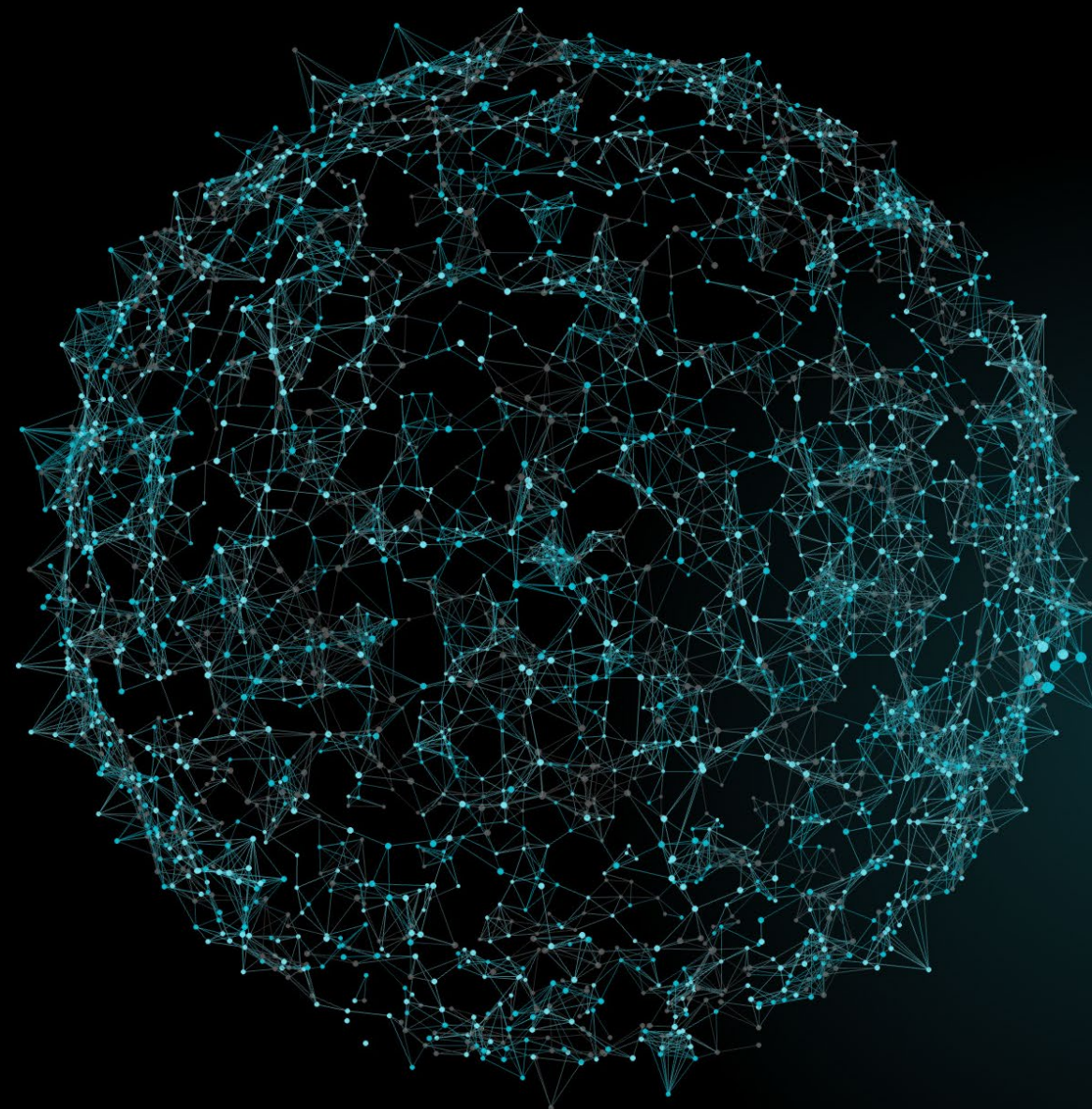


Final Results 2022

28 February 2023



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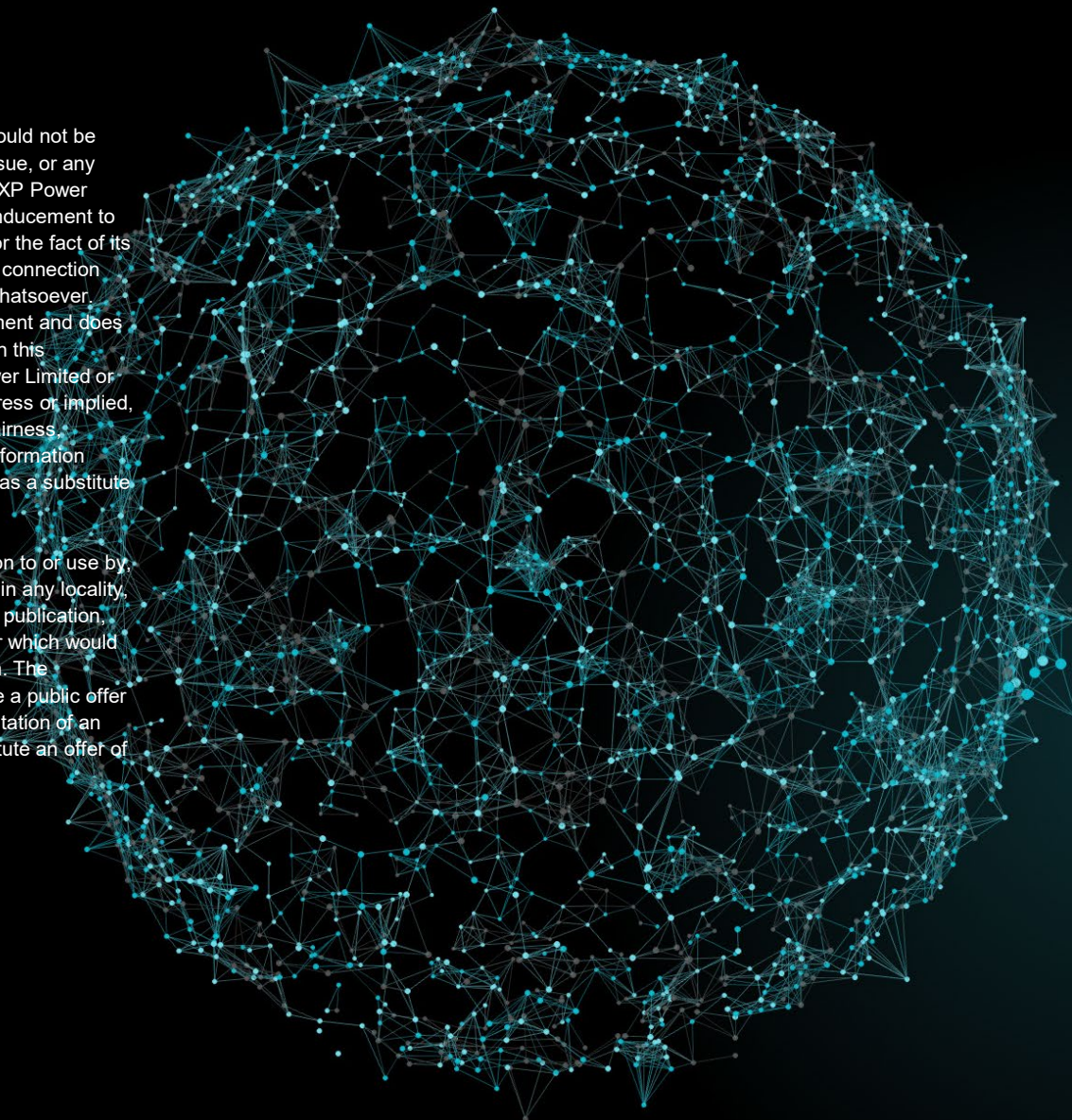
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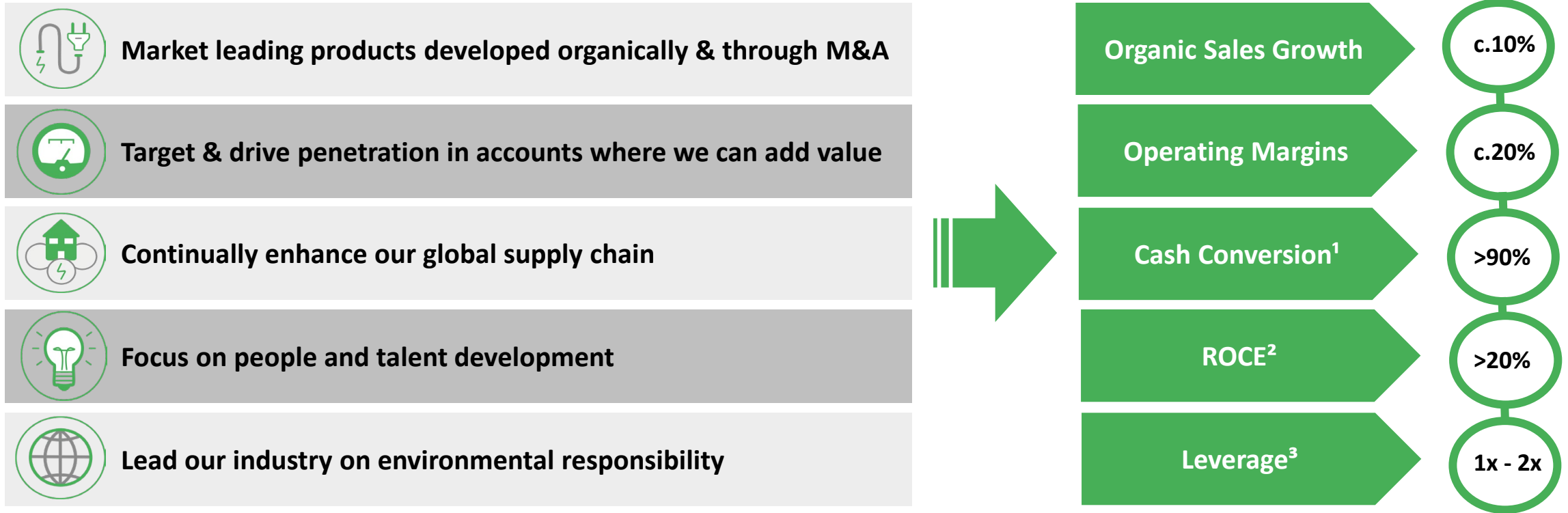
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○ — A YEAR OF TWO HALVES

