded down to the nearest whole number of Open Offer Shares, with fractional entitlements being aggregated and made available under the Excess Application Facility.

Holdings of Existing Ordinary Shares in certificated and uncertificated form will be treated as separate holdings for the purpose of calculating entitlements under the Open Offer, as will holdings under different designations and in different accounts.

If you are a Qualifying Non-CREST Shareholder, the Application Form shows the number of Existing Ordinary Shares registered in your name on the Record Date (in Box A) and your Open Offer Entitlements (in Box B).

If you are a Qualifying CREST Shareholder, application will be made for your Open Offer Entitlement and Excess CREST Open Offer Entitlement to be credited to your CREST account. Open Offer Entitlements and Excess CREST Open Offer Entitlements are expected to be credited to CREST accounts on 7 May 2024. The Existing Ordinary Shares are already admitted to CREST. Accordingly, no further application for admission to CREST is required for the New Ordinary Shares. All such shares, when issued and fully paid, may be held and transferred by means of CREST.

Subject to availability, the Excess Application Facility will enable Qualifying Shareholders, provided they have taken up their Open Offer Entitlement in full, to apply for further Open Offer Shares in excess of their Open Offer Entitlement. Qualifying CREST Shareholders will have their Open Offer Entitlement and Excess CREST Open Offer Entitlement credited to their stock accounts in CREST and should refer to paragraph 3.2 of this Part III for information on the relevant CREST procedures and further details on the Excess Application facility. Qualifying CREST Shareholders can also refer to the CREST Manual for further information on the relevant CREST procedures.

If applications under the Excess Application Facility are received for more than the total number of Open Offer Shares available following take up of Open Offer Entitlements, such applications will be scaled back pro rata to the number of Excess Shares applied for by Qualifying Shareholders under the Excess Application Facility and no assurance can be given that excess applications by Qualifying Shareholders will be met in full or in part or at all.

Please refer to paragraphs 3.1(f) and 3.2(k) of this Part III for further details of the Excess Application Facility.

In the event that the Open Offer is not fully subscribed, Canaccord Genuity and VSA Capital have the right to place the balance of the Open Offer Shares, pursuant to the Placing Option, at not less than the Issue Price, in order to raise up to the maximum proceeds under the Open Offer. The Placing Option will not be underwritten and neither Canaccord Genuity nor VSA Capital is under any obligation to exercise the Placing Option.

Qualifying Shareholders should be aware that the Open Offer is not a rights issue. Qualifying Non-CREST Shareholders should also note that their respective Application Forms are not negotiable documents and cannot be traded. Qualifying CREST Shareholders should note that, although the Open Offer Entitlements and Excess CREST Open Offer Entitlements will be credited through CREST and be enabled for settlement, applications in respect of entitlements under the Open Offer may only be made by the Qualifying Shareholder originally entitled or by a person entitled by virtue of a bona fide market claim raised by Euroclear's Claims Processing Unit. Open Offer Shares not applied for under the Open Offer will not be sold in the market for the benefit of those who do not apply under the Open Offer. Any Open Offer Shares which are not applied for by Qualifying Shareholders under the Open Offer will not be issued by the Company as the Open Offer is not underwritten.

The attention of Overseas Shareholders is drawn to paragraph 6 of this Part III.

The Open Offer Shares will, when issued and fully paid, rank in full for all dividends and other distributions declared, made or paid after the date of this document and otherwise *pari passu* in all respects with the Existing Ordinary Shares. The Open Offer Shares are not being made available in whole or in part to the public except under the terms of the Open Offer.

## 2. Conditions and further terms of the Open Offer

The Open Offer is conditional on:

- (a) the passing at the General Meeting of the Resolution by the requisite majority under the Companies Law and such resolution remaining in full force and effect as at Admission; and
- (b) Admission becoming effective by no later than 8.00 a.m. on 24 May 2024 (or such later date as Canaccord Genuity and VSA Capital may agree, being not later than 8.00 a.m. on 28 June 2024).

If these conditions are not satisfied or waived (where capable of waiver), the Open Offer will not proceed and any applications made by Qualifying Shareholders will be rejected. In such circumstances, application monies will be returned (at the applicant's sole risk), without payment of interest, as soon as practicable thereafter. Any Open Offer Entitlements admitted to CREST will thereafter be disabled.

No temporary documents of title will be issued in respect of Open Offer Shares held in uncertificated form. Definitive certificates in respect of Open Offer Shares taken up are expected to be posted to those Qualifying Shareholders who have validly elected to hold their Open Offer Shares in certificated form approximately fourteen days after Admission.

In respect of those Qualifying Shareholders who have validly elected to hold their Open Offer Shares in uncertificated form, the Open Offer Shares are expected to be credited to their stock accounts maintained in CREST by 7 May 2024.

Applications will be made for the Open Offer Shares to be admitted to trading on AIM and AQSE. Admission is expected to occur on 24 May 2024, when dealings in the Open Offer Shares are expected to begin.

If for any reason it becomes necessary to adjust the expected timetable as set out in this document, the Company will notify the London Stock Exchange and make an appropriate announcement to a Regulatory Information Service giving details of the revised dates.

## 3. Procedure for application and payment

The action to be taken by you in respect of the Open Offer depends on whether, at the relevant time, you are sent an Application Form in respect of your Open Offer Entitlement under the Open Offer or your Open Offer Entitlement and Excess CREST Open Offer Entitlement is credited to your CREST stock account. Qualifying Shareholders who hold all or part of their Existing Ordinary Shares in certificated form should have received the Application Form, enclosed with this document. The Application Form shows the number of Existing Ordinary Shares held at the Record Date. It will also show Qualifying Shareholders their Open Offer Entitlement that can be allotted in certificated form. Qualifying Shareholders who hold all their Existing Ordinary Shares in CREST will be allotted Open Offer Shares in CREST. Qualifying Shareholders who hold part of their Existing Ordinary Shares in uncertificated form will be allotted Open Offer Shares in uncertificated form to the extent that their entitlement to Open Offer Shares arises as a result of holding Existing Ordinary Shares in uncertificated form. However, it will be possible for Qualifying Shareholders to deposit Open Offer Entitlements into, and withdraw them from, CREST. Further information on deposit and withdrawal from CREST is set out in paragraph 3.2(f) of this Part III.

CREST sponsored members should refer to their CREST sponsor, as only their CREST sponsor will be able to take the necessary action specified below to apply under the Open Offer in respect of the Open Offer Entitlements and Excess CREST Open Offer Entitlements of such members held in CREST. CREST members who wish to apply under the Open Offer in respect of their Open Offer Entitlements and Excess CREST Open Offer Entitlements in CREST should refer to the CREST Manual for further information on the CREST procedures referred to below.

Qualifying Shareholders who do not want to apply for the Open Offer Shares under the Open Offer should take no action and should not complete or return the Application Form or send a USE message through CREST.

### 3.1 *If you have received an Application Form in respect of your Open Offer Entitlement under the Open Offer:*

- (a) *General*

Subject to paragraph 6 of this Part III in relation to Overseas Shareholders, Qualifying



Non-CREST Shareholders will receive an Application Form. The Application Form shows the number of Existing Ordinary Shares registered in their name on the Record Date in Box A. It also shows the Open Offer Entitlement allocated to them set out in Box B. Entitlements to Open Offer Shares are rounded down to the nearest whole number and any fractional entitlements to Open Offer Shares will be aggregated and made available under the Excess Application Facility. Box C shows how much they would need to pay if they wish to take up their Open Offer Entitlement in full. Qualifying Non-CREST Shareholders may apply for less than their entitlement should they wish to do so. Qualifying Non-CREST Shareholders may also hold such an Application Form by virtue of a *bona fide* market claim.

Under the Excess Application Facility, provided they have agreed to take up their Open Offer Entitlement in full, Qualifying Non-CREST Shareholders may apply for more than the amount of their Open Offer Entitlement should they wish to do so. The Excess Application Facility enables Qualifying Shareholders to apply for Excess Shares in excess of their Open Offer Entitlement at the Record Date. The Excess Shares will be scaled back pro-rata to the number of Excess Shares applied for by Qualifying Shareholders under the Excess Application Facility and no assurance can be given that excess applications by Qualifying Shareholders will be met in full or in part or at all.

The instructions and other terms set out in the Application Form form part of the terms of the Open Offer in relation to Qualifying Non-CREST Shareholders.

(b) *Bona fide market claims*

Applications to acquire Open Offer Shares may only be made on the Application Form and may only be made by the Qualifying Non-CREST Shareholder named in it or by a person entitled by virtue of a *bona fide* market claim in relation to a purchase of Existing Ordinary Shares through the market prior to the date upon which the Existing Ordinary Shares were marked “ex” the entitlement to participate in the Open Offer. Application Forms may not be sold, assigned, transferred or split, except to satisfy *bona fide* market claims up to 3:00 p.m. on 17 May 2024. The Application Form is not a negotiable document and cannot be separately traded. A Qualifying Non-CREST Shareholder who has sold or otherwise transferred all or part of his holding of Existing Ordinary Shares prior to the date upon which the Existing Ordinary Shares were marked “ex” the entitlement to participate in the Open Offer, should contact his broker or other professional adviser authorised under FSMA through whom the sale or purchase was effected as soon as possible, as the invitation to acquire Open Offer Shares under the Open Offer may be a benefit which may be claimed by the purchaser(s) or transferee(s).

Qualifying Non-CREST Shareholders who have sold all or part of their registered holding should, if the market claim is to be settled outside CREST, complete Box J on the Application Form and immediately send it to the stockbroker, bank or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee. The Application Form should not, however, be forwarded to or transmitted in or into the United States or any Restricted Jurisdiction, nor in or into any other jurisdiction where the extension of the Open Offer would breach any applicable law or regulation. If the market claim is to be settled outside CREST, the beneficiary of the claim should follow the procedures set out in the accompanying Application Form. If the market claim is to be settled in CREST, the beneficiary of the claim should follow the procedure set out in paragraph 3.2 of this Part III below.

(c) *Application procedures*

Qualifying Non-CREST Shareholders wishing to apply to acquire Open Offer Shares (whether in respect of all or part of their Open Offer Entitlement or in addition to their Open Offer Entitlement under the Excess Application Facility) should complete the Application Form in accordance with the instructions printed on it. Qualifying Non-CREST Shareholders may only apply for Excess Shares if they have agreed to take up their Open Offer Entitlements in full.

If applications under the Excess Application Facility are received for more than the total number of Open Offer Shares available following take up of Open Offer Entitlements, such applications will be scaled back *pro rata* to the number of Excess Shares applied for by Qualifying Shareholders under the Excess Application Facility and no assurance can be given that excess applications by Qualifying Shareholders will be met in full or in part or at all.

Completed Application Forms should be returned by post to Computershare Investor Services

PLC, Corporate Actions Projects, Bristol BS99 6AH by no later than 11:00 a.m. on 21 May 2024. The Company reserves the right to treat any application not strictly complying with the terms and conditions of application as nevertheless valid. The Company further reserves the right (but shall not be obliged) to accept either Application Forms or remittances received after 11:00 a.m. on 21 May 2024.

Qualifying Non-CREST Shareholders should note that applications, once made, will be irrevocable and receipt thereof will not be acknowledged. Multiple applications will not be accepted. If an Application Form is being sent by first-class post in the UK, Qualifying Shareholders are recommended to allow at least four business days for delivery. The Company may in its sole discretion, but shall not be obliged to, treat an Application Form as valid and binding on the person by whom or on whose behalf it is lodged, even if not completed in accordance with the relevant instructions or not accompanied by a valid power of attorney where required, or if it otherwise does not strictly comply with the terms and conditions of the Open Offer. The Company further reserves the right (but shall not be obliged) to accept either:

- (i) Application Forms received after 11.00 a.m. on 21 May 2024; or
- (ii) Applications in respect of which remittances are received before 11.00 a.m. on 21 May 2024 from authorised persons (as defined in FSMA) specifying the Open Offer Shares applied for and undertaking to lodge the Application Form in due course but, in any event, within two business days.

All documents and remittances sent by post by, to, from or on behalf of an applicant (or as the applicant may direct) will be sent entirely at the applicant's own risk.

(d) *Payments*

All payments must be in pounds sterling and made by cheque made payable to CIS PLC re: Invinity Energy Systems plc Open Offer Account and crossed "A/C Payee Only". Cheques must be drawn on a bank or building society or branch of a bank or building society in the United Kingdom which is either a settlement member of the Cheque and Credit Clearing Company Limited or the CHAPS Clearing Company Limited or which has arranged for its cheques to be cleared through the facilities provided by any of those companies or committees and must bear the appropriate sort code in the top right-hand corner and must be for the full amount payable on application. Third-party cheques may not be accepted with the exception of building society cheques or banker's drafts where the building society or bank has inserted details of the name of the account holder and have either added the building society or bank branch stamp or have provided a supporting letter confirming the source of funds. The name of the account holder should be the same as the name of the shareholder shown on page 1 of the Open Offer Application Form. Post-dated cheques will not be accepted.

