



VERTICAL AEROSPACE ADVANCES PILOTED FLIGHT TESTING, MANUFACTURING AND DEMAND FOR VALO

News / Business aviation, Manufacturer



Vertical Aerospace released its 2025 Annual Report, including FY25 financial results and an update on its flight test programme, manufacturing progress and commercial momentum. Stuart Simpson, CEO of Vertical Aerospace, commented: “We’ve made strong progress across the business – achieving key piloted flight milestones, advancing transition testing and launching Valo to the market. The response from customers and partners has been very encouraging, with renewed order activity and growing confidence in our programme. We are now firmly focused on certification and scaling production.”

Valo driving market demand

- Vertical launched Valo, its commercial eVTOL aircraft, in 2025. Designed for 4–6 passengers, Valo’s large cabin size and modular architecture enables applications across emergency medical services, cargo, and defence.

- Valo has been showcased across London, New York, Miami and Atlanta, engaging airline partners, investors, regulators, suppliers and infrastructure providers, including the development of potential route networks.
- The Company has reopened its order book, reflecting increased confidence in programme progress and demand. Recent orders from JetSetGo and Heli Air Monaco support early market development in India and along the Côte d'Azur.

Advancing flight testing toward certification

- Vertical completed key piloted flight phases in 2025 - hover, vertical flight (VTOL) and wingborne flight (CTOL) - including the first winged eVTOL flight in open European airspace and airport-to-airport flight at the Royal International Air Tattoo.
- Following 20 months of piloted flight tests, transition testing began in November 2025 under UK Civil Aviation Authority (CAA) oversight, focusing on seamless movement between vertical lift and wingborne flight. The Company is expanding the transition envelope from both ends, accelerating from hover (90 to 50 degrees tilt) and decelerating from wingborne flight (0 to 40 degrees), and recently completed a wingborne tilt profile with controlled rear propeller deployment and re-stow.
- A third, and final, identical full-scale prototype was completed in December to provide increased flight capacity and has begun ground testing ahead of demonstration flight tests this year.

Scaling manufacturing to support certification and early production

- Vertical recently launched its battery pilot production line at its Vertical Energy Centre (VEC), enabling production of battery packs for certification aircraft and initial commercial deliveries. VEC2, a new 30,000 sq ft facility adjacent to the existing site, is expected to open later this year and will significantly ramp-up battery build and manufacture.
- Beyond aircraft sales, batteries represent a key long-term revenue opportunity. Vertical expects to supply approximately 20 battery packs per aircraft over its lifetime and up to ~45,000 battery sub-packs per year by 2035, targeting c.40% gross margins.
- Vertical is advancing plans to expand its presence at Cotswold Airport following the signing of a letter of intent, bringing total space to approximately 130,000 sq ft. Located adjacent to the existing Flight Test Centre, this site is expected to deliver production capacity of more than 25 Valo aircraft annually.

Financials and Outlook

- Vertical strengthened its balance sheet in 2025, completing two public equity raises and establishing an “at the market” facility, securing over \$175 million in capital.
- The Company maintained strong capital discipline, with FY25 net cash used in operations of approximately \$112 million (£83 million), in line with guidance.
- Looking ahead, Vertical expects net cash outflows of approximately \$195 million (£145 million) over the next 12 months, reflecting increased investment in flight testing, certification and manufacturing.
- As of December 31, 2025, the Company held approximately \$93 million (£69 million) in cash and cash equivalents.
- As of the date of this report, Vertical's short-term liquidity includes cash on hand (approximately \$58 million / £43 million) and anticipated near-term receipts from R&D tax reliefs (approximately \$23 million / £17 million) and government grants & VAT (approximately \$5 million / £4 million).

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