- Record year-end order book
- Trading performance improved significantly in H2, a record level
- Continued investment - in product portfolio, acquisitions of FuG and Guth, commencement of construction in Malaysia, two new design centres in the US and roll out ERP system in Asia manufacturing sites
- Global supply chain challenges impacted 2022, but stabilised in Q4
- Net debt reflects impact of acquisitions, increase in inventory, higher capex and impact of Comet legal case
- Full year dividend of 94p reflects our confidence in long term prospects

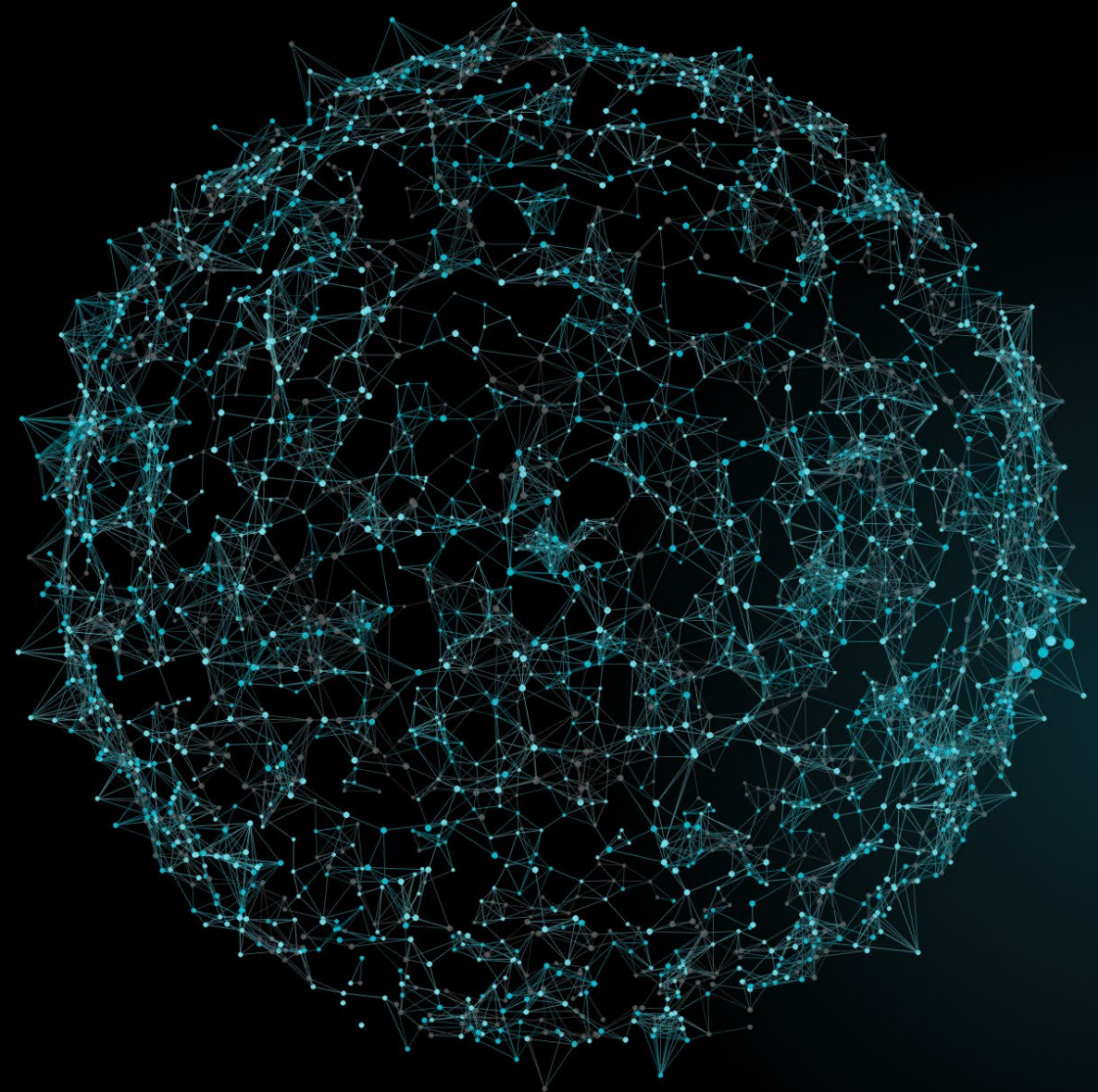
STRATEGY FOR LONG TERM SUSTAINABLE GROWTH



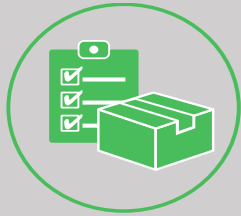
Underpinned by our Purpose, Vision, Values and Culture

1: Adjusted operating cash flow (excluding specific Items) divided by adjusted operating profit
 2: Net assets divided by adjusted operating profit
 3: Net debt divided by adjusted EBITDA

— **Financial Highlights**



KEY PERFORMANCE INDICATORS



ORDERS
£362.9 million
(2)% CER¹



REVENUE
£290.4 million
+13% CER¹



GROSS MARGIN
41.5%
(360)bps



OPERATING MARGIN²
14.8%
(400)bps



OPERATING PROFIT²
£42.9 million
(12)% CER¹



ADJUSTED DILUTED EPS²
160.1p
(9)%



**OPERATING CASHFLOW
CONVERSION²**
42%
2021: 111%



NET DEBT³
£151.0 million
Increase of £126.4m

1: Constant Exchange Rate
2: Adjusted profit metrics excluding specific items
3: Comparison period is Dec 2021

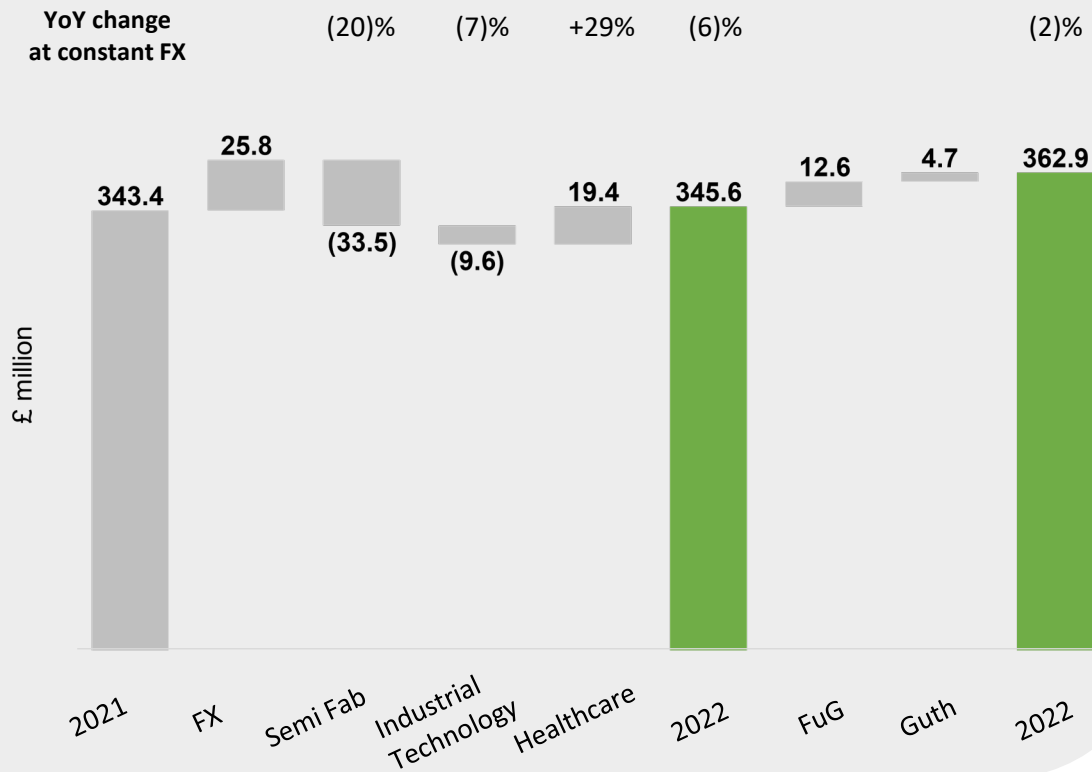
INCOME STATEMENT

£ Million	2022	2021	% Change	% Change @ CER
Revenue	290.4	240.3	21%	13%
Gross Margin	120.6	108.3	11%	4%
<i>Gross Margin %</i>	<i>41.5%</i>	<i>45.1%</i>		
Operating expenses	(77.8)	(63.2)	23%	15%
Operating Profit (adjusted)	42.9	45.1	(5)%	(12)%
<i>Operating Margin % (adj)</i>	<i>14.8%</i>	<i>18.8%</i>		
Finance Cost	(4.9)	(1.3)	285%	
(Loss)/Profit before tax (adjusted)	38.0	43.8	(13)%	(20)%
<i>Profit before tax % (adj)</i>	<i>13.1%</i>	<i>18.2%</i>		
Specific Items	(68.2)	(15.4)	344%	
(Loss)/Profit before tax	(30.2)	28.4	(206)%	(201)%
<i>Profit before tax %</i>	<i>-10.4%</i>	<i>11.8%</i>		
Tax	10.6	(5.4)	295%	
(Loss)/Profit after tax	(19.6)	23.0	(185)%	

