

2025

Annual Review



Member of Sumitomo Drive Technologies



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Introduction from Adrian Ellam, CEO, Invertek Drives

Driving growth through innovation, reliability and global partnerships

2025 was a year of renewed momentum for Invertek Drives. After a period in which global markets remained difficult and unpredictable, the Group returned to strong growth - delivering sales revenue of £72.8 million and selling more than 300,000 drives worldwide. Export sales remained exceptionally strong, representing 93% of total revenue - underlining the truly international nature of our business and the confidence placed in Invertek by customers and partners across global markets.

These results are particularly significant given the continued challenges facing many of the industries and regions we serve. The global economic environment remained tough throughout the year, with pressure especially evident in key European markets, including Germany. Against this backdrop, our performance reflects the strength of our product portfolio, the resilience of our people, the loyalty of our customers and the effectiveness of our international distribution network.

For our customers - many of them large manufacturers, OEMs and industrial technology providers - 2025 was also a year in which the need for efficiency, reliability and long-term technical confidence became even more important. Energy costs, sustainability targets, supply chain complexity and the pressure to increase productivity all continued to shape investment decisions. Invertek Drives is proud to play a role in helping customers meet these challenges through advanced variable frequency drive technology that supports more efficient motor control, improved process performance and reduced operating costs.

Just as importantly, we continue to focus on making that technology easy to use. Ease of use is in the DNA of Invertek Drives. It is fundamental to the way we design our products, develop our



technology and support our customers. From selection and commissioning through to integration, operation and service, our aim is to remove unnecessary complexity and help customers achieve results quickly and confidently. That same philosophy also shapes the way we work commercially. We want to be easy to do business with - responsive, practical, flexible and focused on helping customers and partners succeed.



Recognition for international growth

One of the defining milestones of the year was Invertek Drives being honoured with the King's Award for Enterprise for International Trade. This recognition is a significant achievement for the business and reflects our sustained export performance, continued global expansion and long-term commitment to international customers.

The award recognises not only our commercial growth, but also the strength of our international business development activities. Over recent years, we have continued to expand and strengthen our distributor network, deepen our engagement in existing territories and successfully develop new markets. This global reach is central to the Invertek model. Our customers operate internationally, and they need partners that can support them with consistent products, clear technical expertise and dependable service across the globe.

We are proud to manufacture in Wales and serve the world. The consistent 93% export rate achieved in 2025 demonstrates the strength of our position with global customers - particularly in the United States, where we experienced continued growth. It also reflects the trust that OEMs, manufacturers and distribution partners place in Invertek technology.

For us, international growth is not simply about volume. It is about building lasting partnerships in the markets we serve. Whether we are supporting an OEM integrating Optidrive technology into its own equipment, a manufacturer seeking energy savings across its operations, or a distributor developing

local market opportunities, our objective is the same: to deliver reliable products, practical expertise and long-term value.

Innovation at the core of our future

The variable frequency drive industry is extremely competitive, and we recognise that continued success depends on our ability to keep pace with the latest technologies, processes and customer expectations. Failure to innovate is not an option. That is why Invertek continues to invest in research, development and product innovation as a central priority for the Group.

A major focus during 2025 was the continued introduction of our next-generation Optidrive E4 variable frequency drive platform. The platform was formally launched at the SPS industrial automation exhibition in Germany, one of the most important events in the global automation calendar. This launch represented an important step forward for Invertek and a major advancement of our core product range.

Optidrive E4 provides a strengthened technical foundation for future development and wider application coverage. It has been designed to support the evolving needs of OEMs, machine builders and industrial users who require efficient, flexible and reliable motor control solutions. As automation systems become more advanced, and as customers demand greater functionality, easier integration and improved performance, platforms such as Optidrive E4 will be central to how we support the market.

