

16 December 2025

Price (p)	17.50
Shares in issue (m)	569
Mkt Cap (£m)	100
Net debt (£m)	-3
EV (£m)	96
BVPS (p)	29.6

Share price performance

1m	-10.3%
3m	-21.3%
12m	11.1%
12 m high/low	28.6/7.9
Ave daily vol (30D)	367,913

Longspur Valuation Estimates

Low 30p, Central 58p, High 110p

Shareholders (Bloomberg)

National Wealth Fund	19.1%
Atri Energy Transition	11.3%
Next Gen Mobility	11.3%
Schroders plc	10.4%
Janus Henderson	4.6%
Artha Global Opps.	3.9%

Free float 72.6%

Next news Final Q1

Business description

Vanadium flow battery developer



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LoDES PROJECT ON TRACK

Invinity is making good progress on the 20.7MWh Copwood VFB Energy Hub. The company is developing this project itself which will give Invinity an operating asset that will be a valuable reference site allowing potential clients to evaluate the technology in a real-world setting. The timing means that £10m of project grant income will be recognised this year.

40 Flow Batteries Now Delivered

Invinity has confirmed that the 20.7MWh LoDES project, now renamed the Copwood VFB Energy Hub, is proceeding in line with expectations. The first phase of delivery is now complete with 40 Invinity vanadium flow batteries delivered. Shipping of the remaining batteries and installation of the 3MWp solar array is planned for the new year and the project remains on schedule to be completed in Q1 2026 before connection to the grid and commercial operation during 2026. The delivery of the first phase means that the company will recognise £10m of project grant income awarded under the Department of Energy Security and Net Zero's LoDES programme, this year - a significant amount of which has already been received.

Solar Co-location Adds Value

We continue to see this as an important project for Invinity especially with the addition of the 3MWp of co-located solar PV generation. We see the co-location of solar as working particularly well with flow batteries given their more appropriate duration and effectively creating dispatchable solar that can deliver power when demanded. The Company has already demonstrated solar co-location on projects for customers in Canada and Australia.

£,000 Dec	2022a	2023a	2024a	2025e	2026e	2027e
Sales	2,944	22,066	5,015	20,683	51,309	95,193
EBITDA	-17,632	-21,379	-22,674	-21,685	-10,960	8,664
PBT	-18,537	-23,179	-22,797	-24,254	-14,403	1,987
EPS	-16.0	-13.1	-6.6	-4.3	-2.5	0.3
CFPS	-19.5	-11.7	-8.0	-4.1	-4.0	0.0
DPS	0.0	0.0	0.0	0.0	0.0	0.0
Net Debt (Cash)	-3,428	-3,458	-30,657	-33,407	-12,022	-12,309
Debt/EBITDA	0.2	0.2	1.4	1.5	1.1	-1.4
P/E	-1.1	-1.3	-2.6	-4.1	-6.9	66.8
EV/EBITDA	-5.5	-4.5	-4.2	-4.4	-8.8	11.1
EV/sales	32.6	4.4	19.2	4.6	1.9	1.0
FCF yield	-1.1%	-0.7%	-0.5%	-0.2%	-0.2%	0.0%
Div yield	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

KEY DATA

Invinity designs and manufactures stationary, utility-grade energy storage for grid-scale, commercial and industrial (C&I), and microgrid applications based on vanadium flow battery technology. The Company has more than 190 MWh of systems deployed, contracted for delivery or awarded for projects across more than 90 sites in 17 countries. The Invinity VS3 product is a modular, vanadium flow battery (VFB) based on proven technology which has been developed over 20 years and the newer Endurium battery is sized for utility scale deployment. Typically coupled with solar or wind generation or simply directly connected at key transmission points on the electricity network, Invinity's batteries are considered to be one of the leading alternatives to lithium-ion batteries for stationary energy storage applications and boast a number of advantages in terms of economics, durability and safety.

BULL POINTS

- Sector leading flow battery
- Demand for long-duration, high-throughput batteries set to grow
- Company gaining traction

BEAR POINTS

- Market needs not always understood by client base
- Market is still relatively immature and policy uncertain
- Competing technologies create noise

CATALYSTS

- New project traction
- Further policy developments

VALUATION

We have based our valuation on a DCF model as the early stage of most long-duration storage comparators makes a comparative multiples-based valuation difficult. We used a WACC of 11.3% to derive a central case valuation of 58p per share based on a 2030 market share of 2.5%. A lower market share and a requirement to raise new equity to meet this drops this valuation to 30p and represents our low case. A market share of 5% gives a high case valuation of 110p.

RISKS

The key risks to our valuation are delays to the conversion of pipeline opportunities into sales, policy uncertainty and technology disruption as potential new storage technologies emerge. The first two are both about delays rather than outright failure of the business. We see the diversity of business opportunities as protecting the company from both these risks. Most newer technologies do not compete head-to-head, targeting different niches of the potentially very large storage market.

FINANCIAL MODEL

Profit and Loss Account

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

Source: Company data, Longspur Research estimates

KEY POINTS

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

Balance Sheet

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

Source: Company data, Longspur Research estimates

KEY POINTS

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

Cashflow

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

Source: Company data, Longspur Research estimates

KEY POINTS

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

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