Cheques will be presented for payment upon receipt. The Company reserves the right to instruct Computershare Investor Services to seek special clearance of cheques to allow the Company to obtain value for remittances at the earliest opportunity (and withhold definitive share certificates (or crediting to the relevant member account, as applicable) pending clearance thereof). No interest will be paid on payments made before they are due. It is a term of the Open Offer that cheques shall be honoured on first presentation and the Company may elect to treat as invalid acceptances in respect of which cheques are not so honoured. All documents and/or cheques sent through the post will be sent at the risk of the sender. Payments via CHAPS, BACS or electronic transfer will not be accepted. If the Open Offer does not become unconditional, no Open Offer Shares will be issued and all monies will be returned (at the applicant's sole risk), without payment of interest, to applicants as soon as practicable following the lapse of the Open Offer. If Open Offer Shares have already been allotted to a Qualifying Non-Crest Shareholder and such Qualifying Non-Crest Shareholder's cheque is not honoured upon first presentation or such Qualifying Non-Crest Shareholder's application is subsequently otherwise deemed to be invalid, the Registrars shall be authorised (in its absolute discretion as to manner, timing and terms) to make arrangements, on behalf of the Company, for the sale of such Qualifying Non-Crest Shareholder's Open Offer Shares and for the proceeds of sale (which for these purposes shall be deemed to be payments in respect of successful applications) to be paid to and retained by the Company. None of the Receiving Agent, Canaccord Genuity, VSA Capital or the Company nor any other person shall be responsible for, or have any liability for, any loss, expense or damage suffered by such Qualifying Non-Crest Shareholders.

(e) *Incorrect Sums*

If an Application Form encloses a payment for an incorrect sum, the Company through the Registrars reserves the right:

- (i) to reject the application in full and return the cheque or refund the payment to the Qualifying Non-CREST Shareholder in question (without interest); or
- (ii) in the case that an insufficient sum is paid, to treat the application as a valid application for such lesser whole number of Open Offer Shares as would be able to be applied for with that payment at the Issue Price, refunding any unutilised sum to the Qualifying non-CREST Shareholder in question (without interest), save that any sums of less than £1.00 will be retained for the benefit of the Company; or
- (iii) in the case that an excess sum is paid, to treat the application as a valid application for all of the Open Offer Shares referred to in the Application Form, refunding any unutilised sums to the Qualifying Non-CREST Shareholder in question (without interest), save that any sums of less than £1.00 will be retained for the benefit of the Company.

(f) *The Excess Application Facility*

- (i) Provided they choose to take up their Open Offer Entitlement in full, the Excess Application Facility enables a Qualifying Non-CREST Shareholder to apply for Excess Shares. Qualifying Non-CREST Shareholders wishing to apply for Excess Shares may do so by completing Box E of the Application Form.
- (ii) If applications under the Excess Application Facility are received for more than the total number of Open Offer Shares available following take up of Open Offer Entitlements, the Excess Shares will be scaled back *pro rata* to the number of Excess Shares applied for by Qualifying Shareholders under the Excess Application Facility and no assurance can be given that excess applications by Qualifying Shareholders will be met in full or in part or at all.
- (iii) Qualifying Non-CREST Shareholders who wish to apply for Excess Shares must complete the Application Form in accordance with the instructions set out on the Application Form.
- (iv) Should the Open Offer become unconditional and applications for Open Offer Shares by Qualifying Shareholders under the Open Offer exceed 28,660,096 Open Offer Shares, resulting in a scale back of applications, each Qualifying Non-CREST Shareholder who has made a valid application for Excess Shares and from whom payment in full for the Excess Shares has been received will receive a pounds sterling amount equal to the number of Excess Shares applied and paid for but not allocated to the relevant Qualifying Non-CREST Shareholder multiplied by the Issue Price. Monies will be returned as soon as reasonably practicable thereafter, without payment of interest and at the applicant's sole risk.

(g) *Effect of valid application*

All documents and remittances sent by post by, to, from, or on behalf of or to an applicant (or as the applicant may direct) will be sent entirely at the applicant's own risk. By completing and delivering an Application Form, the applicant:

- (i) represents and warrants to the Company, Canaccord Genuity and VSA Capital that he has the right, power and authority, and has taken all action necessary, to make the application under the Open Offer and to execute, deliver and exercise his rights, and perform his obligations under any contracts resulting therefrom and that he is not a person otherwise prevented by legal or regulatory restrictions from applying for Open Offer Shares or acting on behalf of any such person on a non-discretionary basis;
- (ii) agrees with the Company, Canaccord Genuity and VSA Capital that all applications under the Open Offer and contracts resulting therefrom, and any non-contractual obligations related thereto, shall be governed by and construed in accordance with the laws of England;
- (iii) confirms to the Company, Canaccord Genuity and VSA Capital that in making the

application he is not relying on any information or representation in relation to the Company other than that contained in this document, and the applicant accordingly agrees that no person responsible solely or jointly for this document or any part thereof, or involved in the preparation thereof, shall have any liability for any such information or representation not so contained and further agrees that, having had the opportunity to read this document, he will be deemed to have had notice of all the information in relation to the Company contained in this document (including information incorporated by reference);

- (iv) represents and warrants to the Company, Canaccord Genuity and VSA Capital that he is the Qualifying Shareholder originally entitled to the Open Offer Entitlement;
- (v) represents and warrants to the Company, Canaccord Genuity and VSA Capital that if he has received some or all of his Open Offer Entitlement from a person other than the Company he is entitled to apply under the Open Offer in relation to such Open Offer Entitlements by virtue of a *bona fide* market claim;
- (vi) requests that the Open Offer Shares to which he will become entitled be issued to them on the terms set out in this document and the Application Form and subject to the Articles;
- (vii) represents and warrants to the Company, Canaccord Genuity and VSA Capital that he is not, nor is he applying on behalf of any person who is, in the United States or is a citizen or resident, or which is a corporation, partnership or other entity created or organised in or under any laws, of any Restricted Jurisdiction or any other jurisdiction in which the application for Open Offer Shares is prevented by law and he is not applying with a view to re-offering, re-selling, transferring or delivering any of the Open Offer Shares which are the subject of his application in the United States or to, or for the benefit of, a Shareholder who is a citizen or resident or which is a corporation, partnership or other entity created or organised in or under any laws of any Restricted Jurisdiction or any other jurisdiction in which the application for Open Offer Shares is prevented by law (except where proof satisfactory to the Company has been provided to the Company that he is able to accept the invitation by the Company free of any requirement which it (in its absolute discretion) regards as unduly burdensome), nor acting on behalf of any such person on a non-discretionary basis nor (a) person(s) otherwise prevented by legal or regulatory restrictions from applying for Open Offer Shares under the Open Offer;
- (viii) represents and warrants to the Company, Canaccord Genuity and VSA Capital that he is not, and nor is he applying as nominee or agent for, a person who is or may be liable to notify and account for tax under the Stamp Duty Reserve Tax Regulations 1986 at any of the increased rates referred to in sections 67, 70, 93 or 96 (depository receipts and clearance services) of the Finance Act 1986; and
- (ix) confirms that in making the application he is not relying and has not relied on the Company, Canaccord Genuity or VSA Capital or any person affiliated with the Company, Canaccord Genuity or VSA Capital, in connection with any investigation of the accuracy of any information contained in this document or his investment decision.

All enquiries in connection with the procedure for application and completion of the Application Form should be addressed to Computershare Investor Services PLC, Corporate Actions Projects, Bristol BS99 6AH, or you can contact them on 0370 707 4040 from within the UK or +44 (0)370 707 4040 if calling from outside the UK. Lines are open between 8.30 a.m. and 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. Calls may be recorded and randomly monitored for security and training purposes. The helpline cannot provide advice on the merits of the Fundraising nor give any financial, legal or tax advice.

(h) *Proxy*

Qualifying Non-CREST Shareholders who do not want to take up or apply for the Open Offer Shares under the Open Offer should take no action and should not complete or return the Application Form. However, you are encouraged to vote at the General Meeting by completing and returning the enclosed Proxy Form.

A Qualifying Non-CREST Shareholder who is also a CREST member may elect to receive the

Open Offer Shares to which he is entitled in uncertificated form in CREST. Please see paragraph 3.2(f) below for more information.

**3.2 *If you have an Open Offer Entitlement and an Excess CREST Open Offer Entitlement credited to your stock account in CREST in respect of your entitlement under the Open Offer***

**(a) *General***

Subject to paragraph 6 of this Part III in relation to certain Overseas Shareholders, each Qualifying CREST Shareholder will receive a credit to his stock account in CREST of his Open Offer Entitlement equal to the maximum number of Open Offer Shares for which he is entitled to apply under the Open Offer together with a credit of Excess CREST Open Offer Entitlements equal to the maximum number of Open Offer Shares available through the Open Offer. Qualifying CREST Shareholders should note that this is not a cap on the maximum number of Excess Shares they can apply for and if they wish to apply for more Excess Shares than the Excess CREST Open Offer Entitlements they have been credited then they should contact the Shareholder helpline on 0370 707 4040 from within the UK or +44 (0)370 707 4040 if calling from outside of the United Kingdom to request an increased credit, ensuring to leave sufficient time for the additional Excess CREST Open Offer Entitlements to be credited to their account and for an application to be made in respect of those Excess CREST Open Offer Entitlements before the application deadline. Entitlements to Open Offer Shares will be rounded down to the nearest whole number and any Open Offer Entitlements have therefore also been rounded down. Any fractional entitlements to Open Offer Shares arising will be aggregated and made available under the Excess Application Facility.

The CREST stock account to be credited will be an account under the participant ID and member account ID that apply to the Existing Ordinary Shares held on the Record Date by the Qualifying CREST Shareholder in respect of which the Open Offer Entitlements and Excess CREST Open Offer Entitlements have been allocated.

If for any reason Open Offer Entitlements and/or the Excess CREST Open Offer Entitlements cannot be admitted to CREST by, or the stock accounts of Qualifying CREST Shareholders cannot be credited by, 8:00 a.m. on 7 May 2024, or such later time and/or date as the Company may decide, an Application Form will be sent to each Qualifying CREST Shareholder in substitution for the Open Offer Entitlement and Excess CREST Open Offer Entitlement which should have been credited to his stock account in CREST. In these circumstances the expected timetable as set out in this document will be adjusted as appropriate and the provisions of this document applicable to Qualifying Non-CREST Shareholders with Application Forms will apply to Qualifying CREST Shareholders who receive an Application Form.

CREST members who wish to apply to acquire some or all of their entitlements to Open Offer Shares and their Excess CREST Open Offer Entitlements should refer to the CREST Manual for further information on the CREST procedures referred to below. CREST sponsored members should consult their CREST sponsor if they wish to apply for Open Offer Shares as only their CREST sponsor will be able to take the necessary action to make this application in CREST.

**(b) *Market claims***

Each of the Open Offer Entitlements and Excess CREST Open Offer Entitlements will constitute a separate security for the purposes of CREST. Although Open Offer Entitlements and Excess CREST Open Offer Entitlements will be admitted to CREST and be enabled for settlement, applications in respect of Open Offer Entitlements and Excess CREST Open Offer Entitlements may only be made by the Qualifying Shareholder originally entitled or by a person entitled by virtue of a *bona fide* market claim transaction. Transactions identified by the CREST Claims Processing Unit as “cum” the Open Offer Entitlement will generate an appropriate market claim transaction and the relevant Open Offer Entitlement(s) will thereafter be transferred accordingly.

