

11 October 2022

**XP Power Limited**  
**(“XP Power” or “the Group” or the “Company”)**

**Q3 Trading Update**

XP Power, one of the world's leading developers and manufacturers of critical power control components to the electronics industry, is today issuing a trading update for the third quarter ended 30 September 2022.

**Trading**

Trading in the period improved significantly as expected compared to the prior quarter and year-on-year and was in line with our expectations.

The strong momentum in order intake seen in the first half of the year was maintained in Q3. Year to date order intake of £294.2 million was up 8% at constant currency and continues to be robust in each segment. This provides the Group with excellent visibility for the remainder of the year and well into 2023. Q3 order intake was down 8% year-on-year at constant currency, and up 4% as reported, reflecting the strong comparator in Q3 2021 when orders benefited from the industry wide increase in lead times. Order intake remains well above historic levels highlighting robust end market demand and market share gains in recent years.

Revenue of £79.4 million in Q3 2022 was up 28% sequentially, and year-on-year by 15% on a constant currency basis and 29% as reported, reflecting supply chain conditions easing and our efforts to mitigate the challenges. Year to date, revenue has grown 5% on a constant currency basis (12% as reported) highlighting the improved performance through the third quarter.

<b>£ Millions</b>	<b>Q3 2022</b>	<b>Q3 2021</b>	<b>Change</b>	<b>Change in constant currency</b>	<b>Like-for-like in constant currency</b>
<b>Orders</b>	101.1	97.2	+4%	-8%	-11%
<b>Year to date</b>	294.2	254.8	+15%	+8%	+2%
<b>Revenue</b>	79.4	61.5	+29%	+15%	+9%
<b>Year to date</b>	203.0	181.3	+12%	+5%	-1%
<b>Book to Bill</b>					
<b>Third quarter</b>	1.27	1.58	-0.31		
<b>Year to date</b>	1.45	1.41	+0.04		

The book to bill ratio, which tracks the relationship between orders received and completed sales, was 1.27 for the third quarter of 2022. We would expect the book to bill to moderate from these exceptional levels in forthcoming quarters as supply chain conditions continue to ease and we deliver on that exceptional order book.

## **Financial Position and dividend**

Net debt at 30 September 2022 was £118.7 million compared with £102.0 million at 30 June 2022. The increase reflects the translation impact of our US dollar debt into Sterling given recent FX movements and a further build of inventory. We continue to expect net debt/EBITDA to improve as working capital unwinds and is supported by a stronger expected revenue performance through the year-end. The refinancing of our banking facilities in June 2022 provides the Group with significant financial headroom at long maturities.

The Board has declared a dividend for the third quarter of 21.0 pence per share (2021: 21.0 pence per share). The ex-dividend date will be 8 December 2022 and the dividend will be paid on 18 January 2023 to shareholders on the register at the record date of 9 December 2022. The last date for election for the share alternative to the dividend under the Company's Dividend Reinvestment Plan is 28 December 2022.

## **Outlook**

The Board's expectations for the full year are in line with current market expectations. We are pleased with the performance in the third quarter and while this needs to continue to improve through the final quarter we are better demonstrating our potential as supply chain issues continue to improve. Demand remains robust and our record order book gives us excellent visibility through year-end and into 2023, underpinning our confidence in the Group's future prospects.

As announced on 3 October 2022, following receipt of the judgement in the Comet legal action the Board is considering next steps and will provide a further update as soon as possible. As a reminder the Group provided for the judgement at its interim results in August 2022.

Longer term, the Board believes XP Power remains very well positioned to grow ahead of its end markets, recover profitability and deliver strong cash generation. We have bold ambitions for the Group and the wherewithal to deliver this.

Enquiries:

### **XP Power**

Gavin Griggs, Chief Executive Officer +44 (0)118 984 5515

Oskar Zahn, Chief Financial Officer +44 (0)118 984 5515

**Citigate Dewe  
Rogerson**

Kevin Smith/Jos Bieneman

+44 (0)207 638 9571

**Note to editors**

*XP Power designs and manufactures power controllers, the essential hardware component in every piece of electrical equipment that converts power from the electricity grid into the right form for equipment to function.*

*XP Power has invested in research and development and its own manufacturing facilities in China and Vietnam, to develop a range of tailored products based on its own intellectual property that provide its customers with significantly improved functionality and efficiency.*

*Headquartered in Singapore and listed on the Main Market of the London Stock Exchange since 2000. XP Power serves a global blue-chip customer base from 29 locations in Europe, North America, and Asia.*

*For further information, please visit [xppower.com](http://xppower.com)*