

VERTICAL AEROSPACE FINALISES INVESTMENT AGREEMENT

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Vertical Aerospace has entered into definitive documents and received shareholder approval for a transaction that includes up to \$50 million in new committed funding. This announcement marks the significant advancement of the agreement in principle, announced in November, aimed at strengthening Vertical’s balance sheet by approximately \$180 million and accelerating the Company’s Flightpath 2030 strategy.

Stuart Simpson, CEO at Vertical, commented:“Ending this momentous year with a finalised funding commitment and strong shareholder backing is a tremendous milestone. This moment sets us up perfectly for our biggest year yet - with new investment, piloted testing progress and major technological developments all on the cards.”

Jason Mudrick, Founder and Chief Investment Officer at Mudrick Capital Management, said: “Vertical is revolutionizing how the world moves, and we are proud to play a pivotal role in positioning the company for success. We look forward to continuing to partner with Vertical’s exceptional team and contributing capital market and other expertise in helping to bring their groundbreaking product offering to reality.”

The announcement includes:

- **Up to \$50 million funding commitment by Mudrick Capital:** on 20 December 2024, Mudrick Capital signed an investment [agreement](#) finalising its commitment of \$25 million in upfront funding, and an additional \$25 million backstop (as reduced by any amounts raised from third parties).
- **Balance sheet strengthening:** on 23 December 2024, Mudrick Capital completed the conversion of \$130 million of debt into equity at a conversion price of \$2.75 per Ordinary Share and agreed to fix the conversion price for the remaining \$130 million at \$3.50 per Ordinary Share. This transaction substantially reduces Vertical’s debt and significantly deleverages the Company’s balance sheet, enhancing its financial position. Mudrick Capital has also agreed with the Company to extend the loan repayment date by two years to December 2028, providing further security through Vertical’s certification programme.
- **Shareholder support for new governance arrangements and increased authorised share capital:** at an EGM held on 23 December 2024, Vertical’s shareholders voted in favour of certain amendments to the Company’s memorandum and articles of association. These include provisions to establish a majority of independent directors on the Board, to grant Mudrick Capital proportional director nomination rights based on its share ownership (when above 10%), and to increase the Company’s authorised share capital from \$110,000 (representing 100 million ordinary shares and 10 million preferred shares) to \$210,000 (representing 200 million ordinary shares and 10 million preferred shares).

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