**(c) *Unmatched Stock Event (USE Instructions)***

Qualifying CREST Shareholders who are CREST members and who want to apply for Open Offer Shares in respect of all or some of their Open Offer Entitlements and their Excess CREST Open Offer Entitlements in CREST must send (or, if they are CREST sponsored members, procure that their CREST sponsor sends) a USE Instruction to Euroclear which, on its settlement, will have the following effect:

- (i) the crediting of a stock account of the Registrars under the participant ID and member account ID specified below, with a number of Open Offer Entitlements or Excess CREST Open Offer Entitlements corresponding to the number of Open Offer Shares applied for; and
  - (ii) the creation of a CREST payment, in accordance with the CREST payment arrangements in favour of the payment bank of the Registrars in respect of the amount specified in the USE Instruction which must be the full amount payable on application for the number of Open Offer Shares referred to in paragraph (a).
- (d) *Content of USE Instruction in respect of Open Offer Entitlements*

The USE Instruction must be properly authenticated in accordance with Euroclear's specifications and must contain, in addition to the other information that is required for settlement in CREST, the following details:

- (i) the number of Open Offer Shares for which application is being made (and hence the number of the Open Offer Entitlement(s) being delivered to the Registrars);
- (ii) the ISIN of the Open Offer Entitlement. This is JE00BRJKV624;
- (iii) the CREST participant ID of the accepting CREST member;
- (iv) the CREST member account ID of the accepting CREST member from which the Open Offer Entitlements are to be debited;
- (v) the participant ID of the Registrars in its capacity as a CREST receiving agent. This is 3RA28;
- (vi) the member account ID of the Registrars in its capacity as a CREST receiving agent. This is INVENROO;
- (vii) the amount payable by means of a CREST payment on settlement of the USE Instruction. This must be the full amount payable on application for the number of Open Offer Shares referred to in (i) above;
- (viii) the intended settlement date. This must be on or before 8:00 a.m. on 24 May 2024; and
- (ix) the Corporate Action Number for the Open Offer. This will be available by viewing the relevant corporate action details in CREST.

In order for an application under the Open Offer to be valid, the USE Instruction must comply with the requirements as to authentication and contents set out above and must settle on or before 8:00 a.m. on 24 May 2024.

In order to assist prompt settlement of the USE Instruction, CREST members (or their sponsors, where applicable) may consider adding the following non-mandatory fields to the USE Instruction:

- (i) a contact name and telephone number (in the free format shared note field); and
- (ii) a priority of at least 80.

CREST members and, in the case of CREST sponsored members, their CREST sponsors, should note that the last time at which a USE Instruction may settle on 21 May 2024 in order to be valid is 11.00 a.m. on that day.

In the event that the Open Offer does not become unconditional by 8:00 a.m. on 24 May 2024 (or such later time and date as the Company, Canaccord Genuity and VSA Capital determine being no later than 8:00 a.m. on 28 June 2024), the Open Offer will lapse, the Open Offer Entitlements admitted to CREST will be disabled and the Registrars will refund the amount paid by a Qualifying CREST Shareholder by way of a CREST payment, without interest, as soon as practicable thereafter.

- (e) *Content of USE Instruction in respect of Excess CREST Open Offer Entitlements*

The USE Instruction must be properly authenticated in accordance with Euroclear's

specifications and must contain, in addition to the other information that is required for settlement in CREST, the following details:

- (i) the number of Excess Shares for which application is being made (and hence being delivered to the Registrars);
- (ii) the ISIN of the Excess CREST Open Offer Entitlement. This is JE00BRJKV731;
- (iii) the CREST participant ID of the accepting CREST member;
- (iv) the CREST member account ID of the accepting CREST member from which the Excess CREST Open Offer Entitlements are to be debited;
- (v) the participant ID of the Registrars in its capacity as a CREST receiving agent. This is 3RA28;
- (vi) the member account ID of the Registrars in its capacity as a CREST receiving agent. This is INVENROO;
- (vii) the amount payable by means of a CREST payment on settlement of the USE Instruction. This must be the full amount payable on application for the number of Excess Shares referred to in (i) above;
- (viii) the intended settlement date. This must be on or before 8:00 a.m. on 24 May 2024; and
- (ix) the Corporate Action Number for the Open Offer. This will be available by viewing the relevant corporate action details in CREST.

In order for an application in respect of an Excess CREST Open Offer Entitlement under the Open Offer to be valid, the USE Instruction must comply with the requirements as to authentication and contents set out above and must settle on or before 11:00 a.m. on 21 May 2024.

In order to assist prompt settlement of the USE Instruction, CREST members (or their sponsors, where applicable) may consider adding the following non-mandatory fields to the USE Instruction:

- (i) a contract name and telephone number (in the free format shared note field); and
- (ii) a priority of at least 80.

CREST members and, in the case of CREST sponsored members, their CREST sponsors, should note that the last time at which a USE Instruction may settle on 21 May 2024 in order to be valid is 11.00 a.m. on that day.

In the event that the Fundraising does not become unconditional by 8.00 a.m. on 24 May 2024 (or such later time and date as the Company, Canaccord Genuity and VSA Capital determine being no later than 8.00 a.m. on 28 June 2024), the Open Offer will lapse, the Open Offer Entitlements and Excess CREST Open Offer Entitlements admitted to CREST will be disabled and the Registrars will refund the amount paid by a Qualifying CREST Shareholder by way of a CREST payment, without interest, as soon as practicable thereafter.

(f) *Deposit of Open Offer Entitlements into, and withdrawal from, CREST*

A Qualifying Non-CREST Shareholder's entitlement under the Open Offer as shown by the number of Open Offer Entitlements set out in his Application Form may be deposited into CREST (either into the account of the Qualifying Shareholder named in the Application Form or into the name of a person entitled by virtue of a *bona fide* market claim), provided that such Qualifying Non-CREST Shareholder is also a CREST member. Similarly, Open Offer Entitlements and Excess CREST Open Offer Entitlements held in CREST may be withdrawn from CREST so that the entitlement under the Open Offer and entitlement to apply under the Excess Application Facility is reflected in an Application Form. Normal CREST procedures (including timings) apply in relation to any such deposit or withdrawal, subject (in the case of a deposit into CREST) as set out in the Application Form.

A holder of an Application Form who is proposing to deposit the entitlement set out in such

form into CREST is recommended to ensure that the deposit procedures are implemented in sufficient time to enable the person holding or acquiring the Open Offer Entitlements and the entitlement to apply under the Excess Application Facility following their deposit into CREST to take all necessary steps in connection with taking up the entitlement prior to 3:00 p.m. on 16 May 2024. After depositing their Open Offer Entitlement into their CREST account, CREST holders will shortly thereafter receive a credit for their Excess CREST Open Offer Entitlement, which will be managed by the Registrars.

In particular, having regard to normal processing times in CREST and on the part of the Registrars, the recommended latest time for depositing an Application Form with the CREST Courier and Sorting Service, where the person entitled wishes to hold the entitlement under the Open Offer set out in such Application Form as Open Offer Entitlements and Excess CREST Open Offer Entitlements in CREST, is 3:00 p.m. on 16 May 2024 and the recommended latest time for receipt by Euroclear of a dematerialised instruction requesting withdrawal of Open Offer Entitlements and Excess CREST Open Offer Entitlements from CREST is 11:00 a.m. on 20 May 2024 in either case so as to enable the person acquiring or (as appropriate) holding the Open Offer Entitlements and the entitlement to apply under the Excess Application Facility following the deposit or withdrawal (whether as shown in an Application Form or held in CREST) to take all necessary steps in connection with applying in respect of the Open Offer Entitlements and the entitlement to apply under the Excess Application Facility, as the case may be, prior to 4:30 p.m. on 15 May 2024.

Delivery of an Application Form with the CREST deposit form duly completed, whether in respect of a deposit into the account of the Qualifying Shareholder named in the Application Form or into the name of another person, shall constitute a representation and warranty to the Company and the Registrars by the relevant CREST member(s) that it/they is/are not in breach of the provisions of the notes under the paragraph headed “Instructions for depositing entitlements under the Open Offer into CREST” on page 2 of the Application Form, and a declaration to the Company and the Registrars from the relevant CREST member(s) that it/they is/are not in the United States or citizen(s) or resident(s) of any Restricted Jurisdiction or any other jurisdiction in which the application for new Ordinary Shares is prevented by law and, where such deposit is made by a beneficiary of a market claim, a representation and warranty that the relevant CREST member(s) is/are entitled to apply under the Open Offer by virtue of a *bona fide* market claim.

(g) *Validity of application*

A USE Instruction complying with the requirements as to authentication and contents set out above which settles by no later than 11:00 a.m. on 21 May 2024 will constitute a valid application under the Open Offer.

(h) *CREST procedures and timings*

CREST members and (where applicable) their CREST sponsors should note that Euroclear does not make available special procedures in CREST for any particular corporate action. Normal system timings and limitations will therefore apply in relation to the input of a USE Instruction and its settlement in connection with the Open Offer. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST sponsored member, to procure that his CREST sponsor takes) such action as shall be necessary to ensure that a valid application is made as stated above by 11:00 a.m. on 21 May 2024. In this connection CREST members and (where applicable) their CREST sponsors are referred in particular to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

(i) *Proxy*

If a Qualifying CREST Shareholder does not wish to apply for the Open Offer Shares under the Open Offer, they should take no action. They are however, encouraged to vote at the General Meeting by completing and returning the enclosed Proxy Form.

(j) *Incorrect or incomplete applications*

If a USE Instruction includes a CREST payment for an incorrect sum, the Company, through the Receiving Agent, reserves the right:



- (i) to reject the application in full and refund the payment to the CREST member in question (without interest);
- (ii) in the case that an insufficient sum is paid, to treat the application as a valid application for such lesser whole number of Open Offer Shares as would be able to be applied for with that payment at the Issue Price, refunding any unutilised sum to the CREST member in question (without interest); and
- (iii) in the case that an excess sum is paid, to treat the application as a valid application for all the Open Offer Shares referred to in the USE Instruction, refunding any unutilised sum to the CREST member in question (without interest).

(k) *The Excess Application Facility*

The Excess Application Facility enables Qualifying CREST Shareholders, who have taken up their Open Offer Entitlement in full, to apply for Excess Shares in excess of their Open Offer Entitlement as at the Record Date. If applications under the Excess Application Facility are received for more than the total number of Open Offer Shares available following take up of Open Offer Entitlements, the Excess Shares will be scaled back *pro rata* to the number of Excess Shares applied for by Qualifying Shareholders under the Excess Application Facility and no assurance can be given that excess applications by Qualifying Shareholders will be met in full or in part or at all. Excess CREST Open Offer Entitlements may not be sold or otherwise transferred. Subject as provided in paragraph 6 of this Part III in relation to Overseas Shareholders, the CREST accounts of Qualifying CREST Shareholders will be credited with Excess CREST Open Offer Entitlements to enable applications for Excess Shares to be settled through CREST. Qualifying CREST Shareholders should note that, although the Open Offer Entitlement and the Excess CREST Open Offer Entitlements will be admitted to CREST, they will have limited settlement capabilities. Neither the Open Offer Entitlement nor the Excess CREST Open Offer Entitlements will be tradable or listed and applications in respect of the Open Offer may only be made by the Qualifying Shareholders originally entitled or by a person entitled by virtue of a *bona fide* market claim.

To apply for Excess Shares pursuant to the Open Offer, Qualifying CREST Shareholders should follow the instructions above and must not return a paper form and cheque.

Should a transaction be identified by the CREST Claims Processing Unit as “cum” the Open Offer Entitlement and the relevant Open Offer Entitlement(s) be transferred, the Excess CREST Open Offer Entitlements will not transfer with the Open Offer Entitlement(s) claim, but will be transferred as a separate claim. Should a Qualifying CREST Shareholder cease to hold all of his Existing Ordinary Shares as a result of one or more *bona fide* market claims, the Excess CREST Open Offer Entitlement credited to CREST and allocated to the relevant Qualifying Shareholder will be transferred to the purchaser. Please note that an additional USE Instruction must be sent in respect of any application under the Excess CREST Open Offer Entitlement.

Should the Open Offer become unconditional and applications for Open Offer Shares by Qualifying Shareholders under the Open Offer exceed 28,660,096 Open Offer Shares, resulting in a scale back of applications under the Excess Application Facility, each Qualifying CREST Shareholder who has made a valid application pursuant to his Excess CREST Open Offer Entitlement, and from whom payment in full for the excess Open Offer Shares has been received, will receive a pounds sterling amount equal to the number of Open Offer Shares validly applied and paid for but which are not allocated to the relevant Qualifying CREST Shareholder multiplied by the Issue Price. Monies will be returned as soon as reasonably practicable following the completion of the scale back, without payment of interest and at the applicant’s sole risk by way of cheque or CREST payment, as appropriate. Fractions of Open Offer Shares will be aggregated and made available under the Excess Application Facility.

All enquiries in connection with the procedure for applications under the Excess Application Facility and Excess CREST Open Offer Entitlements should be addressed to Computershare Investor Services PLC, Corporate Actions Projects, BS99 6AH. Computershare Investor Services can be contacted on 0370 707 4040 from within the UK or +44 (0)370 707 4040 if calling from outside the UK. Lines are open between 8.30 a.m. and 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. Calls may be recorded and randomly monitored for security and training purposes. The helpline cannot provide advice on the merits

of the Fundraising nor give any financial, legal or tax advice.