Throughout the year, work also continued on product certification and sector-specific approvals. This is an essential part of serving international customers. Different regions and industries have different regulatory requirements, and our ability to support those requirements gives customers



confidence when specifying Invertek drives for global applications. For OEMs in particular, certification, approvals and application coverage are vital to reducing complexity and accelerating market access.

Supporting the sectors that shape global industry

Activity across 2025 reinforced our distributor development, strengthened our sector positioning and increased product awareness in key application areas. Invertek technology continues to be used across a broad range of industries, including industrial automation, water, agriculture and materials handling.

These are sectors where dependable motor control has a direct impact on performance, productivity and cost. In water and wastewater applications, drive technology supports the efficient operation of pumps and process systems. In agriculture, it helps improve control, reliability and energy use in demanding environments. In materials handling, it contributes to smoother operation, improved throughput and reduced mechanical stress. In industrial automation, it supports the flexibility and precision required by modern manufacturing systems.

Throughout the year, we placed particular emphasis on sectors where energy efficiency is especially important, including refrigeration and data centres. These markets are under increasing pressure to reduce energy consumption while maintaining high levels of reliability and operational continuity. Variable frequency drives have a crucial role to play in helping customers achieve those goals.

For large manufacturers and OEMs, energy efficiency is now both a commercial and strategic priority. It impacts operating cost, carbon reduction, equipment design and customer value. Our role is to provide drive technology that helps customers make measurable improvements without compromising on performance or reliability.

Reliability as a reason to choose Inverter

Reliability remains one of the most important reasons customers choose Inverter Drives. In 2025, we continued to maximise product reliability, keeping our Field Failure Rate in line with our very challenging target level. This is a significant achievement and one that reinforces our reputation in the market.

For our customers, reliability is not an abstract measure. It affects production uptime, service costs, warranty exposure, and long-term confidence in equipment performance - all of which directly impact customer satisfaction. For OEMs, the reliability of every component integrated into a machine reflects on their own brand. For manufacturers, dependable drive technology helps reduce disruption and supports continuous operation.

We take that responsibility seriously.

Our approach to reliability starts with design and engineering, and extends across manufacturing, testing, quality control, supply chain management and customer support. Every drive we produce must meet the standards expected by customers operating in competitive and often demanding environments. Maintaining a low Field Failure Rate is therefore not only a technical achievement; it is a reflection of the discipline and commitment across the whole business.

Strengthening supply chain resilience

The past few years have highlighted the importance of resilient supply chains. Component availability, supplier stability and long-term procurement planning are now essential in providing a consistently reliable service to customers.

Our procurement team has made significant progress in improving our supply chain and mitigating risk. We have worked hard to ensure consistent component availability and have secured long-term contracts with key suppliers in specific component areas. These actions have strengthened our ability to support customer demand and maintain continuity in a market where supply chain disruption remains a real concern.

For large manufacturers and OEMs, continued supply is critical. Customers need to know that the products they specify today will be supported tomorrow. They need confidence not only in the technology itself, but also in the operational capability behind it. Our work in procurement and supply chain development is an important part of our ongoing commitment to all of our customers.

Governance, partnership and operational standards

As part of the Sumitomo Heavy Industries, alignment with group governance and reporting frameworks remained a priority throughout 2025. This ensures robust oversight, consistent operational standards and clear accountability across the wider group.

For Inverter, this alignment supports our continued development as a global business. It helps strengthen our processes while allowing us to maintain the entrepreneurial, customer-focused approach that has defined our success to date. Our customers benefit from a business that combines specialist drive expertise with the support, discipline and long-term perspective of a major international industrial group.





Partnerships are fundamental to our business. We know that our customers are not simply buying a product; they are choosing a technology partner whose performance affects their own systems, equipment and reputation. That understanding shapes the way we work.

Our commitment to being easy to do business with is an important part of this partnership approach. Customers and distributors need speed, clarity and practical support. They need people who understand their applications and respond with solutions, not complexity. That is why we continue to invest not only in products and technology, but also in the systems, processes and relationships that make working with Invertek straightforward, dependable and productive.