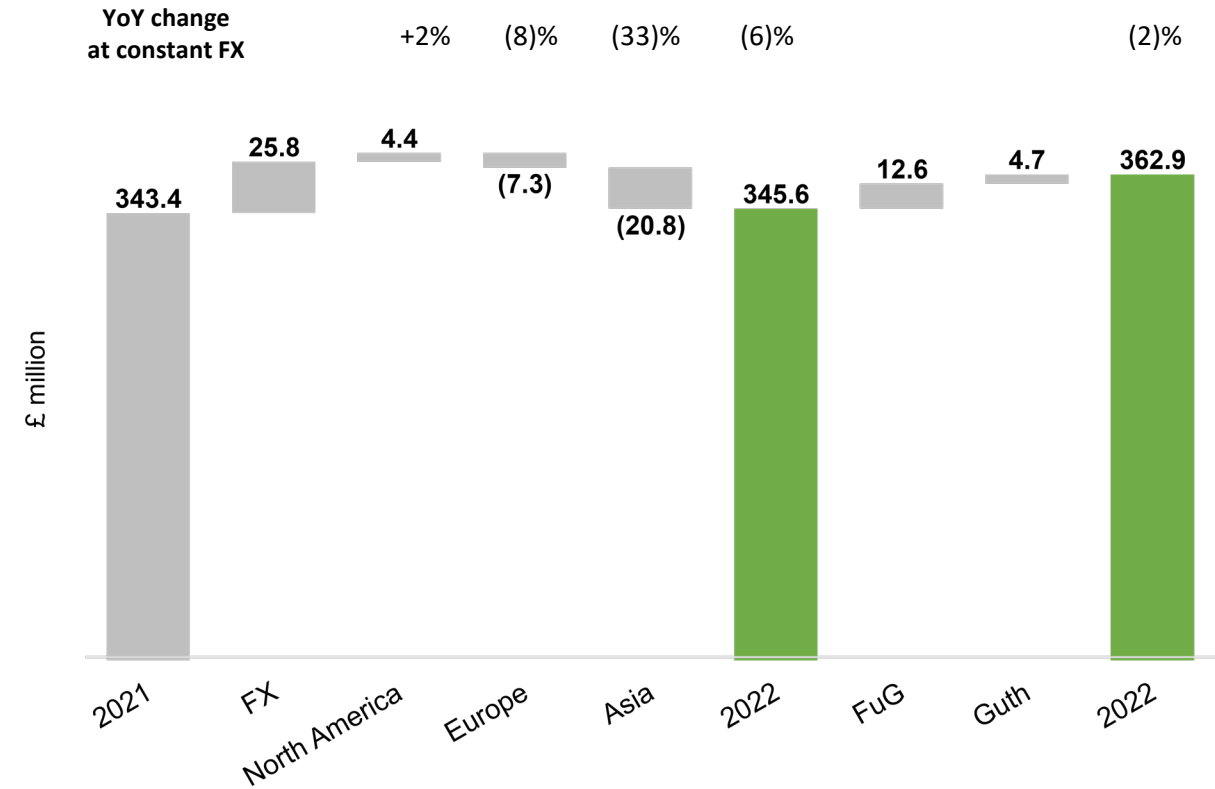
- FY revenue grew 13% at constant currency and 6% on an organic constant currency basis
- With both strong growth sequentially and year-on-year in the second half
- Gross margin decreased by 360bps to 41.5% but improved in H2 to 42.6% as operational leverage, higher pricing and lower freight & logistics costs began to feed through
- Adjusted operating profit of £42.9m was 12% lower on a constant currency basis
- Encouragingly, second half adjusted operating profit of £27.9m was 27.4% higher than the prior year on a reported basis and a record level
- Reported results for the year have been impacted by the exceptional costs associated with the Comet legal case which totalled £52.2m in the period along with a £7.5m write down of associated intangibles