(l) *Effect of valid application*

A CREST member who makes or is treated as making a valid application for some or all of his *pro rata* entitlement to Open Offer Shares in accordance with the above procedures hereby:

- (i) represents and warrants to the Company, Canaccord Genuity and VSA Capital that he has the right, power and authority, and has taken all action necessary, to make the application under the Open Offer and to execute, deliver and exercise his rights, and perform his obligations, under any contracts resulting therefrom and that he is not a person otherwise prevented by legal or regulatory restrictions from applying for Open Offer Shares or acting on behalf of any such person on a non-discretionary basis;
- (ii) agrees to pay the amount payable on application in accordance with the above procedures by means of a CREST payment in accordance with the CREST payment arrangements (it being acknowledged that the payment to the Registrars' payment bank in accordance with the CREST payment arrangements shall, to the extent of the payment, discharge in full the obligation of the CREST member to pay to the Company the amount payable on application);
- (iii) agrees with the Company, Canaccord Genuity and VSA Capital that all applications under the Open Offer and contracts resulting therefrom, and any non-contractual obligations related thereto, shall be governed by, and construed in accordance with, the laws of England;
- (iv) confirms to the Company, Canaccord Genuity and VSA Capital that in making the application he is not relying on any information or representation in relation to the Company other than that contained in this document, and the applicant accordingly agrees that no person responsible solely or jointly for this document or any part thereof, or involved in the preparation thereof, shall have any liability for any such information or representation not so contained and further agrees that, having had the opportunity to read this document, he will be deemed to have had notice of all the information in relation to the Company contained in this document (including information incorporated by reference);
- (v) represents and warrants to the Company, Canaccord Genuity and VSA Capital that he is the Qualifying Shareholder originally entitled to the Open Offer Entitlements;
- (vi) represents and warrants to the Company, Canaccord Genuity and VSA Capital that if he has received some or all of his Open Offer Entitlements from a person other than the Company, he is entitled to apply under the Open Offer in relation to such Open Offer Entitlement by virtue of a *bona fide* market claim;
- (vii) requests that the Open Offer Shares to which he will become entitled be issued to them on the terms set out in this document and subject to the Articles;
- (viii) represents and warrants to the Company, Canaccord Genuity and VSA Capital that he is not, nor is he applying on behalf of any Shareholder who is, in the United States or is a citizen or resident, or which is a corporation, partnership or other entity created or organised in or under any laws, of any Restricted Jurisdiction or any other jurisdiction in which the application for Open Offer Shares is prevented by law and he is not applying with a view to re-offering, re-selling, transferring or delivering any of the Open Offer Shares which are the subject of his application in the United States or to, or for the benefit of, a Shareholder who is a citizen or resident or which is a corporation, partnership or other entity created or organised in or under any laws of any Restricted Jurisdiction or any other jurisdiction in which the application for Open Offer Shares is prevented by law (except where proof satisfactory to the Company has been provided to the Company that he is able to accept the invitation by the Company free of any requirement which it (in its absolute discretion) regards as unduly burdensome), nor acting on behalf of any such person on a non-discretionary basis nor (a) person(s) otherwise prevented by legal or regulatory restrictions from applying for Open Offer Shares under the Open Offer;
- (ix) represents and warrants to the Company, Canaccord Genuity and VSA Capital that he is not, and nor is he applying as nominee or agent for, a person who is or may be liable to

notify and account for tax under the Stamp Duty Reserve Tax Regulations 1986 at any of the increased rates referred to in sections 67, 70, 93 or 96 (depository receipts and clearance services) of the Finance Act 1986; and

- (x) confirms that in making the application he is not relying and has not relied on the Company, Canaccord Genuity or VSA Capital or any person affiliated with the Company, Canaccord Genuity or VSA Capital, in connection with any investigation of the accuracy of any information contained in this document or his investment decision.
- (m) *Company's discretion as to the rejection and validity of applications*

The Company may in its sole discretion, but shall not be obliged to:

- (i) treat as valid (and binding on the CREST member concerned) an application which does not comply in all respects with the requirements as to validity set out or referred to in this Part III;
  - (ii) accept an alternative properly authenticated dematerialised instruction from a CREST member or (where applicable) a CREST sponsor as constituting a valid application in substitution for or in addition to a USE instruction and subject to such further terms and conditions as the Company may determine;
  - (iii) treat a properly authenticated dematerialised instruction (in this sub-paragraph the “**first instruction**”) as not constituting a valid application if, at the time at which the Registrars receives a properly authenticated dematerialised instruction giving details of the first instruction or thereafter, either the Company or the Receiving Agent has received actual notice from Euroclear of any of the matters specified in Regulation 35(5)(a) of the CREST Regulations in relation to the first instruction. These matters include notice that any information contained in the first instruction was incorrect or notice of lack of authority to send the first instruction; and
  - (iv) accept an alternative instruction or notification from a CREST member or CREST sponsored member or (where applicable) a CREST sponsor, or extend the time for settlement of a USE Instruction or any alternative instruction or notification, in the event that, for reasons or due to circumstances outside the control of any CREST member or CREST sponsored member or (where applicable) CREST sponsor, the CREST member or CREST sponsored member is unable validly to apply for Open Offer Shares by means of the above procedures. In normal circumstances, this discretion is only likely to be exercised in the event of any interruption, failure or breakdown of CREST (or any part of CREST) or on the part of the facilities and/or systems operated by the Registrars in connection with CREST.
- (n) *Lapse of the Open Offer*

In the event that the Open Offer does not become unconditional by 8.00 a.m. on 24 May 2024 or such later time and date as the Company, Canaccord Genuity and VSA Capital determine (being no later than 8.00 a.m. on 28 June 2024), the Open Offer will lapse, the Open Offer Entitlements and Excess CREST Open Offer Entitlements admitted to CREST will be disabled and the Receiving Agent will refund the amount paid by a Qualifying CREST Shareholder by way of a CREST payment, without interest, as soon as practicable thereafter.

#### **4. Money Laundering Regulations**

##### **4.1 Holders of Application Forms**

To ensure compliance with the Money Laundering Regulations, Computershare Investor Services may require, at its absolute discretion, verification of the identity of the person by whom or on whose behalf the Application Form is lodged with payment (which requirements are referred to below as the “verification of identity requirements”). If the Application Form is submitted by a UK regulated broker or intermediary acting as agent and which is itself subject to the Money Laundering Regulations, any verification of identity requirements are the responsibility of such broker or intermediary and not of the Registrars. In such case, the lodging agent’s stamp should be inserted on the Application Form.

The person lodging the Application Form with payment and in accordance with the other terms as described above (the “acceptor”), including any person who appears to Computershare Investor Services to be acting on behalf of some other person, accepts the Open Offer in respect of such number

of Open Offer Shares as is referred to therein (for the purposes of this paragraph 4 the “relevant Open Offer Shares”) and shall thereby be deemed to agree to provide Computershare Investor Services with such information and other evidence as they may require to satisfy the verification of identity requirements.

If Computershare Investor Services determines that the verification of identity requirements apply to any acceptor or application, the relevant Open Offer Shares (notwithstanding any other term of the Open Offer) will not be issued to the relevant acceptor unless and until the verification of identity requirements have been satisfied in respect of that acceptor or application. Computershare Investor Services is entitled, in its absolute discretion, to determine whether the verification of identity requirements apply to any acceptor or application and whether such requirements have been satisfied, and neither Computershare Investor Services nor the Company will be liable to any person for any loss or damage suffered or incurred (or alleged), directly or indirectly, as a result of the exercise of such discretion.

If the verification of identity requirements apply, failure to provide the necessary evidence of identity within a reasonable time may result in delays in the despatch of share certificates or in crediting CREST accounts. If, within a reasonable time following a request for verification of identity, Computershare Investor Services has not received evidence satisfactory to it as aforesaid, the Company may, in its absolute discretion, treat the relevant application as invalid, in which event the monies payable on acceptance of the Open Offer will be returned (at the acceptor’s risk) without interest to the account of the bank or building society on which the relevant cheque was drawn.

Submission of an Application Form with the appropriate remittance will constitute a warranty to each of the Company, Computershare Investor Services, Canaccord Genuity and VSA Capital from the applicant that the Money Laundering Regulations will not be breached by application of such remittance.

The verification of identity requirements will not usually apply:

- (a) if the applicant is an organisation required to comply with the Money Laundering Directive (the Council Directive on prevention of the use of the financial system for the purpose of money laundering or terrorist financing (no. 2015/849/EU));
- (b) if the acceptor is a regulated United Kingdom broker or intermediary acting as agent and is itself subject to the Money Laundering Regulations;
- (c) if the applicant (not being an applicant who delivers his application in person) makes payment by way of a cheque drawn on an account in the applicant’s name; or
- (d) if the aggregate subscription price for the Open Offer Shares is less than €15,000 (approximately £14,100).

In other cases the verification of identity requirements may apply. Satisfaction of these requirements may be facilitated in the following ways:

if payment is made by cheque in sterling drawn on a branch in the United Kingdom of a bank or building society which bears a UK bank sort code number in the top right hand corner the following applies. Cheques should be made payable to CIS PLC re: Invinity Energy Systems plc Open Offer Account in respect of an application by a Qualifying Shareholder and crossed “A/C Payee Only”. Third-party cheques may not be accepted with the exception of building society cheques or banker’s drafts where the building society or bank has inserted details of the name of the account holder and have either added the building society or bank branch stamp or have provided a supporting letter confirming the source of funds. The name of the account holder should be the same as the name of the shareholder shown on page 1 of the Open Offer Application Form; or if the Application Form is lodged with payment by an agent which is an organisation of the kind referred to in paragraph 4.1.1 above or which is subject to anti-money laundering regulation in a country which is a member of the Financial Action Task Force, the agent should provide with the Application Form written confirmation that it has that status and a written assurance that it has obtained and recorded evidence of the identity of the person for whom it acts and that it will on demand make such evidence available to the Receiving Agent. If the agent is not such an organisation, it should contact Computershare Investor Services, Corporate Actions Projects, Bristol BS99 6AH.

To confirm the acceptability of any written assurance referred to in (b) above, or in any other case, the

acceptor should contact Computershare Investor Services on 0370 707 4040 from within the UK or +44 (0)370 707 4040 if calling from outside the UK. Lines are open between 8.30 a.m. and 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. Calls may be recorded and randomly monitored for security and training purposes. The helpline cannot provide advice on the merits of the Fundraising nor give any financial, legal or tax advice.

If, within a reasonable period of time following a request for verification of identity, and in any case by no later than 11.00 a.m. on 20 May 2024, Computershare Investor Services has not received evidence satisfactory to it as aforesaid, Computershare Investor Services may, at its discretion, as agent of the Company, reject the relevant application, in which event the monies submitted in respect of that application will be returned without interest to the account at the payee bank from which such monies were originally debited (without prejudice to the rights of the Company to undertake proceedings to recover monies in respect of the loss suffered by it as a result of the failure to produce satisfactory evidence as aforesaid).

#### **4.2 *Open Offer Entitlements in CREST***

If you hold your Open Offer Entitlement and Excess CREST Open Offer Entitlement in CREST and apply for Open Offer Shares in respect of some or all of your Open Offer Entitlement and Excess CREST Open Offer Entitlement as agent for one or more persons and you are not a UK or EU regulated person or institution (e.g. a UK financial institution), then, irrespective of the value of the application, Computershare Investor Services is obliged to take reasonable measures to establish the identity of the person or persons on whose behalf you are making the application. You must therefore contact Computershare Investor Services before sending any USE or other instruction so that appropriate measures may be taken.

Submission of a USE Instruction, which on its settlement constitutes a valid application as described above, constitutes a warranty and undertaking by the applicant to provide promptly to Computershare Investor Services such information as may be specified by Computershare Investor Services as being required for the purposes of the Money Laundering Regulations. Pending the provision of evidence satisfactory to Computershare Investor Services as to identity, Computershare Investor Services may in its absolute discretion take, or omit to take, such action as it may determine to prevent or delay issue of the Open Offer Shares concerned. If satisfactory evidence of identity has not been provided within a reasonable time, then the application for the Open Offer Shares represented by the USE Instruction will not be valid. This is without prejudice to the right of the Company to take proceedings to recover any loss suffered by it as a result of failure to provide satisfactory evidence.

### **5. Admission, settlement and dealings**

The result of the Open Offer is expected to be announced on 22 May 2024. Application will be made to the London Stock Exchange for the Open Offer Shares to be admitted to trading on AIM and AQSE. Subject to the Open Offer becoming unconditional in all respects, it is expected that Admission will become effective and that dealings in the Open Offer Shares, fully paid, will commence at 8.00 a.m. on 24 May 2024.