Looking to the future

The company remains highly profitable and continues to demonstrate financial resilience. Our 2025 performance gives us a strong platform for the future, and we are strategically positioned to deliver further strong growth in the future.

The opportunities ahead are substantial. Global industry continues to seek improvements in energy efficiency, automation, productivity and sustainability. OEMs are developing smarter and more efficient machines. Manufacturers are investing in technologies that reduce operating costs and improve resilience. Data centres, refrigeration systems, water infrastructure, agricultural operations and industrial automation platforms all require effective motor control solutions. Invertek Drives is well placed to support these needs.

We will continue to invest in research and development. We will continue to strengthen the Optidrive platform. We will continue to expand product certification and application coverage. We will continue to support our distributors and deepen our engagement with global customers. Above all, we will continue to focus on the qualities that matter most to the industries we serve: innovation, reliability, efficiency, ease of use and partnership.

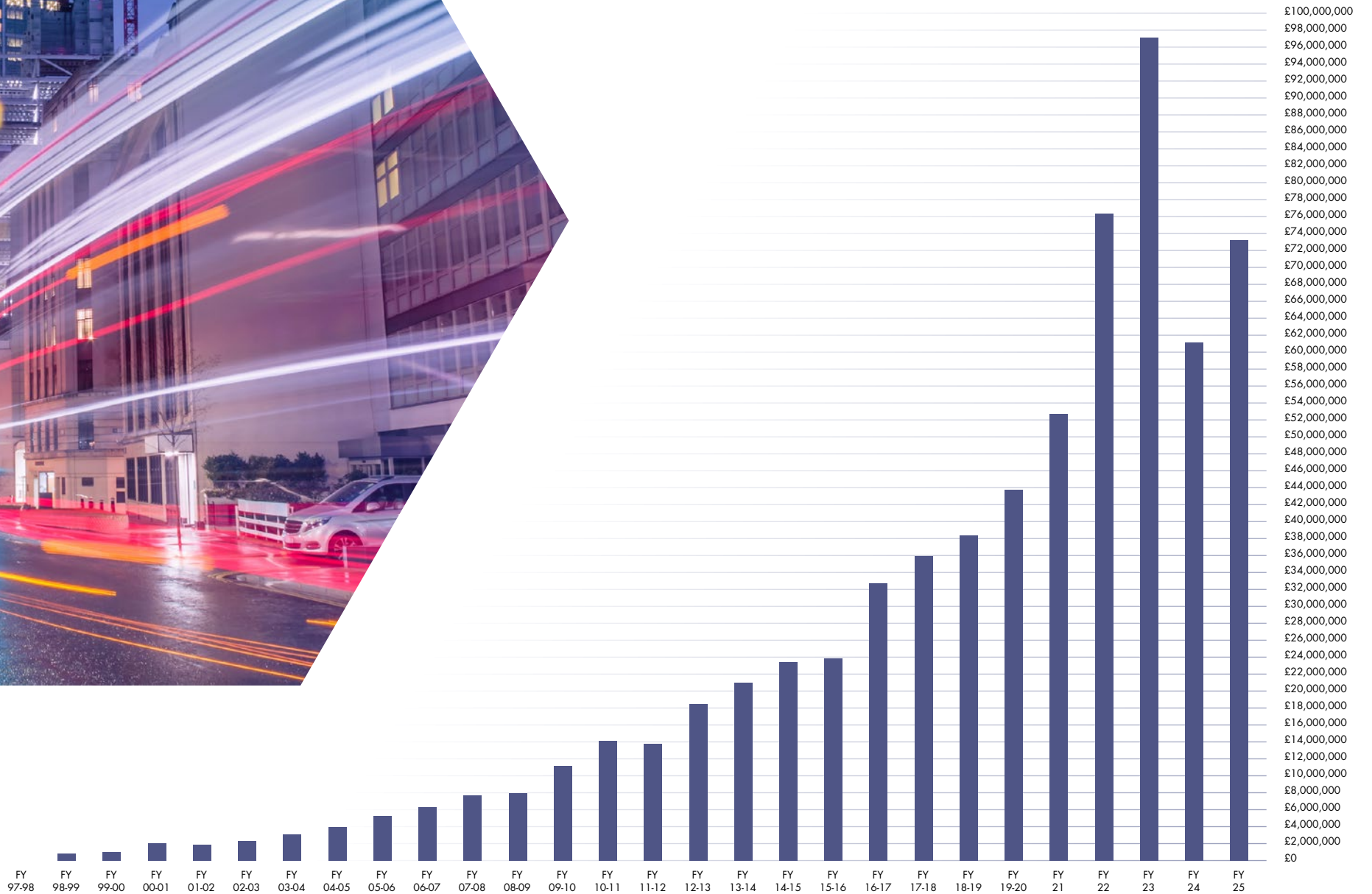
2025 demonstrated the resilience and capability of Invertek Drives. It showed that even in challenging market conditions, our business can grow, adapt and deliver for customers around the world. It also reaffirmed the importance of our people. From engineering and production, to procurement, quality, sales, technical support and customer service - every part of the organisation contributed to the progress we made during the year.