STRONG DEMAND IN 2022 WITH RECORD ORDER INTAKE

ORDERS BY SECTOR

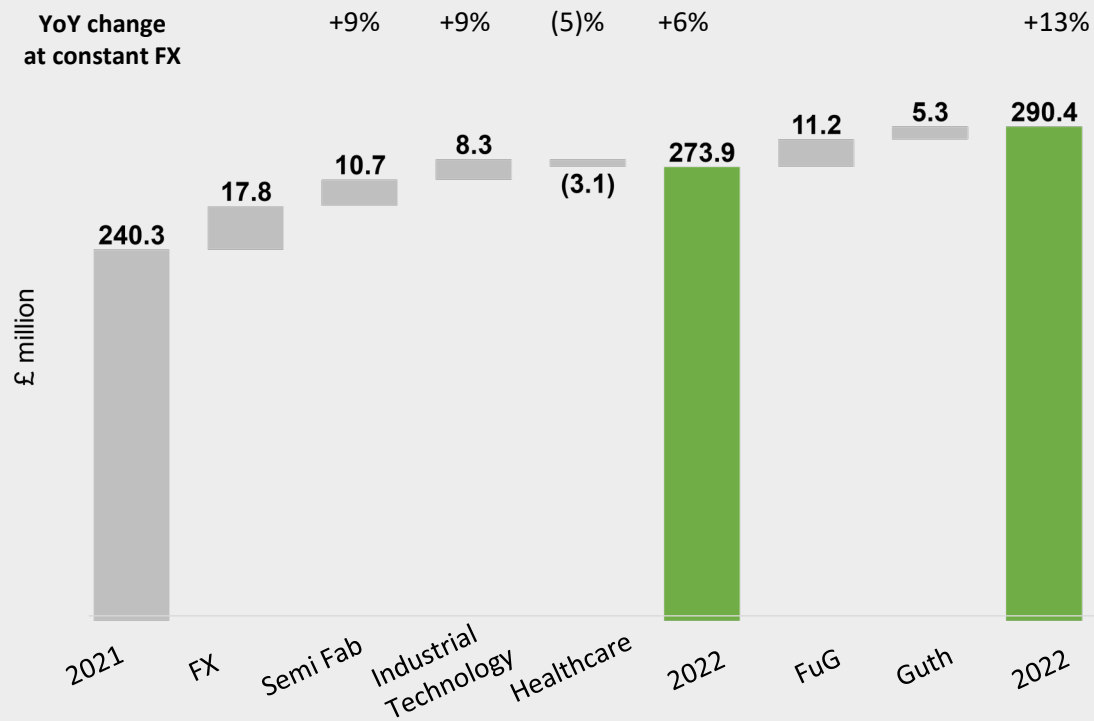


ORDERS BY REGION

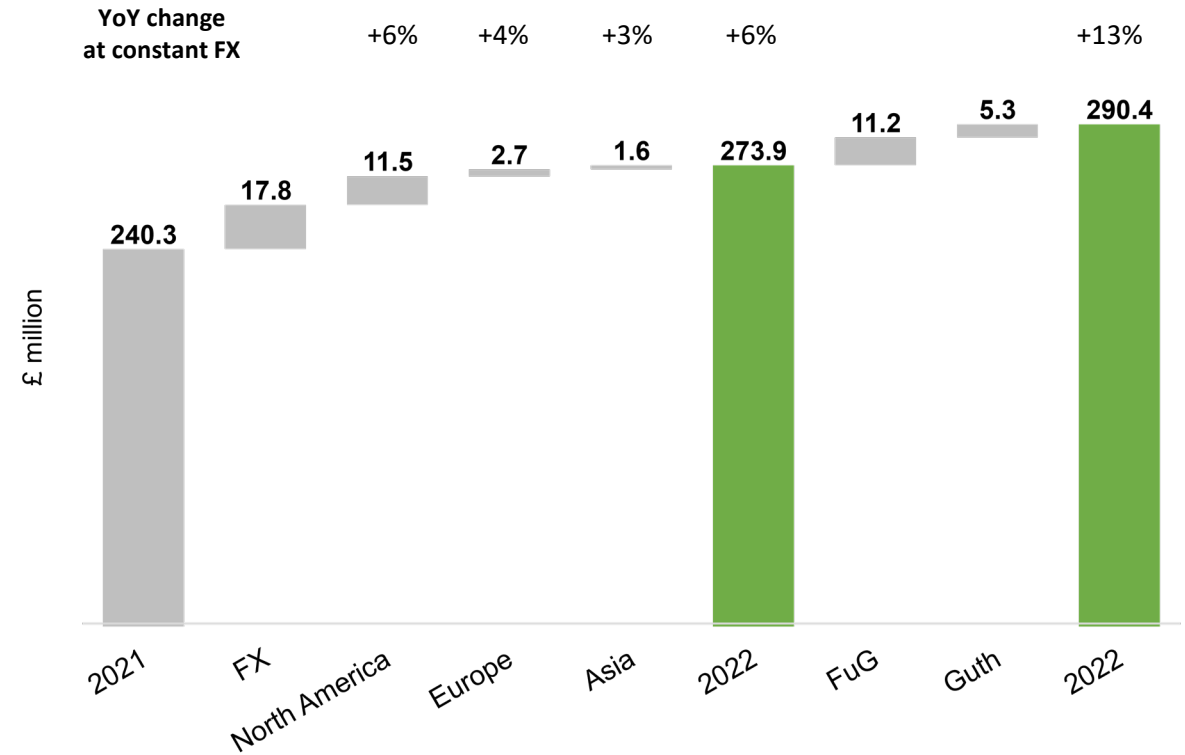


SIGNIFICANT REVENUE GROWTH IN H2, GOOD CONTRIBUTION FROM ACQUISITIONS

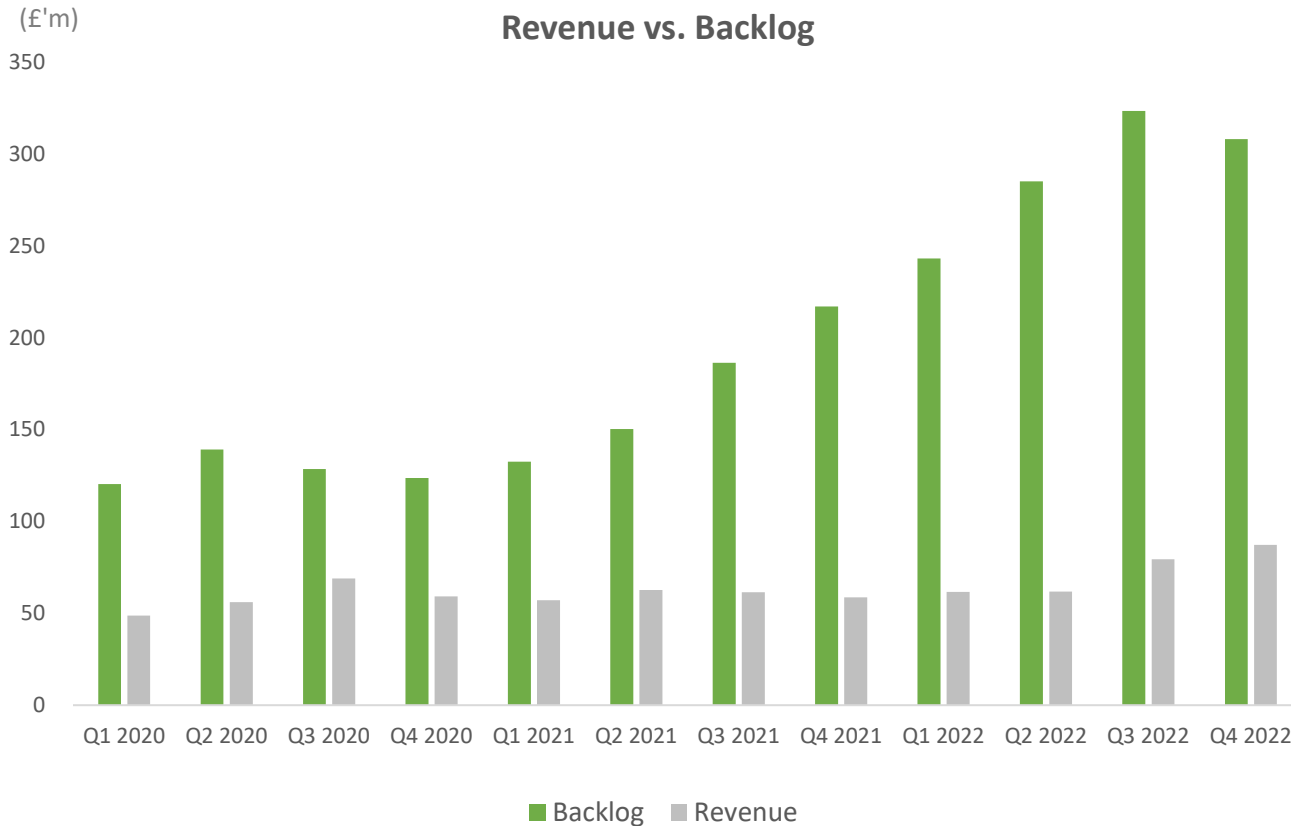
REVENUE BY SECTOR



REVENUE BY REGION

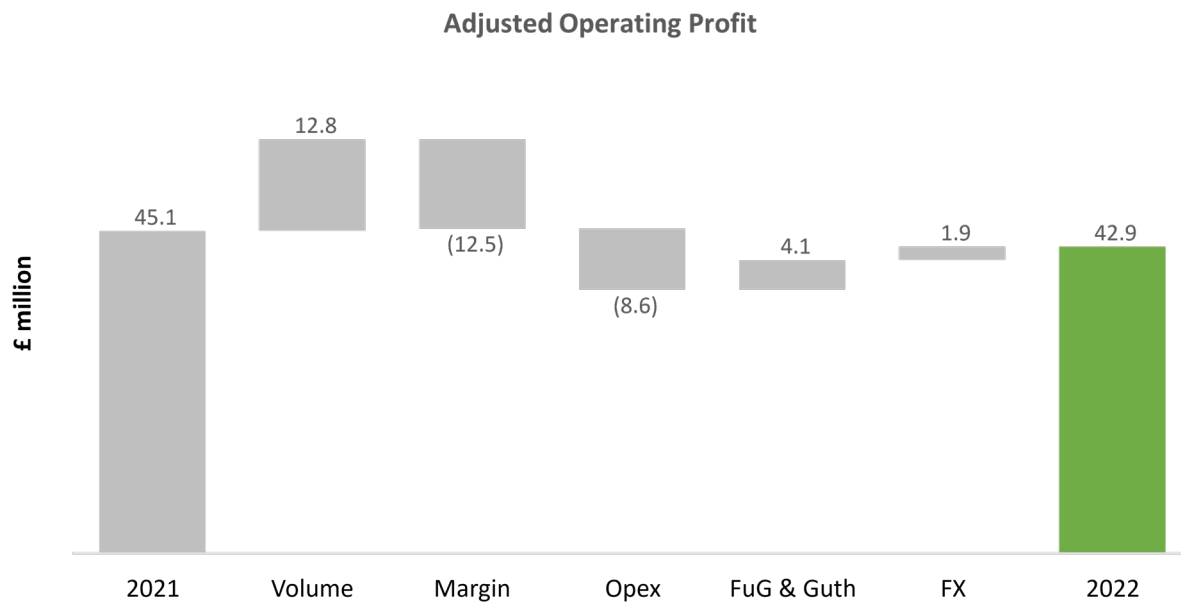


OUR EFFORTS COMBINED WITH STABILISING SUPPLY CHAINS PROVIDES GOOD VISIBILITY



- Visibility of delivery profile will assist supply chain planning and inventory reduction
- Customer order patterns will return to more normal rates in 2023
- Book to bill expected to be below 1x in H1 2023

STRONG H2 PERFORMANCE



- H1 volume constrained by component shortages and lead-times, and COVID lockdown in China with gross margin decreasing to 40.2% from 46.6%
- H2 improved volume and price within revenue with margin increasing to 42.6% with stronger exit in Q4
- Freight costs, both cost and mix of air freight remained at elevated levels to support customer delivery
- Continued investment in business
- Acquisitions delivering in line with expectations

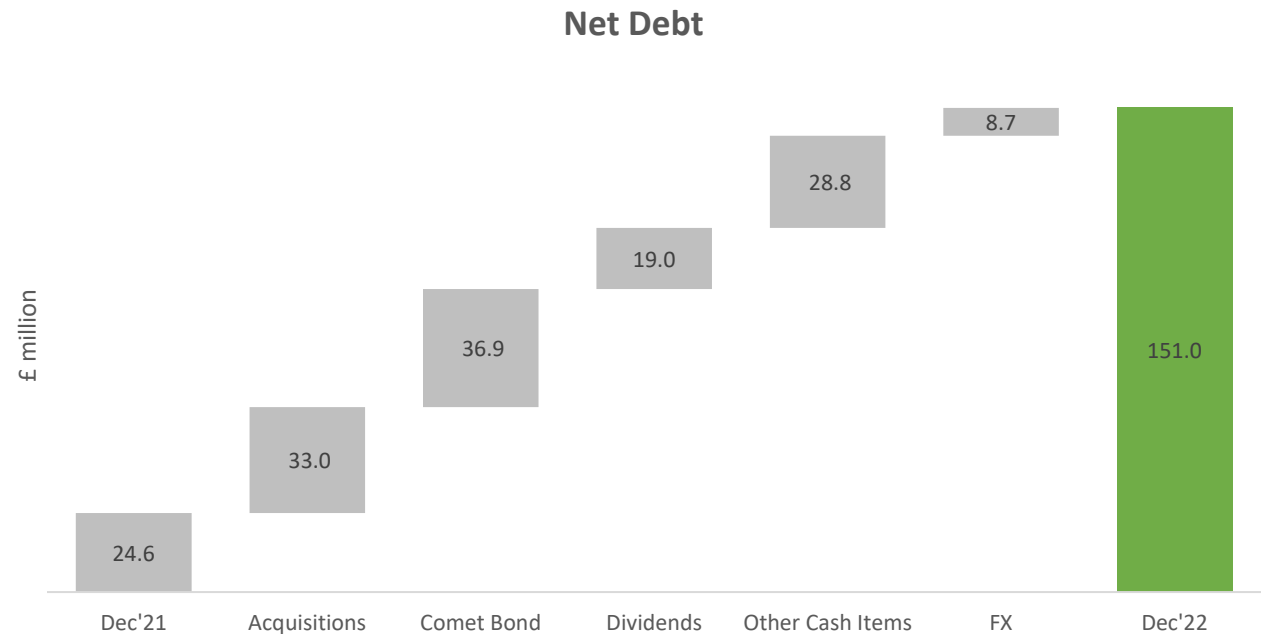
SPECIFIC ITEMS PREDOMINANTLY RELATED TO LEGAL CASE