The Existing Ordinary Shares are already admitted to CREST. No further application for admission to CREST is accordingly required for the New Ordinary Shares. All such shares, when issued and fully paid, may be held and transferred by means of CREST.

Open Offer Entitlements and Excess CREST Open Offer Entitlements held in CREST are expected to be disabled in all respects after 11.00 a.m. on 21 May 2024 (the latest date for applications under the Open Offer). If the condition(s) to the Open Offer described above are satisfied, new Ordinary Shares will be issued in uncertificated form to those persons who submitted a valid application for new Ordinary Shares by utilising the CREST application procedures and whose applications have been accepted by the Company.

On 7 May 2024, the Registrars will instruct Euroclear to credit the appropriate stock accounts of such persons with such persons' entitlements to Open Offer Shares with effect from Admission. The stock accounts to be credited will be accounts under the same CREST participant IDs and CREST member account IDs in respect of which the USE Instruction was given. Notwithstanding any other provision of this document, the Company reserves the right to send Qualifying CREST Shareholders an Application Form instead of crediting the relevant stock account with Open Offer Entitlements and Excess CREST Open Offer Entitlements, and to allot and/or issue any Open Offer Shares in certificated form. In normal circumstances, this right is only likely to be exercised in the event of any interruption, failure or breakdown of CREST (or of any part of CREST) or on the part of the facilities and/or systems operated by the Registrars in connection with CREST.

No temporary documents of title will be issued, and transfers will be certified against the Jersey share register of the Company. All documents or remittances sent by, to, from or on behalf of applicants, or as they may direct, will (in the latter case) be sent through the post and will (in both cases) be at the risk of the applicant.

For more information as to the procedure for application, Qualifying Non-CREST Shareholders are referred to paragraph 3.1 above and their respective Application Form.

## **6. Overseas Shareholders**

The comments set out in this paragraph 6 are intended as a general guide only and any Overseas Shareholders who are in any doubt as to their position should consult their professional advisers without delay.

### **6.1 General**

The distribution of this document and the making or acceptance of the Open Offer to or by persons who have registered addresses in, or who are resident or ordinarily resident in, or citizens of, or which are corporations, partnerships or other entities created or organised under the laws of countries other than the United Kingdom or to persons who are nominees of or custodians, trustees or guardians for citizens, residents in or nationals of, countries other than the United Kingdom, may be affected by the laws or regulatory requirements of the relevant jurisdictions. It is the responsibility of those persons to consult their professional advisers as to whether they require any governmental or other consents or need to observe any applicable legal requirement or other formalities to enable them to apply for Open Offer Shares under the Open Offer.

No action has been or will be taken by the Company, Canaccord Genuity, VSA Capital, or any other person, to permit a public offering or distribution of this document (or any other offering or publicity materials or application form(s) relating to the Open Offer Shares) in any jurisdiction where action for that purpose may be required, other than in the United Kingdom. Receipt of this document and/or an Application Form and/or a credit of an Open Offer Entitlement or an Excess CREST Open Offer Entitlement to a stock account in CREST will not constitute an invitation or offer of securities for subscription, sale or purchase in whose jurisdictions in which it would be illegal to make such an invitation or offer and, in those circumstances, this document and/or the Application Form must be treated as sent for information only and should not be copied or redistributed.

Application Forms will not be sent to, and Open Offer Entitlements and Excess CREST Open Offer Entitlements will not be credited to stock accounts in CREST of, persons with registered addresses in the United States or a Restricted Jurisdiction or their agent or intermediary, except where the Company is satisfied that such action would not result in the contravention of any registration or other legal requirement in any jurisdiction.

No person receiving a copy of this document and/or an Application Form and/or a credit of Open Offer Entitlements or Excess CREST Open Offer Entitlements to a stock account in CREST in any territory other than the United Kingdom may treat the same as constituting an invitation or offer to him or her, nor should he or she in any event use any such Application Form and/or credit of Open Offer Entitlements or Excess CREST Open Offer Entitlements to a stock account in CREST unless, in the relevant territory, such an invitation or offer could lawfully be made to him or her and such Application Form and/or credit of Open Offer Entitlements or Excess CREST Open Offer Entitlements to a stock account in CREST could lawfully be used, and any transaction resulting from such use could be effected, without contravention of any registration or other legal or regulatory requirements. In circumstances where an invitation or offer would contravene any registration or other legal or regulatory requirements, this document and/or the Application Form must be treated as sent for information only and should not be copied or redistributed.

It is the responsibility of any person (including, without limitation, custodians, agents, nominees and trustees) outside the United Kingdom wishing to apply for Open Offer Shares under the Open Offer to satisfy themselves as to the full observance of the laws of any relevant territory in connection therewith, including obtaining any governmental or other consents that may be required, observing any other formalities required to be observed in such territory and paying any issue, transfer or other taxes due in such territory.

None of the Company, Canaccord Genuity, VSA Capital nor any of their respective representatives is making any representation or warranty to any offeree or purchaser of the Open Offer Shares regarding the legality of an investment in the Open Offer Shares by such offeree or purchaser under the laws applicable to such offeree or purchaser.

Persons (including, without limitation, custodians, agents, nominees and trustees) receiving a copy of this document and/or an Application Form and/or a credit of Open Offer Entitlements or Excess CREST Open Offer Entitlements to a stock account in CREST, in connection with the Open Offer or otherwise, should not distribute or send either of those documents nor transfer Open Offer Entitlements or Excess CREST Open Offer Entitlements in or into any jurisdiction where to do so would or might contravene local securities laws or regulations. If a copy of this document and/or an Application Form and/or a credit of Open Offer Entitlements or Excess CREST Open Offer Entitlements to a stock account in CREST is received by any person in any such territory, or by his or her custodian, agent, nominee or trustee, he or she must not seek to apply for Open Offer Shares in respect of the Open Offer unless the Company, Canaccord Genuity and VSA Capital determine that such action would not violate applicable legal or regulatory requirements. Any person (including, without limitation, custodians, agents, nominees and trustees) who does forward a copy of this document and/or an Application Form and/or transfers Open Offer Entitlements or Excess CREST Open Offer Entitlements into any such territory, whether pursuant to a contractual or legal obligation or otherwise, should draw the attention of the recipient to the contents of this Part III and specifically the contents of this paragraph 6.

The Company reserves the right to treat as invalid any application or purported application for Open Offer Shares that appears to the Company or its agents to have been executed, effected or dispatched from the United States or a Restricted Jurisdiction or in a manner that may involve a breach of the laws or regulations of any other jurisdiction or if the Company or its agents believe that the same may violate applicable legal or regulatory requirements or if it provides an address for delivery of the share certificates of Open Offer Shares or in the case of a credit of Open Offer Entitlements or Excess CREST Open Offer Entitlements to a stock account in CREST, to a CREST member whose registered address would be, in the United States or a Restricted Jurisdiction or any other jurisdiction outside the United Kingdom in which it would be unlawful to deliver such share certificates or warrant certificates or make such a credit.

Notwithstanding any other provision of this document or the relevant Application Form, the Company, Canaccord Genuity and VSA Capital reserve the right to permit any person to apply for Open Offer Shares in respect of the Open Offer if the Company, in its sole and absolute discretion, is satisfied that the transaction in question is exempt from, or not subject to, the legislation or regulations giving rise to the restrictions in question.

Overseas Shareholders who wish, and are permitted, to apply for Open Offer Shares should note that payment must be made in sterling denominated cheques or where such Overseas Shareholder is a Qualifying CREST Shareholder, through CREST. Due to restrictions under the securities laws of the United States and the Restricted Jurisdictions, and subject to certain exceptions, Qualifying Shareholders in the United States or who have registered addresses in, or who are resident or ordinarily resident in, or citizens of, any Restricted Jurisdiction will not qualify to participate in the Open Offer and will not be sent an Application Form nor will their stock accounts in CREST be credited with Open Offer Entitlements. No public offer of Open Offer Shares is being made by virtue of this document or the Application Forms into the United States or any Restricted Jurisdiction.

Receipt of this document and/or an Application Form and/or a credit of an Open Offer Entitlement to a stock account in CREST will not constitute an invitation or offer of securities for subscription, sale or purchase in those jurisdictions in which it would be illegal to make such an invitation or offer and, in those circumstances, this document and/or the Application Form must be treated as sent for information only and should not be copied or redistributed.

## 6.2 *United States*

The New Ordinary Shares have not been and will not be registered under the U.S. Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States and, accordingly, may not be offered or sold, re-sold, taken up, transferred, delivered or distributed, directly or indirectly, within the United States except in reliance on an exemption from the registration requirements of the U.S. Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction of the United States.

Accordingly, the Company is not extending the Open Offer into the United States unless an exemption from the registration requirements of the U.S. Securities Act is available and, subject to certain exceptions, neither this document nor the Application Form constitutes or will constitute an offer or an invitation to apply for or an offer or an invitation to acquire any New Ordinary Shares in the United

States. Subject to certain exceptions, neither this document nor an Application Form will be sent to, and no New Ordinary Shares will be credited to a stock account in CREST of, any Qualifying Shareholder with a registered address in the United States. Subject to certain exceptions, Application Forms sent from or postmarked in the United States will be deemed to be invalid and all persons acquiring New Ordinary Shares and wishing to hold such New Ordinary Shares in registered form must provide an address for registration of the New Ordinary Shares issued upon exercise thereof outside the United States.

Subject to certain exceptions, any person who acquires New Ordinary Shares will be deemed to have declared, warranted and agreed, by accepting delivery of this document or the Application Form and delivery of the New Ordinary Shares, that they are not, and that at the time of acquiring the New Ordinary Shares they will not be, in the United States or acting on behalf of, or for the account or benefit of a person on a non-discretionary basis in the United States or any state of the United States.

The Company reserves the right to treat as invalid any Application Form that appears to the Company or its agents to have been executed in, or despatched from, the United States, or that provides an address in the United States for the receipt of New Ordinary Shares, or which does not make the warranty set out in the Application Form to the effect that the person completing the Application Form does not have a registered address and is not otherwise located in the United States and is not acquiring the New Ordinary Shares with a view to the offer, sale, resale, transfer, delivery or distribution, directly or indirectly, of any such New Ordinary Shares in the United States or where the Company believes acceptance of such Application Form may infringe applicable legal or regulatory requirements.

The Company will not be bound to allot or issue any New Ordinary Shares to any person with an address in, or who is otherwise located in, the United States in whose favour an Application Form or any New Ordinary Shares may be transferred. In addition, the Company, Canaccord Genuity and VSA Capital reserve the right to reject any USE Instruction sent by or on behalf of any CREST member with a registered address in the United States in respect of the New Ordinary Shares. In addition, until 45 days after the commencement of the Open Offer, an offer, sale or transfer of the New Ordinary Shares within the United States by a dealer (whether or not participating in the Open Offer) may violate the registration requirements of the U.S. Securities Act.

### 6.3 ***Restricted Jurisdictions***

Due to restrictions under the securities laws of the other Restricted Jurisdictions and subject to certain exemptions, Shareholders who have registered addresses in, or who are resident or ordinarily resident in, or citizens of, any Restricted Jurisdiction will not qualify to participate in the Open Offer and will not be sent an Application Form nor will their stock accounts in CREST be credited with Open Offer Entitlements or Excess CREST Open Offer Entitlements. The Open Offer Shares have not been and will not be registered under the relevant laws of any Restricted Jurisdiction or any state, province or territory thereof and may not be offered, sold, resold, delivered or distributed, directly or indirectly, in or into any Restricted Jurisdiction or to, or for the account or benefit of, any person with a registered address in, or who is resident or ordinarily resident in, or a citizen of, any Restricted Jurisdiction except pursuant to an applicable exemption.

No offer or invitation to apply for Open Offer Shares is being made by virtue of this document or the Application Form into any Restricted Jurisdiction.

### 6.4 ***Other overseas territories***

Application Forms will be sent to Qualifying Non-CREST Shareholders and Open Offer Entitlements and Excess CREST Open Offer Entitlements will be credited to the stock account in CREST of Qualifying CREST Shareholders. Qualifying Shareholders in jurisdictions other than the United States or the Restricted Jurisdictions may, subject to the laws of their relevant jurisdiction, take up Open Offer Shares under the Open Offer in accordance with the instructions set out in this document and the Application Form. Qualifying Shareholders who have registered addresses in, or who are resident or ordinarily resident in, or citizens of, countries other than the United Kingdom should, however, consult appropriate professional advisers as to whether they require any governmental or other consents or need to observe any further formalities to enable them to apply for any Open Offer Shares in respect of the Open Offer.

