NEWS RELEASE

# Vertical Aerospace Announces Closing of Upsized $90M Underwritten Public Offering

2025-01-24

LONDON--(BUSINESS WIRE)-- Vertical Aerospace (Vertical) (NYSE: EVTL) ("Vertical" or the "Company"), a global aerospace and technology company that is pioneering electric aviation, today announces the closing of its previously announced underwritten public offering (the "Offering") for total gross proceeds of $90 million, before deducting underwriting discounts and commissions and other offering expenses.

Vertical's VX4 prototype during recent piloted test flights in the UK. (Photo: Business Wire)

The amount raised was increased from an initial launch target of $75 million, reflecting strong investor demand.

The $90 million raise includes over $60 million from new investors, as well as $25 million from Mudrick Capital, following the **signing of the investment agreement** on December 20, 2024 (the "Investment Agreement"). The Investment Agreement, aimed at strengthening Vertical's balance sheet and accelerating the Company's **Flightpath 2030 strategy**, also included the conversion of $130 million of debt into equity.

In the Offering, Vertical sold 15 million units at $6.00 per unit. Each unit comprises one ordinary share and one-half of one Tranche A warrant and one-half of one Tranche B warrant. The exercise of the warrants would generate additional proceeds of approximately $101 million.

Vertical intends to use the proceeds from this Offering to fund its research and development expenses as Vertical continues to develop the VX4 and its expenditures in the expansion of its testing and certification capacities, as well as for general working capital and other general corporate purposes.

Specifically, the Company expects the funds will be used to progress Vertical's operational targets for 2025 and enable an acceleration of spending in the second half of the year compared to prior plans. This approach supports Vertical's delivery of its **Flightpath 2030 plan**, including its target to achieve certification in 2028.

Vertical's 2025 operational targets include things such as:

- Fly full-scale piloted wingborne and transition.
- Build and fly its third full-scale VX4 prototype.
- Fly full-scale piloted flights demonstrating real-world use cases.
- Earn additional DOA privileges including Flight Conditions privilege granted by the CAA.
- Initiate certification aircraft production with long-range parts purchasing.
- Strengthen its operating model and shift its approach to focus on execution.

Today's funding follows significant flight test progress in January 2025, with Vertical becoming only the second company in the world to **achieve piloted thrustborne flight manoeuvres** with a full-scale vectored thrust eVTOL aircraft. The company also recently announced that aviation industry veteran, Dómhnal Slattery, **has been appointed Chairman**.

## Stuart Simpson, CEO of Vertical, said:

"I couldn't be more thrilled with how we've started the year. This funding, which exceeds our initial launch target, represents a major milestone for our business as we advance our Flightpath 2030 strategy, building on significant operational momentum. While the real work lies ahead, I've never been so confident that we have the team, technology, and vision to drive our mission to pioneer electric aviation."

## Dómhnal Slattery, Vertical Chairman, said:

"Strong investor demand and the success of this upsized public offering are indicators of investors' confidence in Vertical's vision and our ability to lead the eVTOL sector by the end of the decade. Securing access to capital is critical to our success, and I want to extend my gratitude to Jason Mudrick for his pivotal initial investment, which set the stage for this funding round and inspired others to join us on this transformative journey."

William Blair acted as lead bookrunner and Canaccord Genuity acted as joint bookrunner for the Offering.

The Offering was made pursuant to a shelf registration statement on Form F-3 (File No. 333- 275430) previously filed with the Securities and Exchange Commission (the "SEC") on November 9, 2023 and declared effective by the SEC on November 16, 2023. The final prospectus supplement relating to the Offering has been filed with the SEC and is available on the SEC's website located at **www.sec.gov**, copies of which can be obtained from: William Blair &

Company, L.L.C., Attention: Prospectus Department, 150 North Riverside Plaza, Chicago, IL 60606, by telephone at (800) 621-0687, or by email at **prospectus@williamblair.com** ; or Canaccord Genuity LLC, Attention: Syndication Department, One Post Office Square, Suite 3000, Boston, MA 02109, by telephone at (800) 225-6104, or by email at **prospectus@cgf.com**.

This press release does not constitute an offer to sell or a solicitation of an offer to buy, nor will there be any sale of these shares of common stock in any state or other jurisdiction in which such offer, solicitation, or sale would be unlawful before registration or qualification under the securities laws of any such state or jurisdiction.

## Notes to Editors

- Total number of ordinary shares outstanding following the closing of this offer is: 84,552,721 (excluding ordinary shares held in treasury).
- Cash and cash equivalents as of 31 December 2024: £22.5 million ($28 million, calculated based on the GBP/USD exchange rate of £1 to $1.2528 as of 31 December 2024.).
- Gross proceeds of raise $90 million, net proceeds $84.0 million.
- Vertical Aerospace currently plans to release its FY 2024 results on 11 March 2025.