£ Million	2022	2021
Comet Legal Case	52.2	10.1
Impairment of intangible assets related to legal case	7.5	0.0
Acquisition Costs	2.4	0.0
FX gain on acquisition related loans	(3.2)	0.0
Costs related to ERP system implementation	3.8	2.1
Loss on modification of RCF and fees	1.2	0.0
Amortisation of acquisition related intangible assets	4.1	2.8
Other	0.2	0.4
Total Specific Items	68.2	15.4

- Comet legal case includes
 - damages of \$40m
 - legal fees incurred and estimated costs to be incurred in FY23
 - and impairment of previously capitalised product development costs (disclosed in H1)
- Acquisition costs relate to FuG and Guth, acquired in January 2022
- ERP implementation costs relate to the SAP roll-out to the Asian manufacturing facilities

NET DEBT INCREASE DUE TO ACQUISITIONS, LEGAL CASE AND INVENTORY

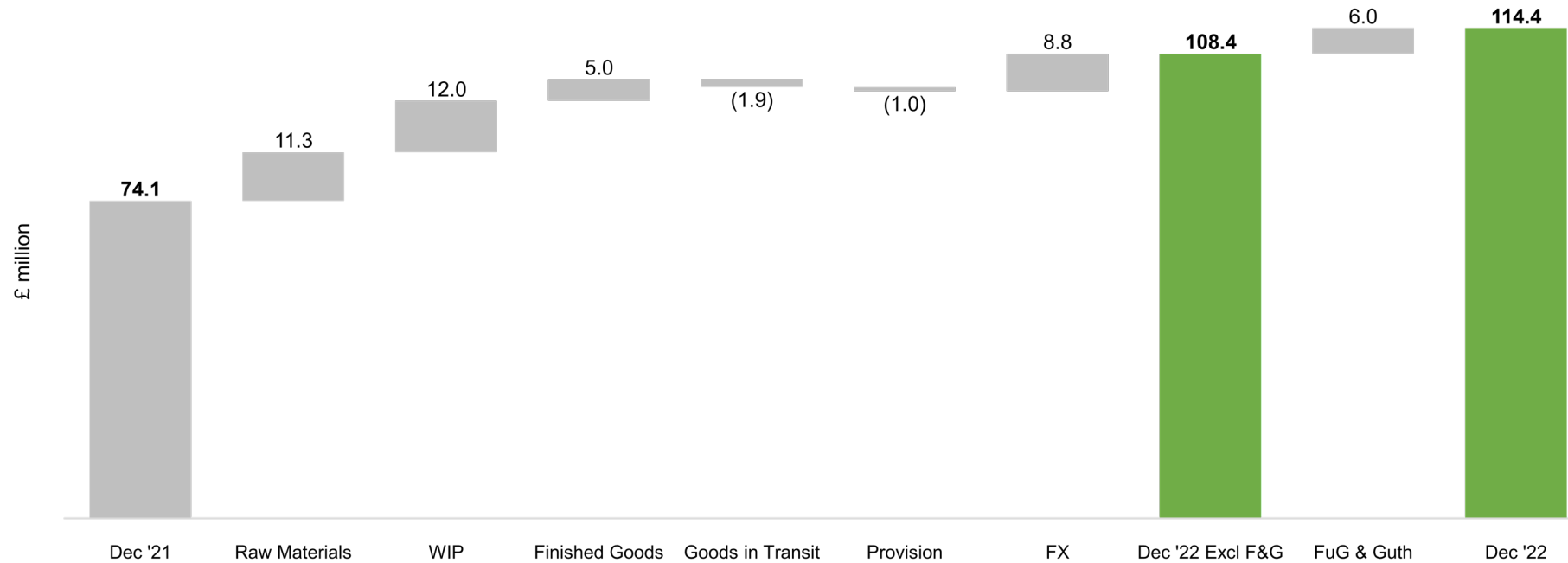
- Acquisitions of FuG and Guth in January 2022
- Cash bond payment for Comet case placed in November 2022
- Investment in inventory to support delivery of backlog included in other cash items
- Adverse FX movements adding £8.7m to debt held in USD
- New RCF of \$255m plus an accordion option of \$75m secured in H1
- Net Debt/EBITDA leverage of 2.7x well within covenant limit and expected to reduce through 2023



Leverage
2.68x
Dec 2021: 0.44x

Available liquidity
£37m
Dec 2021: £86m

INVENTORY BUILD

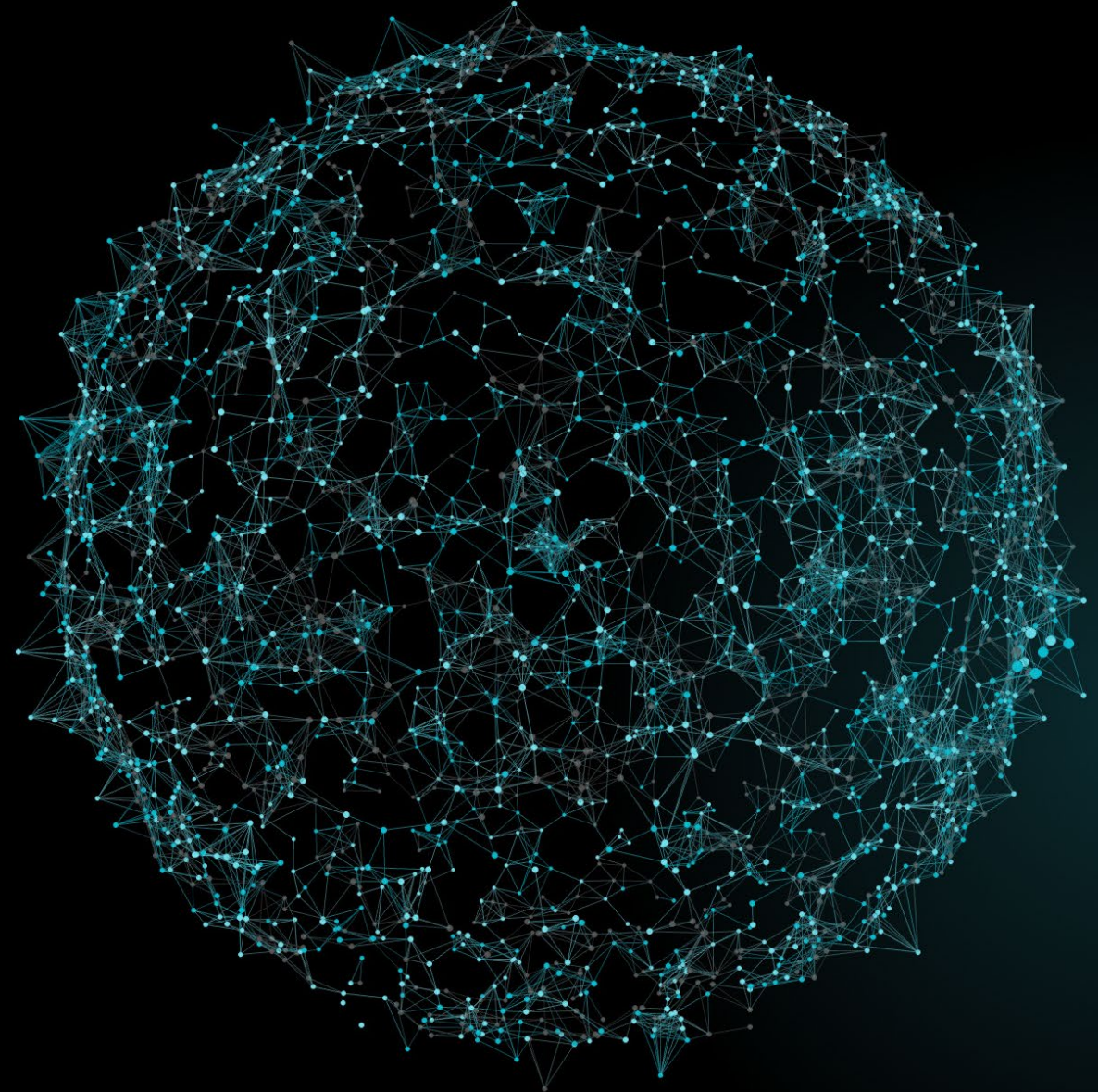


- Market conditions and long lead times for key components resulted in higher-than-normal levels of purchases to maintain supply to customers
- Investment in raw materials to support delivery of the backlog which increased from £217.0m at beginning of year to £308.4m
- Work in Progress increases partly due to missing key components, a timing issue
- Potential for significant unwind of inventory through 2023 and beyond