### 6.5 ***Representations and warranties relating to Overseas Shareholders***

#### (a) ***Qualifying Non-CREST Shareholders***



Any person completing and returning an Application Form or requesting registration of the Open Offer Shares comprised therein represents and warrants to the Company, Canaccord Genuity, VSA Capital and the Registrars that, except where proof has been provided to the Company's satisfaction that such person's use of the Application Form will not result in the contravention of any applicable legal requirements in any jurisdiction: (i) such person is not requesting registration of the relevant Open Offer Shares from within the United States or any Restricted Jurisdiction; (ii) such person is not in any territory in which it is unlawful to make or accept an offer to acquire Open Offer Shares in respect of the Open Offer or to use the Application Form in any manner in which such person has used or will use it; (iii) such person is not acting on a non-discretionary basis for a person located within any Restricted Jurisdiction (except as agreed with the Company) or any territory referred to in (ii) above at the time the instruction to accept was given; and (iv) such person is not acquiring Open Offer Shares with a view to offer, sale, resale, transfer, deliver or distribute, directly or indirectly, any such Open Offer Shares into any of the above territories. The Company and/or the Registrars may treat as invalid any acceptance or purported acceptance of the allotment of Open Offer Shares comprised in an Application Form if it: (i) appears to the Company or its agents to have been executed, effected or dispatched from the United States or a Restricted Jurisdiction or in a manner that may involve a breach of the laws or regulations of any jurisdiction or if the Company or its agents believe that the same may violate applicable legal or regulatory requirements; or (ii) provides an address in the United States or a Restricted Jurisdiction for delivery of the share certificates of Open Offer Shares (or any other jurisdiction outside the United Kingdom in which it would be unlawful to deliver such share certificates and warrant certificates); or (iii) purports to exclude the warranty required by this sub-paragraph 6.5(a).

(b) *Qualifying CREST Shareholders*

A CREST member or CREST sponsored member who makes a valid acceptance in accordance with the procedures set out in this Part III represents and warrants to the Company, Canaccord Genuity, VSA Capital and the Registrars that, except where proof has been provided to the Company's satisfaction that such person's acceptance will not result in the contravention of any applicable legal requirement in any jurisdiction: (i) such person is not within the United States or any Restricted Jurisdiction; (ii) such person is not in any territory in which it is unlawful to make or accept an offer to acquire Open Offer Shares; (iii) such person is not accepting on a nondiscretionary basis for a person located within any Restricted Jurisdiction (except as otherwise agreed with the Company) or any territory referred to in (ii) above at the time the instruction to accept was given; and (iv) such person is not acquiring any Open Offer Shares with a view the offer, sale, resale, transfer, delivery or distribute, directly or indirectly, any such Open Offer Shares into any of the above territories.

**6.6 Waiver**

The provisions of this paragraph 6 and of any other terms of the Open Offer relating to Overseas Shareholders may be waived, varied or modified as regards specific Shareholders or on a general basis by the Company, Canaccord Genuity and VSA Capital in their absolute discretion. Subject to this, the provisions of this paragraph 6 supersede any terms of the Open Offer inconsistent herewith. References in this paragraph 6 to Shareholders shall include references to the person or persons executing an Application Form and, in the event of more than one person executing an Application Form, the provisions of this paragraph 6 shall apply to them jointly and to each of them.

**7. Times and dates**

The Company shall, in agreement with Canaccord Genuity, VSA Capital and after consultation with its financial and legal advisers, be entitled to amend the dates that Application Forms are despatched or amend or extend the latest date for acceptance under the Open Offer and all related dates set out in this document and in such circumstances shall notify the London Stock Exchange, and make an announcement on a Regulatory Information Service, but Qualifying Shareholders may not receive any further written communication.

If a supplementary circular is issued by the Company two or fewer business days prior to the latest time and date for acceptance and payment in full under the Open Offer specified in this document, the latest date for acceptance under the Open Offer shall be extended to the date that is three business days after the date of issue of the supplementary circular (and the dates and times of principal events due to take place following such date shall be extended accordingly).

## **8. Taxation**

Shareholders who are in any doubt as to their tax position in relation to taking up their entitlements under the Open Offer, or who are subject to tax in any jurisdiction other than the United Kingdom, should immediately consult a suitable professional adviser.

## **9. Further information**

Your attention is drawn to the further information set out in this document and also, in the case of Qualifying Non-CREST Shareholders and other Qualifying Shareholders to whom the Company has sent Application Forms, to the terms, conditions and other information printed on the accompanying Application Form.

## **10. Governing law and jurisdiction**

The terms and conditions of the Open Offer as set out in this document, the Application Form and any non-contractual obligation related thereto shall be governed by, and construed in accordance with, English law.

The courts of England and Wales are to have exclusive jurisdiction to settle any dispute which may arise out of or in connection with the Open Offer, this document or the Application Form. By taking up Open Offer Shares, by way of their Open Offer Entitlement and the Excess Application Facility (as applicable), in accordance with the instructions set out in this document and, where applicable, the Application Form, Qualifying Shareholders irrevocably submit to the jurisdiction of the courts of England and Wales and waive any objection to proceedings in any such court on the ground of venue or on the ground that proceedings have been brought in an inconvenient forum.

## PART IV

### NOTICE OF GENERAL MEETING

#### Invinity Energy Systems plc

*(incorporated and registered in Jersey under the Companies (Jersey) Law 1991 with registered no: 92432)*

**NOTICE IS HEREBY GIVEN THAT** an extraordinary general meeting of Invinity Energy Systems plc (the “**Company**”) will be held at the offices of Canaccord Genuity Ltd, at 88 Wood Street, London, EC2V 7QR on 22 May 2024 at 11:00 a.m. to consider and, if thought fit, to pass the following resolution as a special resolution of the Company:

#### SPECIAL RESOLUTION

THAT:

The directors be and they are hereby empowered to allot and issue equity securities as if the pre-emption provisions relating to, *inter alia*, the allotment of shares in the capital of the Company contained in the articles of association of the Company (“**Articles**”) did not apply to any such allotment provided that this power shall be limited to the allotment and issue of equity securities up to a maximum number of 272,138,356 new Ordinary Shares, on the following basis:

- A) the allotment of 121,739,130 Placing Shares (as such term is defined in the circular to shareholders of the Company dated 3 May 2024 (“**Circular**”));
- B) by means of the Placing Option (as defined in the Circular);
- C) the allotment of 121,739,130 Subscription Shares (as defined in the Circular, subject to the terms of the Subscription Agreements, including the treatment of relevant costs, as described in section 6.1 of Part I of the Circular); and
- D) the allotment of 3 new Ordinary Shares for every 20 Existing Ordinary Shares held on the Record Date, at 23 pence each by means of the Open Offer (as such terms are defined in the Circular),

such authority to be in addition to the subsisting authorities conferred to the extent unused.

Dated: 3 May 2024

*By order of the Board*

*Company Secretary:*  
**Oak Secretaries (Jersey) Limited**

*Registered Office:*  
3rd Floor  
IFC5  
Castle Street  
St. Helier  
Jersey  
JE2 3BY

#### Notes to the Notice of Extraordinary General Meeting:

1. Shareholders wishing to attend the General Meeting are asked to register their attendance by emailing [ir@invinity.com](mailto:ir@invinity.com) before 9:00 a.m. on 21 May 2024 indicating their intention to attend the General Meeting. Rules around capacity at the venue and changes in health and safety requirements may mean shareholders cannot ultimately attend the meeting.
2. Proxy forms may be scanned and submitted via email to [#UKCSBRS.ExternalProxyQueries@computershare.co.uk](mailto:#UKCSBRS.ExternalProxyQueries@computershare.co.uk). The deadline for submission of proxy votes is 11.00 a.m. on 20 May 2024. Shareholders with questions pertaining to the General Meeting or requiring assistance in submitting their proxy are requested to contact Joe Worthington via [ir@invinity.com](mailto:ir@invinity.com).
3. As a member of the Company you are entitled to appoint a proxy to exercise all or any of your rights to vote at an extraordinary general meeting of the Company.
4. Details of how to appoint the Chairman of the meeting or another person as your proxy using the form of proxy are set out in the notes to the form of proxy. You may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares.
5. Pursuant to Article 40 of the Companies (Uncertificated Securities) (Jersey) Order 1999, entitlement to vote at the meeting and the number of votes which may be cast thereat will be determined by reference to the register of members of the Company at close of business on the day which is two days before the day of the meeting. Changes to entries on the register of members after that time shall be disregarded in determining the rights of any person to vote at the meeting.
6. As at the date of this notice of extraordinary general meeting the Company's issued share capital comprised 191,067,307 Ordinary Shares of €0.01 each. Each share carries one vote.
7. A member of the Company which is a corporation may authorise a person or persons to act as its representative(s) at the meeting. In accordance with the provisions of Article 96 of the Companies (Jersey) Law 1991, each such representative may exercise (on behalf of the corporation) the same powers as the corporation could exercise if it were an individual member of the Company, provided that they do not do so in relation to the same shares. It is no longer necessary to nominate a designated corporate representative.
8. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the meeting and any adjournment(s) thereof by using the procedures described in the CREST Manual. CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s) should refer to their CREST sponsors or voting service provider(s), who will be able to take the appropriate action on their behalf.
9. To appoint one or more proxies or to give an instruction to a proxy (whether previously appointed or otherwise) via the CREST system, CREST messages must be received by the issuer's agent (ID number 3RA50) by no later than 11:00 a.m. on 20 May 2024. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp generated by the CREST system) from which the issuer's agent is able to retrieve the message. The Company may treat as invalid a proxy appointment sent by CREST in the circumstances set out in Article 34 of the Companies (Uncertificated Securities) (Jersey) Order 1999.
10. CREST members and, where applicable, their CREST sponsors or voting service provider(s) should note that Euroclear UK & International Limited does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service provider(s) are referred in particular to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

THIS APPLICATION FORM, WHICH IS PERSONAL TO THE PERSON TO WHOM IT IS ADDRESSED AND MAY NOT BE ASSIGNED OR TRANSFERRED OR SPLIT (EXCEPT TO SATISFY *BONA FIDE* MARKET CLAIMS PURSUANT TO THE RULES OF THE LONDON STOCK EXCHANGE), IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. IT IS NOT A NEGOTIABLE DOCUMENT AND CANNOT BE TRADED. If you are in any doubt about the action you should take, you are recommended to seek your own personal financial advice immediately from your stockbroker, bank manager, solicitor, accountant or other independent financial adviser, authorised under the Financial Services and Markets Act 2000 ("FSMA") if you are resident in the United Kingdom or, if you are not resident in the United Kingdom, from another appropriate authorised independent adviser. Information on Invinity Energy Systems plc (the "Company") and full details of the Open Offer are set out in the accompanying circular (the "Circular") which should be read carefully before any action is taken. Unless the context otherwise requires, expressions defined in the Circular bear the same meanings in this Application Form.

<p><b>Box 1</b> Name(s) and address(es) of Eligible Shareholder(s)</p>
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SRN:

ENTITLEMENT NO:

<p><b>Box A</b> Existing Ordinary Shares held by you on 30 April 2024</p>	<p><b>Box B</b> Number of Open Offer Shares comprising your basic Open Offer Entitlement</p>	<p><b>Box C</b> The amount you must pay at 23 pence per Open Offer Share if you apply in full for your basic Open Offer Entitlement (set out in Box B)</p>
		<p>£</p>

<p><b>Box D</b> Number of Open Offer Shares for which application is being made pursuant to your basic Open Offer Entitlement</p>	<p><b>Box E</b> Number of additional Open Offer Shares (if any) for which application is being made under the Excess Application Facility</p>	<p><b>Box F</b> Total number of Open Offer Shares for which application is being made (Box D + Box E)</p>	<p><b>Box G</b> Amount enclosed (Box D or F x £0.23 (being 23 pence per Open Offer Share applied for)</p>

## Invinity Energy Systems plc

(Incorporated and registered in Jersey under Companies (Jersey) Law 1991 with registered no. 92432)

### APPLICATION FORM

Open Offer to Eligible Shareholders by  
Invinity Energy Systems plc of 28,660,096 new Ordinary Shares at 23 pence per Open Offer Share  
payable in full on application to be received not later than 11.00 a.m. on 21 May 2024

This Application Form is not a negotiable document or a document of title and cannot be traded. This Application Form must be used if you are a Eligible non-CREST Shareholder and wish to apply for Open Offer Shares under the Open Offer. Application will be made to the London Stock Exchange for the Open Offer Shares to be admitted to trading on AIM. It is expected that Admission will become effective and that dealings in the Open Offer Shares will commence on 24 May 2024.