On behalf of everyone at Invertek Drives, I would like to thank our customers, distributors, suppliers and partners for their continued trust and support. We are proud of what we achieved together in 2025, and we look forward with confidence to the opportunities ahead.

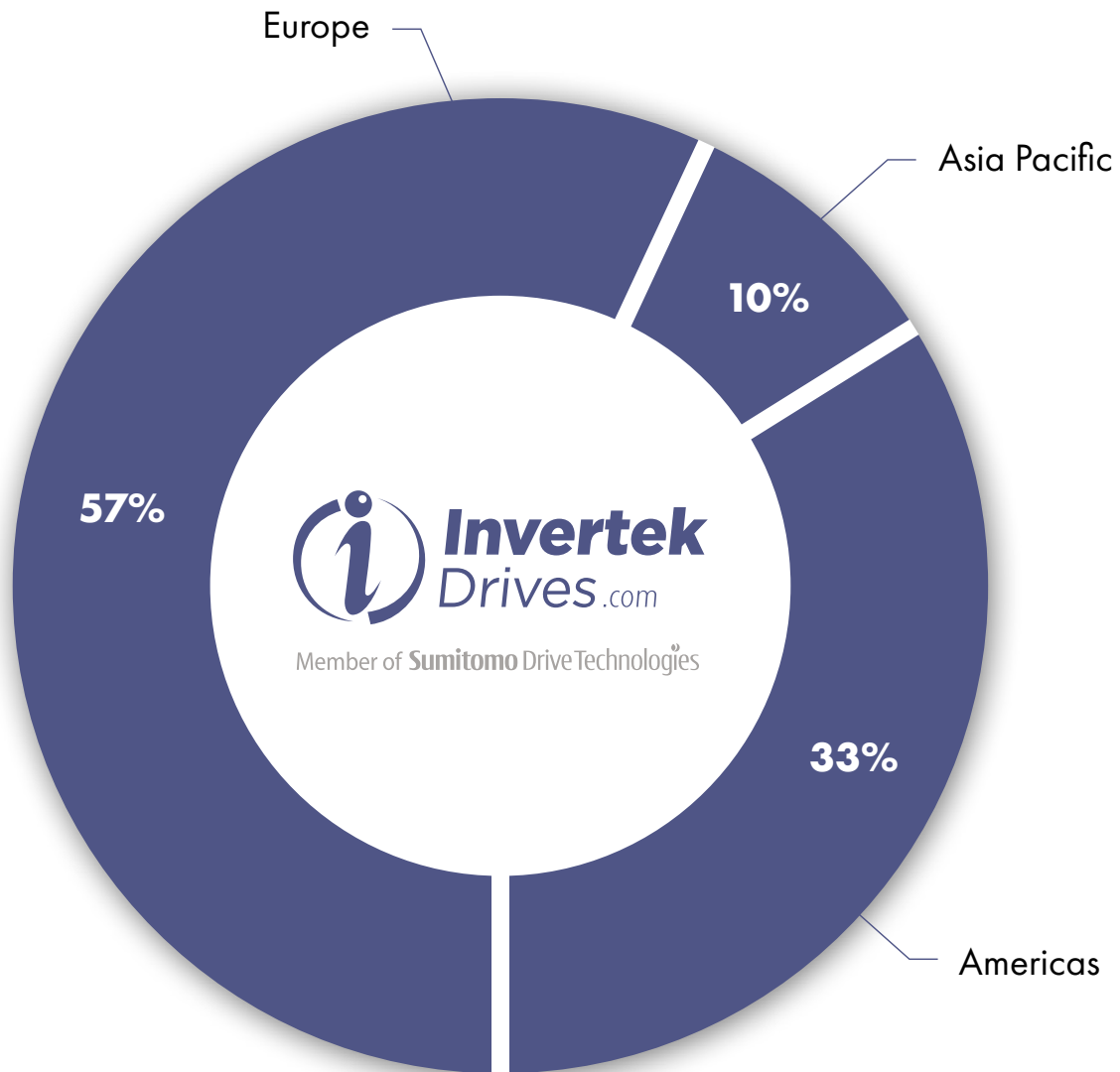
Adrian Ellam
CEO, Invertek Drives



Global invoiced sales



Invoiced sales by region 2025





At a glance

Global Sales & Support

Supplied over **3,500,000** drives
Export **93%**
100+ countries
Extensive service network

Worldwide Operations

Assembly cell **manufacturing**
Global supplier network
Engineering **support**

Easy to use Products

E3: General Purpose
E4: General Purpose
P2: High Performance
Elevator Core: Gear & Gearless
Eco: Fan & Pump
Coolvert: Compressor

Multinational Structure

UK based headquarters
450+ employees worldwide
Owned by
Sumitomo Heavy Industries,
Japan

World-class Innovation

Innovation-led culture
Right-first-time
manufacture

Worldwide footprint



- Sumitomo Heavy Industries
- Invertek Companies
- Sales Partners/Distributors

Member of Sumitomo Drive Technologies

Acquired in November 2019

Sumitomo Drive Technologies is a leading supplier of quality motion control technologies for customers in multiple industries around the world.