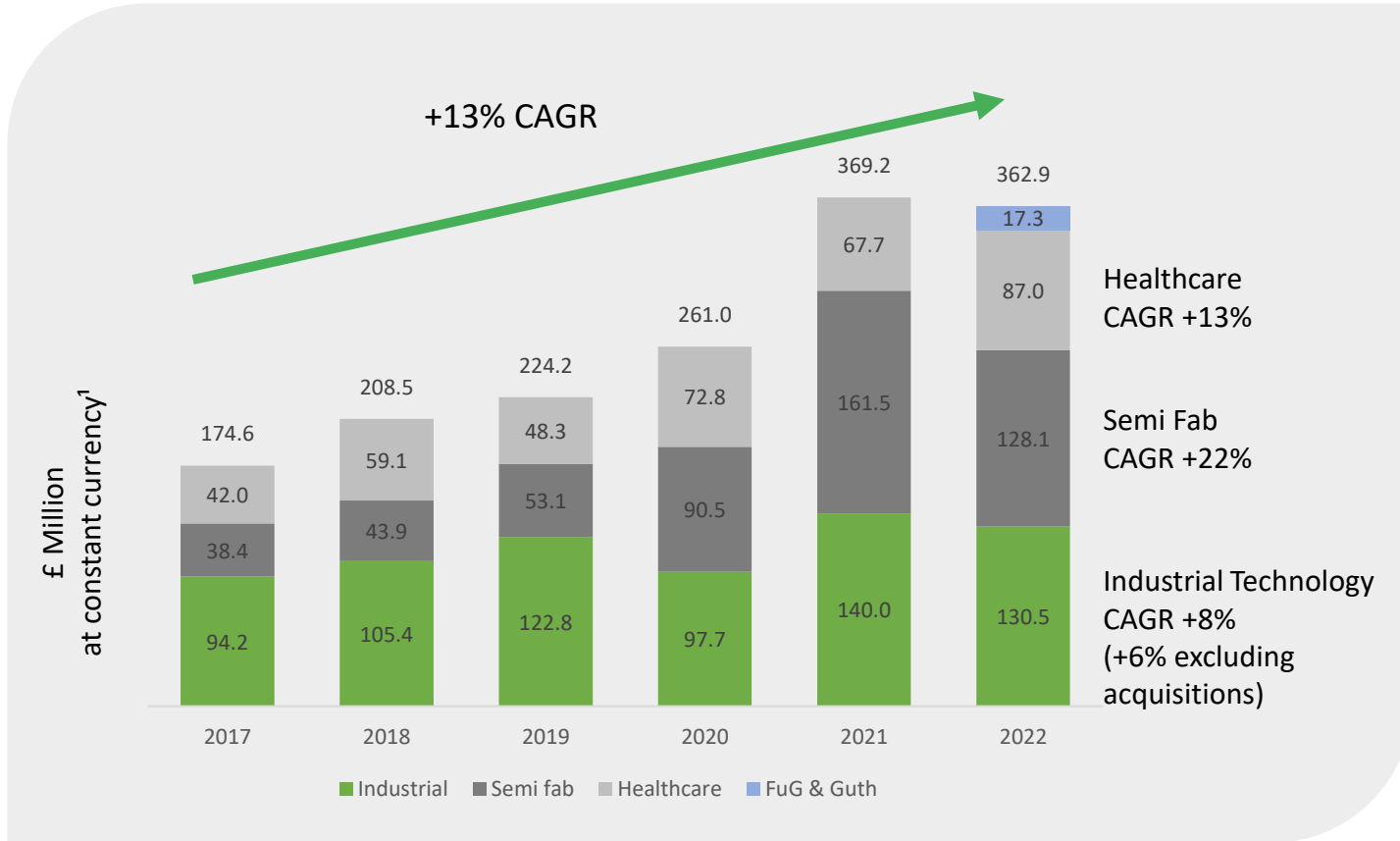
— 2023 MODELLING GUIDANCE

- Expect modest volume growth, also benefit from price
- Gross margins expected to improve on 2022 but not to return to historic levels
- Significant working capital unwind
- Capex c.£30m
- Capitalised product development c.£8m
- Interest cost currently c.6% on gross debt
- Income statement tax rate – c.18%
- Net debt/EBITDA reducing towards 2x

— **Business Update**



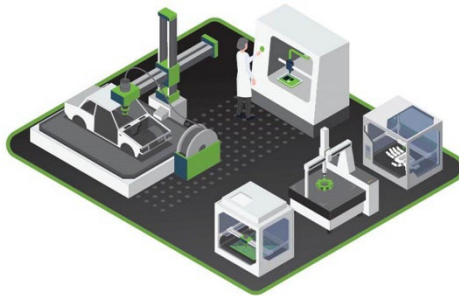
ORDER DEMAND MOMENTUM BY SECTOR



- 2022 started with £217m of firm orders
- 2021 & 2022 represented significant growth over previous cycles – greater addressable market and share gains
- 2022 book to bill of 1.25x
- Year-end order book of £308.4m
- Well balanced diversified portfolio driving future growth
 - Slowdown in Semi fab in Q4 2022 as expected
 - Good growth in Healthcare in H2 2022
 - Industrial Technology remained positive

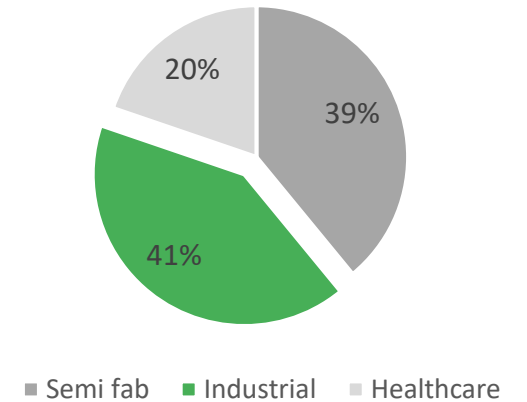
¹2017-2021 restated at 2022 average FX rate

SECTOR DYNAMICS – INDUSTRIAL TECHNOLOGY

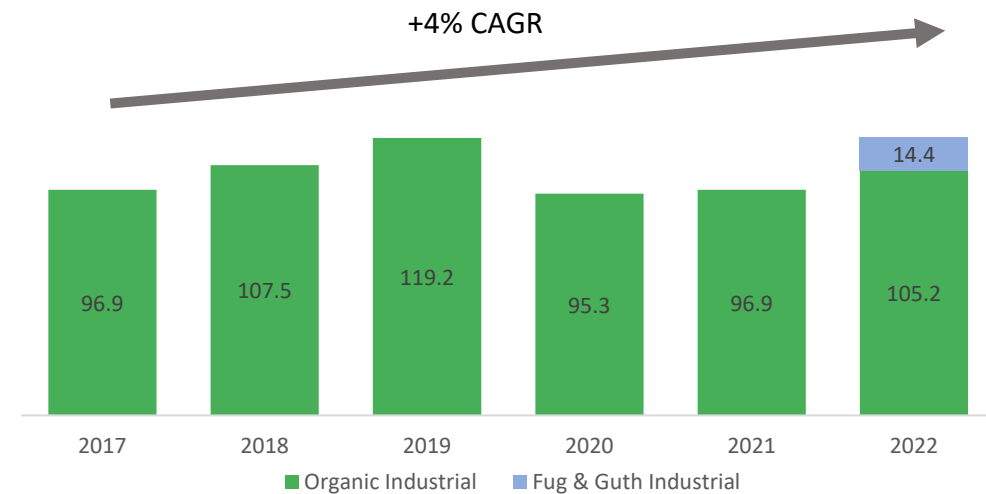


- **Revenue grew 18%** (CER YoY) as demand remained robust, FuG and Guth contributing significantly to this segment
- This is a resilient long term growth market for XP Power, with innovation & Industry 4.0 driving growth in manufacturing technologies and smarter electronic equipment
- Diverse sector driven by high levels of customer innovation. Attractive niches including, Analytical Instruments, Test & Measurement Equipment, Robotics, Displays, Industrial Printing, Renewable Energy, and Smart Grid
- Expanding Distribution channel to build presence in the mid-tier. 11% of Group revenue, growth through gaining share with existing customers and adding new distributors to expand geographic reach and increase market penetration

2022 Revenue by Sector

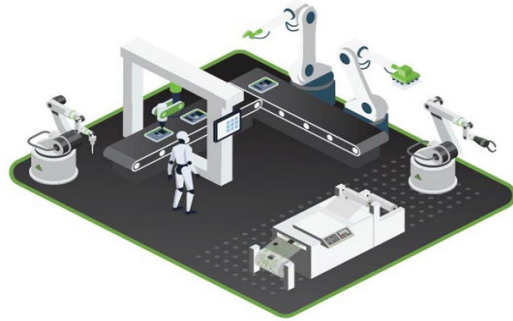


Industrial Technology Revenue (@ CER¹ £m)



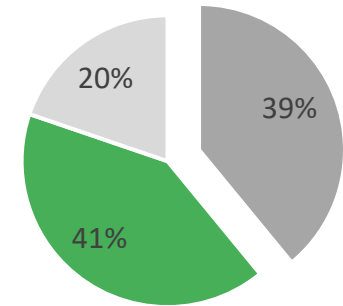
¹2017-2021 restated at 2022 average FX rate