IF YOU HAVE SOLD OR TRANSFERRED ALL OF YOUR EXISTING ORDINARY SHARES PRIOR TO THE DATE UPON WHICH THE EXISTING ORDINARY SHARES WERE MARKED 'EX' THE ENTITLEMENT TO THE OPEN OFFER BY THE LONDON STOCK EXCHANGE YOU SHOULD COMPLETE BOX J ON PAGE 4 AND SEND THIS APPLICATION FORM AT ONCE (TOGETHER WITH THE CIRCULAR) TO THE PURCHASER OR TRANSFEREE OR TO THE STOCKBROKER, BANK OR OTHER AGENT THROUGH WHOM THE SALE OR TRANSFER WAS EFFECTED WHO WILL ARRANGE FOR DELIVERY TO THE PURCHASER OR TRANSFEREE, SINCE THE BENEFITS ARISING UNDER THE OPEN OFFER MAY IN SUCH EVENT BE CLAIMED FROM YOU UNDER THE RULES OF THE LONDON STOCK EXCHANGE. HOWEVER THIS APPLICATION FORM SHOULD NOT BE DISTRIBUTED, FORWARDED OR TRANSMITTED IN OR INTO OR FROM THE UNITED STATES, CANADA, AUSTRALIA, NEW ZEALAND, THE REPUBLIC OF SOUTH AFRICA OR JAPAN OR ANY OTHER JURISDICTION IF TO DO SO WOULD CONSTITUTE A VIOLATION OF THE RELEVANT LAW AND/OR REGULATIONS OF SUCH JURISDICTION. IF YOU HAVE SOLD OR TRANSFERRED PART ONLY OF YOUR REGISTERED HOLDING OF EXISTING ORDINARY SHARES PRIOR TO THE DATE UPON WHICH THE EXISTING ORDINARY SHARES WERE MARKED 'EX' THE ENTITLEMENT TO THE OPEN OFFER BY THE LONDON STOCK EXCHANGE YOU SHOULD COMPLETE BOX J ON PAGE 4 AND SEND THIS FORM AT ONCE TO COMPUTERSHARE INVESTOR SERVICES PLC AS SET OUT IN PARAGRAPH 2 OF "INSTRUCTIONS FOR TRANSFER, SPLITTING AND CONSOLIDATION" ON PAGE 2 IN ORDER FOR YOU AND THE PURCHASER OR TRANSFEREE TO OBTAIN SPLIT APPLICATION FORMS, SINCE THE INVITATION TO ACQUIRE OPEN OFFER SHARES UNDER THE OPEN OFFER MAY BE A BENEFIT WHICH MAY BE CLAIMED FROM YOU UNDER THE RULES OF THE LONDON STOCK EXCHANGE.

Neither the Existing Ordinary Shares nor the Open Offer Shares nor the Open Offer Entitlements nor the Application Forms have been, or will be, registered under the United States Securities Act of 1933, as amended, or under the securities legislation of any state of the United States. The relevant clearances have not been, and will not be, obtained from the Securities Commission of any province or territory of Canada, the Financial Markets Authority of New Zealand or the South African Reserve Bank. No document in relation to the Open Offer has been, or will be, lodged with, or registered by, the Australian Securities and Investments Commission, and no registration statement has been, or will be, filed with the Japanese Ministry of Finance in relation to the Open Offer, the Application Forms or the Open Offer Shares or the Open Offer Entitlements. Accordingly, subject to certain exceptions, the Open Offer Shares and the Open Offer Entitlements may not, directly or indirectly, be offered, sold, renounced, re-sold, taken up or delivered in or into the United States, Canada, Australia, New Zealand, The Republic of South Africa or Japan or offered to, sold to, renounced, taken up or delivered in favour of, or to, a person within the United States or a resident of Canada, Australia, New Zealand, The Republic of South Africa or Japan. The attention of Overseas Shareholders is drawn to the restrictions on application set out in paragraph 6 of Part III headed "Overseas Shareholders" as set out on page 54 of the Circular.

The terms and conditions of the Open Offer as set out in the Circular also apply to this Application Form. Copies of the Circular are available for inspection on the Company's Website at www.invinity.com from the date of this Application Form up to and including 22 May 2024, being the date following the closing of the Open Offer.

**ACTION TO BE TAKEN:** If you wish to apply for Open Offer Shares, you must complete Boxes D and G (and Boxes E and F if you wish to apply for excess Open Offer Shares) on this page, sign and date this Application Form on page 3, and return this Application Form in the enclosed reply paid envelope together with a cheque or banker's draft made payable to "CIS PLC re: Invinity Energy Systems plc Open Offer A/C" and crossed "A/C Payee Only" for the sum inserted in Box G either by post to Computershare Investor Services PLC, Corporate Actions Projects, Bristol, BS99 6AH or by hand (during normal business hours only) to Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol, BS13 8AE so as to arrive no later than 11.00 a.m. on 21 May 2024. If you do not wish to apply for any Open Offer Shares you should take no further action and you will have no rights under the Open Offer. Complete instructions for the completion of this Application Form are set out on page 2 of this Application Form.

Queries relating to completion of this Application Form should be referred to Computershare Investor Services PLC, Corporate Actions Projects, Bristol, BS99 6AH, telephone +44 (0) 370 707 4040 if calling from outside the UK). Computershare Investor Services PLC cannot give financial advice in relation to the Open Offer.

## INSTRUCTIONS FOR AND NOTES ON COMPLETION OF THIS FORM

1. This Application Form should be completed and posted in the accompanying reply paid envelope (for use only in the UK) to Computershare Investor Services PLC, Corporate Actions Projects, Bristol, BS99 6AH or delivered by hand (during normal business hours only) to Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol, BS13 8AE together with a cheque or banker's draft for the full amount payable in respect of the number of Open Offer Shares applied for, so as to arrive not later than 11.00 a.m. on 21 May 2024. If you post your Application Form within the United Kingdom by first class post, you are recommended to allow at least four business days for delivery.
2. Application may be made for any whole number of Open Offer Shares up to the maximum amount available under the Open Offer.
3. Cheques and banker's drafts should be made payable to "CIS PLC re: Invinity Energy Systems plc Open Offer A/C" and crossed "A/C Payee Only". Cheques and banker's drafts must be drawn in sterling on a branch of a bank or building society in the United Kingdom which is either a settlement member of the Cheque and Credit Clearing Company Limited or the CHAPS Clearing Company Limited or which has arranged for its cheques and banker's drafts to be cleared through the facilities provided for members by any of those companies and must bear the appropriate sorting code in the top right hand corner, and must be for the full amount payable on application. No receipt will be given in respect of this Application Form. If cheques or banker's drafts are presented before the conditions of the Open Offer are fulfilled, application monies will be kept in a separate bank account pending the Open Offer becoming unconditional. Any interest earned on monies in such account will be retained by and for the benefit of the Company.
4. An individual must sign the Application Form. A company must execute this Application Form under its common seal, the seal being affixed and witnessed in accordance with its articles of association or other regulations. Alternatively, a company to which section 44 of the Companies Act 2006 applies may execute this Application Form by: (i) a director and the company secretary; or (ii) by two directors of the company; or (iii) by a director of the company in the presence of a witness who attests the signature, in each case signing the Application Form and inserting the name of the company above their signatures. In the case of joint holders, all must sign.
5. If this Application Form is signed under a power of attorney, such power of attorney or a duly certified copy thereof must accompany this Application Form.
6. All documents, including this Application Form, or remittances sent by or to an applicant, or as he or she or it may direct, will be sent through the post at his or her or its risk.
7. This Application Form may not be assigned, transferred, split or consolidated, except to satisfy *bona fide* market claims. Instructions for transfer, splitting and consolidation are set out below.
8. Overseas Shareholders should refer to page 54 of the Circular. No person receiving a copy of the Circular and/or this Application Form in any territory other than the United Kingdom where to do so would or might contravene local securities laws and regulations may treat the same as constituting an invitation to him/her/it, nor should he/she/it in any event use this Application Form, unless in the relevant territory such invitation or offer can be lawfully made to him/her/it and this Application Form can be lawfully used without contravention of any registration or other legal or regulatory requirements other than any which may have been fulfilled. Any person outside the United Kingdom wishing to apply for Open Offer Shares must satisfy himself/herself/itself as to full observance of the laws and regulatory requirements of the relevant territory in connection therewith, including obtaining any governmental or other consents which may be required and compliance with any other formalities needing to be obtained in such territory and the payment of any issue, transfer or other taxes due in any such territory. Submission of this Application Form will constitute a warranty that all these conditions have been complied with.
9. It is strongly recommended that the accompanying Circular should be read before any action is taken.
10. All applications in respect of the Open Offer, all acceptances thereof and all contracts resulting from such acceptances shall be governed by and construed in accordance with English Law.
11. Submission of this Application Form will constitute a warranty that these conditions and the conditions in the Circular have been complied with. It is expected that definitive certificates in respect of the Open Offer Shares issued under the Open Offer to be held in certificated form will be despatched no later than 7 June 2024 to the registered address of the sole or first named Shareholder shown in Box 1 or, where Box K has been completed, to the address of the sole or first named person shown therein or, if Box N has been completed, to the agent named therein. Until certificates are despatched, transfers of Open Offer Shares in certificated form will be certified against the register of members of the Company at the risk of the transferor.

## INSTRUCTIONS FOR TRANSFER, SPLITTING AND CONSOLIDATION

1. This Application Form may be transferred or split, but only to satisfy a *bona fide* market claim. If you have sold, before the date upon which the Existing Ordinary Shares were marked 'ex' the entitlement to the Open Offer by the London Stock Exchange, all of the Existing Ordinary Shares shown in Box A on page 1, you should complete the declaration in Box J on page 4 and pass this Application Form together with the Circular at once to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected for delivery to the purchaser or transferee. However, this Application Form should not be distributed, forwarded or transmitted in or into the United States, Canada, Australia, New Zealand, The Republic of South Africa or Japan or any other jurisdiction if to do so would constitute a violation of the relevant law and/or regulation of such jurisdiction. Box K on page 4 must be completed and signed by the person(s) to whom the Existing Ordinary Shares have been sold if he or she or it wishes to apply on this Application Form for New Ordinary Shares.
2. If you have sold or transferred part only of your registered holding of Existing Ordinary Shares prior to the date upon which the Existing Ordinary Shares were marked 'ex' the entitlement to the Open Offer by the London Stock Exchange, you should complete Box J on page 4 and send this Application Form at once to Computershare Investor Services PLC at Corporate Actions Projects, Bristol, BS99 6AH, accompanied by a letter stating the number of pro rata entitlements of Open Offer Shares to be included in each split Application Form. The number of pro rata Open Offer Entitlements of Open Offer Shares to apply to each split Application Form must be stated and the aggregate must not exceed the number shown in Box B on page 1. Box J on page 4 on each split Application Form will be marked "Declaration of Sale duly made". The latest time and date for splitting is shown in Box L on page 4. Split Application Forms may only be obtained to satisfy *bona fide* market claims and by surrender of this form to Computershare Investor Services PLC in the manner set out above.
3. The right to apply for Open Offer Shares represented by several Application Forms may be claimed by the person(s) to whom Existing Ordinary Shares have been sold as described in paragraph 1 above if Box K on page 4 is completed on one Application Form (the "Principal Application Form") and all the Application Forms are lodged in one batch, together with a remittance for the total number of Open Offer Shares applied for. Details of each Application Form (including the Principal Application Form) should be listed in ascending serial number order in the consolidation listing form (Box P) on the Principal Application Form and the serial number of the Principal Application Form should be entered in the space provided on each of the other Application Forms.
4. If Boxes J and K are completed, Box M must be completed by the selling broker or other agent and Box N must be completed by the buying broker or other agent.
5. If only Box J is completed, Boxes M and N DO NOT need to be completed.