They provide gears, motors, drives and integrated drive solutions through industry leading brands including Sumitomo Cyclo Drive Germany, Invertek Drives, Lafert Group and Hansen Industrial.

These technologies enable precise power transmission control which delivers improved performance and optimised energy consumption in a huge range of industrial applications.

Sumitomo Drive Technologies EMEA is part of Sumitomo Heavy Industries (SHI). Established in 1888, SHI is a global business which continuously develops reliable technologies to support manufacturing excellence around the world.



GEARS. MOTORS. DRIVES. & INTEGRATED DRIVE SOLUTIONS

DRIVE TECHNOLOGIES. DELIVERED.

Sumitomo Heavy Industries, Ltd.

**Mechatronics
Segment**

**Logistics &
Construction Segment**

**Industrial Machinery
Segment**

**Energy & Lifeline
Segment**

Drive Technologies Strategic Business Unit

Sumitomo Drive Technologies

Asia & Oceania

**EMEIA
Europe, Middle East,
India & Africa**

The Americas

**Advanced
Technologies
Strategic Business Unit**

Invertek Drives

Lafert Group

SCG Group

OUR DRIVE FOR A COOLER PLANET



The critical role of variable frequency drives in reducing energy consumption

Optidrive variable frequency drives help match motor speeds to the exact requirements of each application, saving energy and providing improved control.