SECTOR DYNAMICS – SEMICONDUCTOR EQUIPMENT



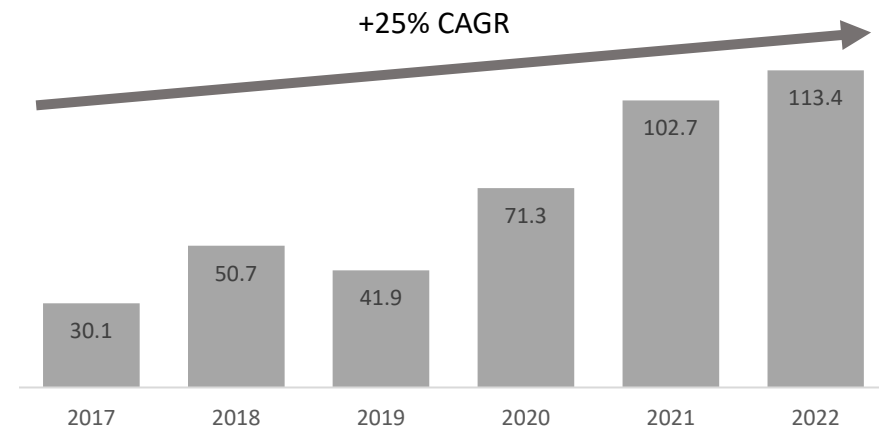
- **Revenue grew 9%** (CER YoY) with continued market growth and share gains with new programme wins, driven by technology advances, entering production
- Growth across Deposition, Etch, Ion implantation, Wafer Handling, Metrology and inspection. Capacity and component shortages held back growth.
- Acquisitions of FuG and Guth further strengthen position in high voltage products, adding access to new, attractive sub sectors including Lithography
- Attractive long-term growth drivers as semiconductors are the foundation of the digital economy
- Resilience in our performance given our balanced market exposure, our position and penetration with technology leaders combined with level of back log

2022 Revenue by Sector



■ Semi fab ■ Industrial ■ Healthcare

Semi Fab Revenue (@ CER¹ £m)



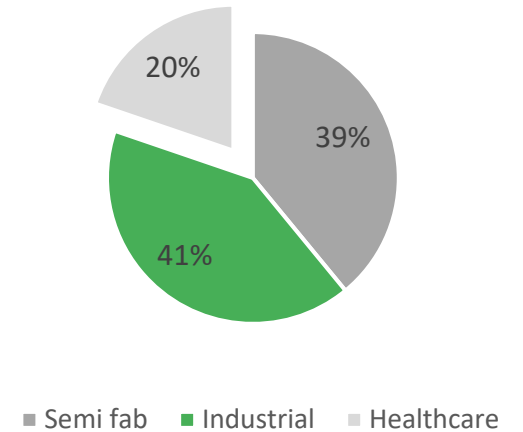
¹2017-2021 restated at 2022 average FX rate

SECTOR DYNAMICS – HEALTHCARE

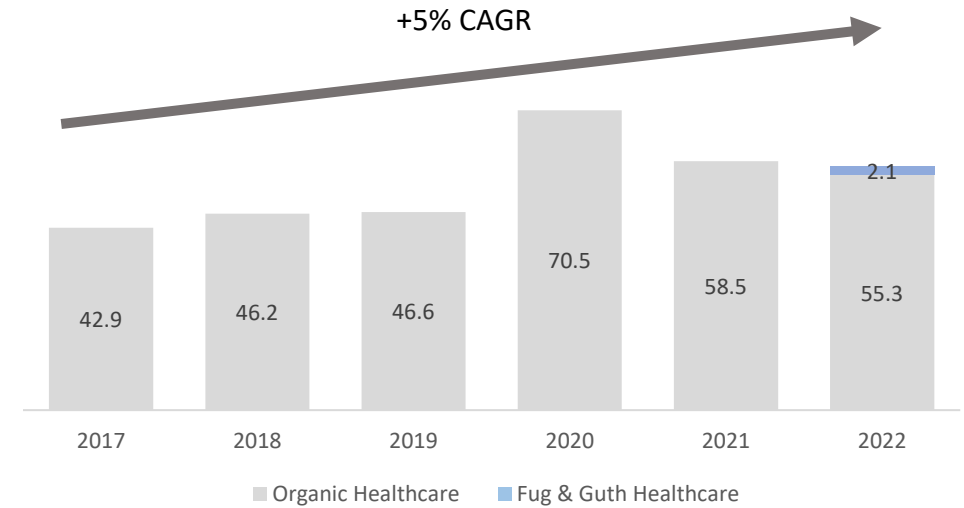


- **Revenue declined 7%** (CER YoY) impacted by component availability with demand increasing materially in the second half of 2022
- Growth coming from markets such as Robotic Surgical Tools, surgical equipment, operating theatre equipment, Endoscopy and Medical Imaging and scanning
- A leading position, with high efficiency products well positioned due to high reliability and broad product range
- Long term attractive growth market due to demographic changes, more advanced diagnostics and equipment including robotics and increased healthcare demand in emerging markets

2022 Revenue by Sector



Healthcare Revenue (@CER¹ £m)



¹2017-2021 restated at 2022 average FX rate

○ — SUPPLY CHAIN STABILISING AT CURRENT LEVELS

- XP faced ongoing constrained component supply in 2022, mirroring wider industry, leading to increased inventory levels and impacting customer shipments. Supply chain conditions stabilised in Q3 and further in Q4 but still challenging
- Implemented price increases in September 2021 and April 2022 on new orders to offset inflation, confident of recovering this fully in 2023 – will continue to monitor closely
- Component shortages, particularly from sub-tier suppliers, extended to standard components such as resistors, multilayer ceramic caps, transistors and diodes
 - ✓ Lead times for components have also extended with c.50% of our main categories having lead times above 52 weeks
 - ✓ Working with customers to qualify alternate components and redesign to mitigate shortages
 - ✓ Underlying price inflation 3-5%. We continued to pay premiums to secure and expedite supply, with pre-buying to build inventories where available – we have recovered the spot purchase price variance from our customers where possible
- Asian manufacturing facilities impacted, particularly China
 - ✓ China COVID-19 lockdown closed site for five weeks, operational leverage improved significantly in H2
 - ✓ Labour inflation offset by efficiency and price increases
- Logistics challenges eased in H2 due to reducing consumer demand
 - ✓ Air to sea freight ratio was higher than historic levels during 2022 as we strove to meet customer delivery schedules – expect more normalised levels in 2023
 - ✓ Airfreight remained at 5x sea freight costs. Recovered additional freight wherever possible. Expect improved mix and rates in 2023

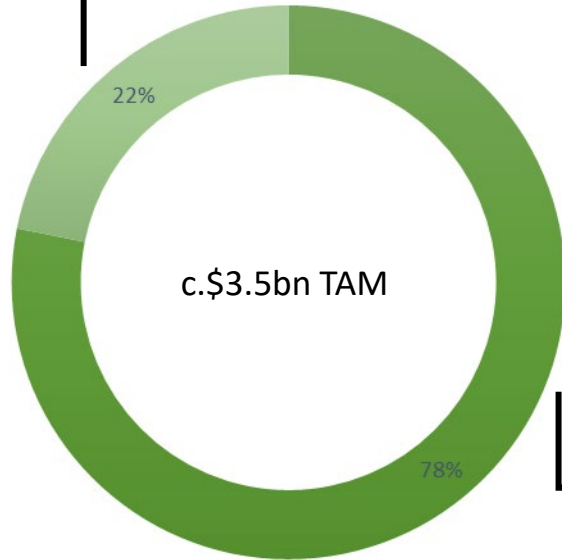
STRATEGY IN ACTION: LOW VOLTAGE – BUILDING FROM THE CORE

Healthcare
c. \$700m
c.10% Market Share

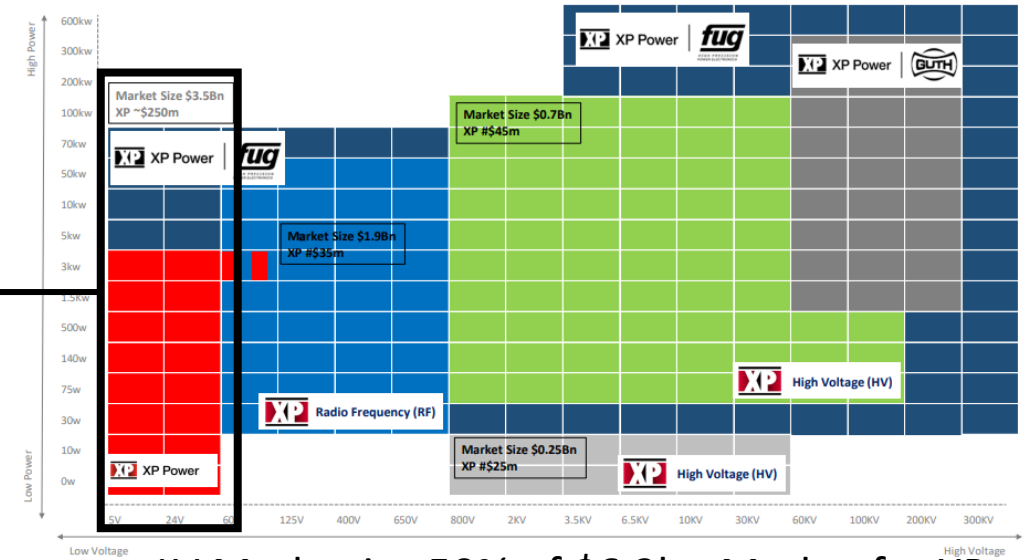


- Typical Applications
- Surgical Equipment
 - Patient Monitoring
 - Diagnostic Imaging
 - Robotics