This information regarding our cash position as of December 31, 2024 is preliminary and subject to adjustment, and has been prepared by, and is the responsibility of, our management.

## About Vertical Aerospace

Vertical Aerospace is a global aerospace and technology company pioneering electric aviation. Vertical is creating a safer, cleaner and quieter way to travel. Vertical's VX4 is a piloted, four passenger, Electric Vertical Take-Off and Landing (eVTOL) aircraft, with zero operating emissions.

Vertical combines partnering with leading aerospace companies, including GKN, Honeywell and Leonardo, with developing its own proprietary battery and propeller technology to develop the world's most advanced and safest eVTOL.

Vertical has c.1,500 pre-orders of the VX4, with customers across four continents, including American Airlines, Japan Airlines, GOL and Bristow. Certain customer obligations are expected to be fulfilled via third-party agreements.

Headquartered in Bristol, the epicentre of the UK's aerospace industry, Vertical's experienced leadership team comes from top tier automotive and aerospace companies such as Rolls-Royce, Airbus, GM and Leonardo. Together they have previously certified and supported over 30 different civil and military aircraft and propulsion systems.

## Forward-Looking Statements

This press release contains forward-looking statements within the meaning of the U.S. Private Securities Litigation Reform Act of 1995 that relate to our current expectations and views of future events. We intend such forward-looking statements to be covered by the safe harbor provisions for forward-looking statements as contained in Section 27A of the Securities Act of 1933, as amended (the "Securities Act") and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). Any express or implied statements contained in this press release that are not statements of historical fact may be deemed to be forward-looking statements, including, without limitation, statements regarding the use of proceeds from the Offering, the potential exercise of the warrants issued in the Offering and the proceeds issued from such potential exercise, our future results of operations and financial position, our plans for capital expenditures, the design and manufacture of the VX4, our business strategy and plans and objectives of management for future operations, including the building and testing of our prototype aircrafts on timelines projected, certification and the commercialization of the VX4 and our ability to achieve regulatory certification of our aircraft product on any particular timeline or at all, expectations surrounding pre-orders and commitments, the features and capabilities of the VX4, the transition towards a net-zero emissions economy, as well as statements that include the words "expect," "intend," "plan," "believe," "project," "forecast," "estimate," "may," "should," "anticipate," "will," "aim," "potential," "continue," "are likely to" and similar statements of a future or forward-looking nature. Forward-looking statements are neither promises nor guarantees, but involve known and unknown risks and uncertainties that could cause actual results to differ materially from those projected, including, without limitation: our limited operating history without manufactured non-prototype aircraft or completed eVTOL aircraft customer order; our history of losses and the expectation to incur significant expenses and continuing losses for the foreseeable future; the market for eVTOL aircraft being in a relatively early stage; our potential inability to produce, certify or launch aircraft in the volumes or timelines projected; the potential inability to obtain the necessary certifications for production and operation within any projected timeline, or at all; any accidents or incidents involving eVTOL aircraft could harm our business; our dependence on partners and suppliers for the components in our aircraft and for operational needs; the potential that certain strategic partnerships may not materialize into long-term partnership arrangements; all of the pre-orders received are conditional and may be terminated at any time and any pre-delivery payments may be fully refundable upon certain specified dates; the inability for our aircraft to perform at the level we expect and may have potential defects; any potential failure to effectively manage our growth; our inability to recruit and retain senior management and other highly skilled personnel, our ability to raise additional funds when we need or want them, or at all, to fund our operations; our limited cash and cash equivalents and recurring losses from our operations raise significant doubt (or raise substantial doubt as contemplated by PCAOB standards) regarding our ability to continue as a going concern; the fact that we have previously identified material weaknesses in our internal controls over financial reporting which if we fail to properly remediate, could adversely affect our results of operations, investor confidence in us and the market price of our ordinary shares; the fact that as a foreign private

issuer, we follow certain home country corporate governance rules, are not subject to U.S. proxy rules and are subject to Exchange Act reporting obligations that, to some extent, are more lenient and less frequent than those of a U.S. domestic public company; and the other important factors discussed under the caption “Risk Factors” in our Annual Report on Form 20-F filed with the SEC on March 14, 2024, as such factors may be updated from time to time in our other filings with the SEC. Any forward-looking statements contained in this press release speak only as of the date hereof and accordingly undue reliance should not be placed on such statements. We disclaim any obligation or undertaking to update or revise any forward-looking statements contained in this press release, whether as a result of new information, future events or otherwise, other than to the extent required by applicable law.

## Enquiries please contact:


### Vertical Aerospace Media

Justin Bates, Head of Communications

**justin.bates@vertical-aerospace.com** +44 7878 357 463

### Investor Relations

Samuel Emden, Head of Investor Affairs

**samuel.emden@vertical-aerospace.com** +44 7816 459 904


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