## INSTRUCTIONS FOR DEPOSITING ENTITLEMENTS UNDER THE OPEN OFFER INTO CREST

1. The entitlements under the Open Offer shown by the Open Offer Entitlements set out in Box B of this Application Form may be converted into uncertificated form, that is, deposited into CREST (whether you are the registered holder of the Existing Ordinary Shares set out in Box A or are entitled to the Open Offer Entitlements in Box B by virtue of a *bona fide* market claim). Subject as provided in paragraph 2 below, normal CREST procedures (except for the last time for stock deposits) apply in relation to any such conversion. You are recommended to refer to the CREST Manual for details of such procedures. If you are a CREST sponsored member, you should contact your CREST sponsor. The Application Letter on page 3 should not be signed.
2. If you are the registered holder(s) of the Existing Ordinary Shares set out in Box A, the CREST Deposit Form contained in Box O should be completed and then this Application Form should be deposited by you or your CREST sponsor (as appropriate) with the CREST Courier and Sorting Service ("CCSS"). In addition, the normal CREST Stock Deposit procedures will need to be carried out, except that (a) it will not be necessary to complete and lodge a separate CREST Transfer Form (prescribed under the Stock Transfer Act 1963) with the CCSS and (b) only the total number of the Open Offer Entitlements shown in Box B of this Application Form may be deposited into CREST. You may deposit some only of the Open Offer Entitlements shown in Box B of this Application Form into CREST where you have sold part of your registered holding of Existing Ordinary Shares prior to the date upon which the Existing Ordinary Shares were marked 'ex' the entitlement to the Open Offer by the London Stock Exchange, only once you have applied for a split Application Form in accordance with the instructions in the paragraph headed "Instructions for Transfer, Splitting and Consolidation" above. If you are entitled to the Open Offer Entitlements shown in Box B by virtue of a *bona fide* market claim, the declaration in Box J must have been completed or (in the case of a split Application Form) marked "Declaration of Sale duly made", and then the CREST Deposit Form in Box O completed and the form deposited with the CCSS in accordance with the instructions above. If entitlements under the Open Offer represented by more than one Application Form received in settlement of *bona fide* market claims are to be deposited, the CREST Deposit Form in Box O on each Application Form letter must be completed and the forms deposited. Box J on each Application Form must have been completed by the registered holder(s) whose name(s) appear in Box 1 but the Consolidation Listing Form should not be used.
3. A holder(s) of the Open Offer Entitlements shown in Box B of this Application Form who is proposing to convert such entitlements into uncertificated form (whether they are to be converted into uncertificated form in the name(s) of the registered holder(s) of the Existing Ordinary Shares set out in Box A or in the name of the beneficial owner of any of those Existing Ordinary Shares by virtue of a *bona fide* market claim) should ensure that the conversion procedures are implemented in sufficient time to enable the person holding or acquiring the Open Offer Entitlements in CREST following the conversion to take all necessary steps in connection with applying under the Open Offer prior to 11.00 a.m. on 21 May 2024. In particular, having regard to processing times in CREST and on the part of Computershare Investor Services PLC, the latest time for depositing an Application Form with the CCSS if you are entitled by virtue of a *bona fide* market claim (in order to enable you to take all necessary steps in connection with applying under the Open Offer prior to 11.00 a.m. on 21 May 2024) is 3.00 p.m. on 16 May 2024.
4. When Box J and the CREST Deposit Form have been duly signed, the title to the Open Offer Entitlements shown in Box B of this Application Form will cease forthwith to be transferable by delivery and you will be unable to satisfy a claim to apply under the Open Offer by delivery of this Application Form. Furthermore, entries in Box K will not be recognised or acted upon by Computershare Investor Services PLC. All transfers of the Open Offer Entitlements to satisfy *bona fide* market claims must be affected through the means of the CREST system once such rights have been deposited into CREST.

NOTE: Deposit of this Application Form with (a) the CREST Deposit Form in Box O duly completed purporting to be signed by the person(s) whose name(s) appear(s) in Box 1 or (b) Box J on page 4, duly signed by the person(s) whose name(s) appear(s) in Box 1 or marked "Declaration of Sale duly made" and the CREST Deposit Form in Box O duly completed shall be conclusive evidence in favour of the Company and Computershare Investor Services PLC of: (i) the right of the person(s) named in the CREST Deposit Form to be registered as the holder(s) of the Open Offer Entitlements shown in Box B of this Application Form; and (ii) the authority of the person(s) completing Box J (if appropriate) or the CREST Deposit Form in Box O. All documents will be despatched by post at the risk of the person(s) entitled to them.

**APPLICATION LETTER**

**To: the Directors of the Company**

1. I/We being the registered holder(s) at the close of business on the Record Date of the number of Existing Ordinary Shares set out in Box A on page 1 (or the beneficial owner(s) of any of those shares by virtue of a *bona fide* market claim in certificated form) hereby apply irrevocably for the number of Open Offer Shares inserted in Box F on page 1 (subject to the further provisions set out in paragraph 3 below) and agree to accept the same on the terms and subject to the conditions set out herein and in the Circular and subject to the memorandum and articles of association of Invinity Energy Systems plc.
2. I/We enclose a cheque or banker's draft drawn in sterling on a bank or building society in the UK, payable to "CIS PLC re: Invinity Energy Systems plc Open Offer" and crossed "A/C Payee Only" for the amount inserted in Box G on page 1, being the amount payable in full on application for such Open Offer Shares or, if Box G is left blank or the amount inserted in Box G is inconsistent with the remittance, for the sum payable in full on application for such Open Offer Shares at 23 pence per Open Offer Share as are applied for, or deemed to be applied for in accordance with the provisions of this Application Form.
3. In consideration of your agreeing to accept this application for the number of Open Offer Shares applied for, or deemed to be applied for, in accordance with the provisions of this Application Form, upon and subject to the terms and conditions set out herein and in the Circular, I/we undertake that this application shall be irrevocable and I/we acknowledge that you reserve the right to treat any application not complying strictly with the terms and conditions of application as nevertheless valid and, in the case of my/our failure to complete Box F (or if the number inserted in Box F is inconsistent with the remittance which accompanies this Application Form), I/we agree that I/we shall be deemed to have applied for the lesser of (i) the number of Open Offer Shares set out in Box B or, if completed, Box F and (ii) such number of Open Offer Shares at 23 pence per Open Offer Share as is covered by the remittance which accompanies this Application Form.
4. I/We request and authorise the Company, in respect of the Open Offer Shares for which this application is accepted, to send definitive share certificates representing the Open Offer Shares by post at my/our risk to me/us to the address printed on page 1 or to the agent whose name appears in Box H on page 4 unless I am/we are Eligible Shareholder(s) whose holding of Existing Ordinary Shares is held in uncertificated form on the Record Date or I am/we are applying via a *bona fide* market claim and I/we have indicated that I/we wish to have my/our Open Offer Shares delivered through CREST by completing Box I on page 4 in which case I/we acknowledge that if the Open Offer Shares for which this application is accepted are credited to the stock account in CREST having the CREST Member Account ID held at the Record Date as shown in Box I then, save as otherwise provided herein or in the Circular, I/we will not be sent a share certificate, confirmation of the credit to the stock account in CREST or any other written communication from the Company in respect of the issue of Open Offer Shares. I/we require the Company to take all steps to procure that my/our name(s) is/are placed on the register of members maintained by the Company. Pending despatch of definitive share certificates or alteration of CREST Stock Accounts (as the case may be), transfers will be certified against the register of members of the Company. I/we further acknowledge that, if I/we have indicated that I/we wish to have my/our Open Offer Shares delivered through CREST by completing Box I on page 4, the Company reserves the right to issue Open Offer Shares in certificated form.
5. I/We authorise Invinity Energy Systems plc to present the enclosed cheque or banker's draft on receipt and to withhold issuing definitive share certificates (or the crediting of the relevant CREST Stock Account, as applicable) pending clearance thereof. In the event that the condition of the Open Offer set out in Part I of the Circular is not fulfilled or waived by 8 a.m. on 24 May 2024 or such other later date as may be agreed by Invinity Energy Systems plc being not later than 8 a.m. 28 June 2024, I/we authorise you or your agent to return such application monies, without interest, in accordance with the terms set out in the Circular to me/us by post at my/our risk either to the address printed on page 1, in respect of the Open Offer Shares for which this application is accepted or if the name and address of my/our agent is inserted in Box H on page 4, to my/our agent at such address, as soon as practicable thereafter.
6. I/We acknowledge that due completion of the Application Form accompanied by a cheque or banker's draft constitutes a warranty that the cheque or banker's draft will be honoured on first presentation and that such warranty shall constitute a fundamental term of application and, without prejudice to the Company's right to require payment, that this application may be deemed invalid if such cheque or banker's draft is not so honoured. I/We acknowledge that you reserve the right to instruct Computershare Investor Services PLC to seek special clearance of cheques or banker's drafts to allow the Company to obtain value for remittances at the earliest opportunity.
7. By lodging this Application Form, I/we undertake to provide such information to Computershare Investor Services PLC, as may be required under the provisions of the paragraph headed "Money Laundering Regulations" in Part III of the Circular. As stated in such paragraph, failure to provide the necessary evidence of identity within a reasonable period of time following a request for verification of identity may result in an application being treated as invalid. In such event, the monies payable on application will be returned without interest, to the account at the drawee bank from which such monies were originally debited (but without prejudice to any rights the Company may have to take proceedings to recover any loss or damage suffered or incurred by it as a result of the failure to produce satisfactory evidence as aforesaid). Computershare Investor Services PLC is entitled, in its absolute discretion, to determine whether the verification of identity requirements apply to an applicant and whether such requirements have been satisfied.
8. I/We represent and warrant that either (i) I am/we are not (a) US person(s) and am/are not applying on behalf or with a view to the re-offer, re-sale or delivery of the Open Offer Shares directly or indirectly in, into or from the United States or to a US person or (ii) I am/we are (a) US person(s) pursuant to an express agreement with the Company, after having satisfied or after such US person(s) has/have satisfied the Company that a relevant exemption from the registration requirements of the Securities Act applies to me/us or such US person(s).
9. I/We acknowledge that the dates and times referred to in this Application Form may be altered by the Company.
10. I/We represent and warrant that I/we am/are not:
  - (i) (a) citizen(s) or (a) resident(s) of, or has/have a registered or mailing address in the United States (except as permitted under Rule 903 of Regulation S), Canada, Australia, New Zealand, the Republic of South Africa or Japan that I/we do not hold and has/have not acquired the Existing Ordinary Shares comprised in Box A for the account or benefit of a US person, a Canadian person, an Australian person, a New Zealander person, a South African person, or a Japanese person or with a view to the offer, sale, transfer or delivery, directly or indirectly, of any of the Existing Ordinary Shares (or any rights in respect of such shares) incurring in, into the United States, Canada, Australia, New Zealand, the Republic of South Africa, or Japan to such a person; nor
  - (ii) (a) person(s) otherwise prevented by legal or regulatory restrictions from applying for Open Offer Shares under the Open Offer; nor
  - (iii) acting on behalf of any such person(s) as are described in paragraphs 10(i) and 10(ii) above on a non-discretionary basis; nor
  - (iv) applying as a person (or as nominee or agent for such a person) who is or may be liable to notify and account for tax under the Stamp Duty Reserve Tax Regulations 1986 at any of the increased rates referred to in sections 67, 70, 93 or 96 (depository receipts and clearance services) of the Finance Act 1986; nor
  - (v) in making this application, relying on any information or representation relating to the Company other than such as may be contained in the Circular and I/we agree that no person responsible solely or jointly for the Circular or any part of it or involved in the preparation thereof shall have any liability for any representation contained in the Circular; nor
  - (vi) in breach of the provisions of paragraph 1 under "Instructions for Transfer, Splitting and Consolidation"; nor
  - (vii) inside the United States (except as permitted under Rule 903 of Regulation S) or any jurisdiction where to receive the Application Form would or might contravene local securities laws or regulations at the time of despatching or executing the Application Form.
11. I/We acknowledge that the Company reserves the right to reject Application Forms received from Shareholders in any prohibited territory or persons it believes are acquiring New Ordinary Shares for resale in any such territory.
12. I/We agree that all applications, acceptances of applications and controls resulting therefrom under the Open Offer shall be governed by, and construed in accordance with, English law.

Note: If you cannot give the representations and warranties set out above you should not make this application without first having satisfied the Company (i) that an Application Form may be accepted without the giving of the representations and warranties and (ii) that the making of the Open Offer in the relevant territory could lawfully be made to the relevant Shareholder and such Application Form could lawfully be used without compliance with any registration or other legal or regulatory requirements other than any which may have been fulfilled. Without prejudice to the foregoing, the Company reserves the right at its absolute discretion to reject any Application Form from any Shareholder unable to give the representations and warranties, albeit without giving any reason therefore.

Dated

PLEASE SIGN HERE ONLY IF YOU ARE THE PERSON(S) NAMED ON PAGE 1

First or Sole Holder  
(1) Usual Signature

ALL JOINT HOLDER(S) MUST SIGN

Joint holder(s) (if any)  
(2) Usual Signature

(3) Usual Signature

(4) Usual Signature

**Execution by a Company:** The common seal was affixed/executed as a deed on behalf of the Company named above in the presence of:

Signature

Name of Director

Signature

Name of \*Director/Secretary/Witness