With the global economy predicted to more than double by 2050 the need to balance economic growth with a reduction in energy consumption and carbon emissions is critical.

With 70% of industrial electricity and 38% of electricity in buildings being used by electric motors, according to the IEA (International Energy Agency), these two sectors are primary targets for energy use reduction with variable frequency drives.



Our approach to sustainability

Invertek Drives is committed to integrating sustainability into every aspect of our business. We understand that sustainability is a journey, and we are continually striving to improve our performance.

Our commitment is reflected in our policies, our products, and our actions. We are proud of our Ecovadis Bronze status, a testament to our ongoing efforts. As part of the Sumitomo Heavy Industries family, we benefit from the group's extensive experience and resources, enabling us to implement effective sustainability initiatives.



ISO 9001
ISO 14001
ISO 26000

Commitment to sustainability

We are dedicated to minimising our environmental impact and promoting sustainable practices throughout our operations:

- Installation of an additional 450 photovoltaic rooftop panels at 450W each.
- Manufacturing assembly cells recover energy during testing, reducing consumption
- All company vehicles are fully electric
- Supporting biodiversity projects such as sustainable woodlands
- Avoidance of waste via recycling and waste sorting
- Sensor controlled LED lighting throughout the facility
- Digitisation of systems and processes leading to less paper
- 15 employee Environmental Ambassadors.
- Environmental Product Declaration process



Employees are at the heart of Invertek

Our employees are at the heart of our success. We invest in their professional development, fostering a culture of innovation, collaboration, and continuous learning. We believe in allowing our employees to reach their full potential, creating a rewarding and inclusive work environment. This commitment to our people extends to our broader social responsibility. Through our CSR initiatives, we support local communities and contribute to positive social impact.

Our people

Training and career development are actively encouraged and are available to all employees based on their ability and the requirements of the Group. The Group maintains a policy of equal opportunities and is committed to ensuring that all individuals are treated fairly, with respect and are valued. Policies for recruitment, selection, training, development and promotion are designed to ensure that no job applicant or employee receives less favourable treatment on the grounds of race, colour, nationality, ethnic or national origin, religion, political beliefs, sex or marital status.

Apprenticeship benefits

- **Day Release to College:**
Continued education while gaining valuable on the job experience.
- **Travel Opportunities:**
Visit customer and supplier sites, increasing industry knowledge.
- **Mentor Programme:**
Receive personalised support and guidance throughout the apprenticeship.
- **Competitive salary:**
Earn a fair wage while developing your skills.
- **Regular Reviews:**
Track progress and set goals with bi-monthly reviews.



Invertek in the community

Dedicated charity committee led fundraising events, sponsorship and community donations, including financial contributions from the Group.

2025 Support

- 4 fundraising events organised involving all Invertek employees, raising a total of £1250 for 4 different charities.
- Donations made to 18 local groups and charities from the Groups 'community pot'
- National charity support included – Macmillan Cancer Support, Wales Air Ambulance and Crohn's and Colitis UK.

Presenting Honeypot Children's Charity



Macmillan Coffee Morning



Corporate social responsibility

Invertek Drives is committed to conducting its business responsibly and sustainably, recognising our impact on the environment and the wider community. We injected £21.9 million directly into the local economy during the year through payroll and supply chains.

We are proud to have achieved ISO 26000, underscoring our dedication to ethical practices across all areas of operation.

This year, we continued to focus on reducing our environmental footprint through eco-design principles and energy-efficient product development, including the introduction of additional PV technology that will help us achieve Net Positive and Zero on some days, reducing our reliance on mains grid electricity. We maintained our ISO 14001 environmental accreditation, and commenced engagement with the SBTi (Science Based Targets Initiative) and EPD (Environmental Product Declaration) requirements.

We believe that responsible business practices contribute not only to long-term success but also to building a more positive and sustainable future.



Christmas Jumper Day with Welshpool Town Council





Member of **Sumitomo Drive Technologies**



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