¹Source: Micro-Tech Consultants (September 2022), VLSI Research (May 2022) and XP Power Management



Industrial Technology & Semi
c. \$2.8bn
c.7% Market Share



LV Market is >50% of \$6.3bn Market for XP



- Typical Applications
- UV Curing
 - Robotics
 - Analytical Instrumentation
 - Wafer Fab Equipment
 - Test Equipment
 - 3D printing

STRATEGY IN ACTION: LOW VOLTAGE – BUILDING FROM THE CORE

Increasing Complexity & Value



Low Voltage High Power
c. \$80M:2022

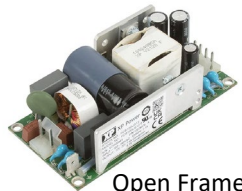


Configurable nanofleX



Digital Programmable HPT

Low Voltage Low Power
c. \$80M:2022



Open Frame FCB100



Chassis GCU500

Low Voltage Components
c. \$50M:2022



External AQM200



Onboard VCE05



DC-DC JTK15

Product Types

End Products & Applications

Strategy

- MRI & CT Imaging
- Advanced Manufacturing Systems
- 3D Printing
- Robotics
- Electrolysis
- UV Curing
- Wafer Fabrication Equipment
- Automatic Test Equipment
- Lasers

- Patient treatment & monitoring
- Critical care ventilator
- Surgical Equipment
- Robotics
- Industrial Printing
- Ultrasound & X-Ray Imaging
- Test & Measurement
- Clinical Laboratory & Life Sciences

- Instrumentation & Test equipment
- Analytical Instrumentation
- Home automation/IoT
- Robotics/Autonomous Vehicles
- Point of Care (PoC) Medical Devices
- Home healthcare Respiratory
- Home healthcare monitoring
- Portable medical equipment

Expand and extend new high power digital platform to enable penetration of existing and new markets

Expand and refresh offering through new technologies to grow leading position in core markets

Maintain market position by leveraging brand and expanding channel/market coverage

○ FUG AND GUTH ONE YEAR ON

- Significantly enhanced our high voltage capabilities in all our sectors
- Strengthened our position in strategically important German and European markets
- Provided additional design and manufacturing centres, complementing XP's existing footprint
- 2022 combined revenues of €20.0m (£16.5m) and EBITDA of €5.5m (£4.9m)



- Complementary high voltage technologies to enable further development of our new product roadmap. Appointed a new Director of HV Technology to oversee this.
- Together with XP exhibited at Electronica, the world's leading trade fair for the electronics industry
- Employee engagement, including all employee surveys, English lessons and technical training

ESG – CONTINUING TO LEAD OUR INDUSTRY

- We have committed to being Net Zero by 2040
- We have calculated XP Power’s full carbon footprint including scope 3
 - ✓ Initial findings show majority of emissions are outside of our operations – mostly from components we purchase and our products in use
 - ✓ Future product design and efficiency as well as supplier engagement key in driving down emissions
 - ✓ Also critical that governments continue to rapidly decarbonise their electricity grids
- XP Power will be setting targets in line with Science Based Targets initiative (SBTi)
 - ✓ Commitment submitted to SBTi in July 2022
 - ✓ We will be submitting targets in 2023
- We continue to support our employees
 - ✓ Training and development
 - ✓ Promoting a fair working environment with equal opportunities
 - ✓ Mental health is a priority
- Through workforce engagement, views of our people are heard at board level
- Recognised as leader by our customers - in 2022 received our first ESG award from Lam Research
- Leading our industry in ESG will bring significant benefits to XP Power

Aligned to the United Nations Sustainable Development Goals



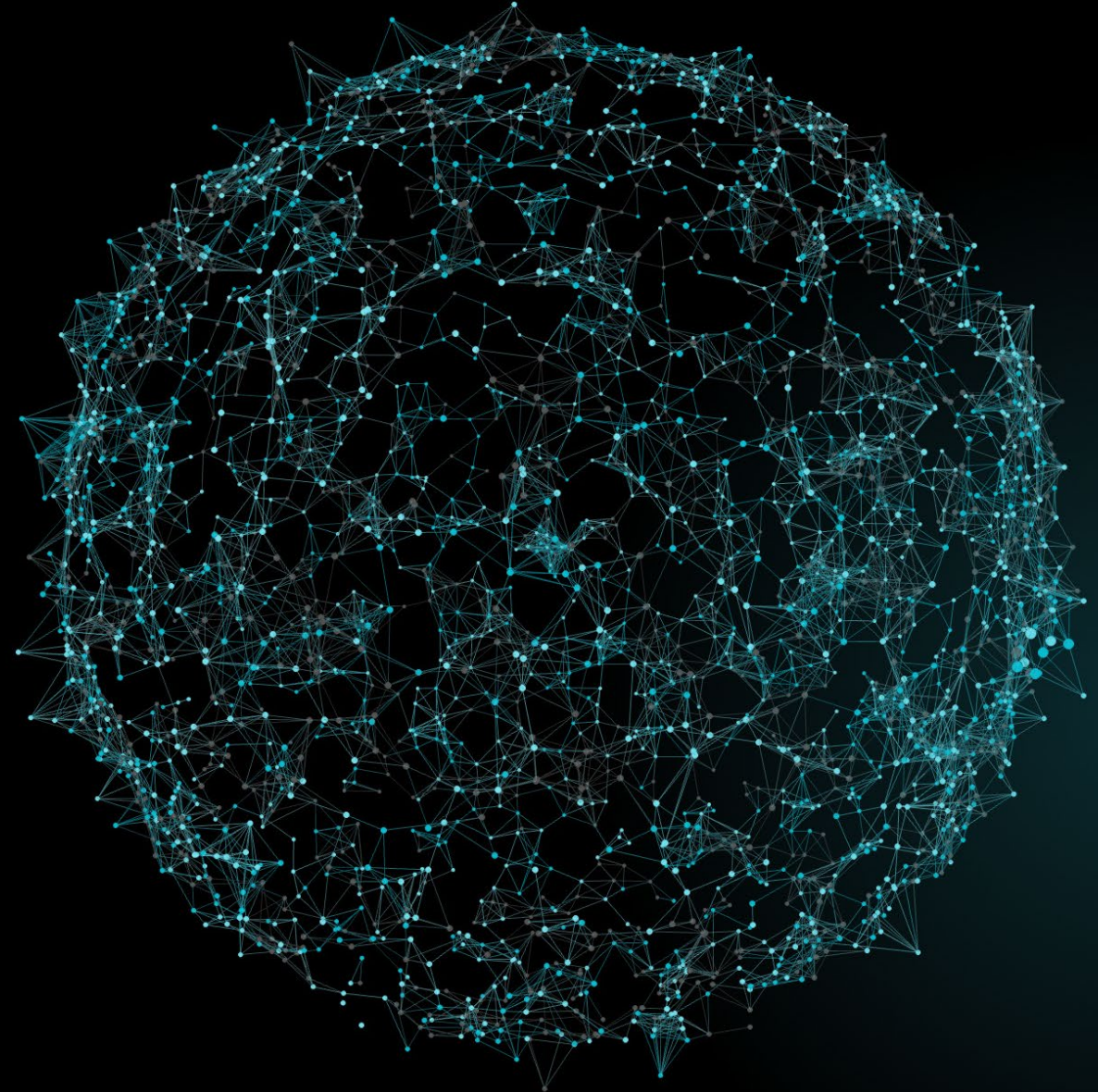
Priorities for 2022 and beyond from our materiality assessment include: product responsibility; health & safety; responsible supply chain; talent management; employee welfare; and diversity & inclusion

Plan for Net Zero by 2040

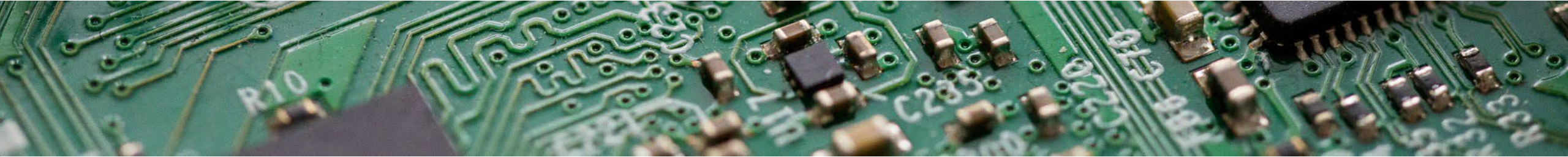
○ — 2023 AND LONG TERM OUTLOOK

- Stronger H2 2022 performance gives positive momentum into 2023 supported by large order book and H1 2023 expected to be up significantly on prior year
- Mindful of ongoing uncertainties but expect benefit of prior price increases to come through fully in 2023
- Working capital improvements expected as inventory unwinds
- Higher capital expenditure planned in 2023 including Malaysia and US Design centres. Expect net debt to reduce.
- Longer term we believe XP is well positioned to grow ahead of its end markets, improve profitability and deliver strong cash generation

— **Appendices**



MARKET DATA – A GROWING ADDRESSABLE MARKET



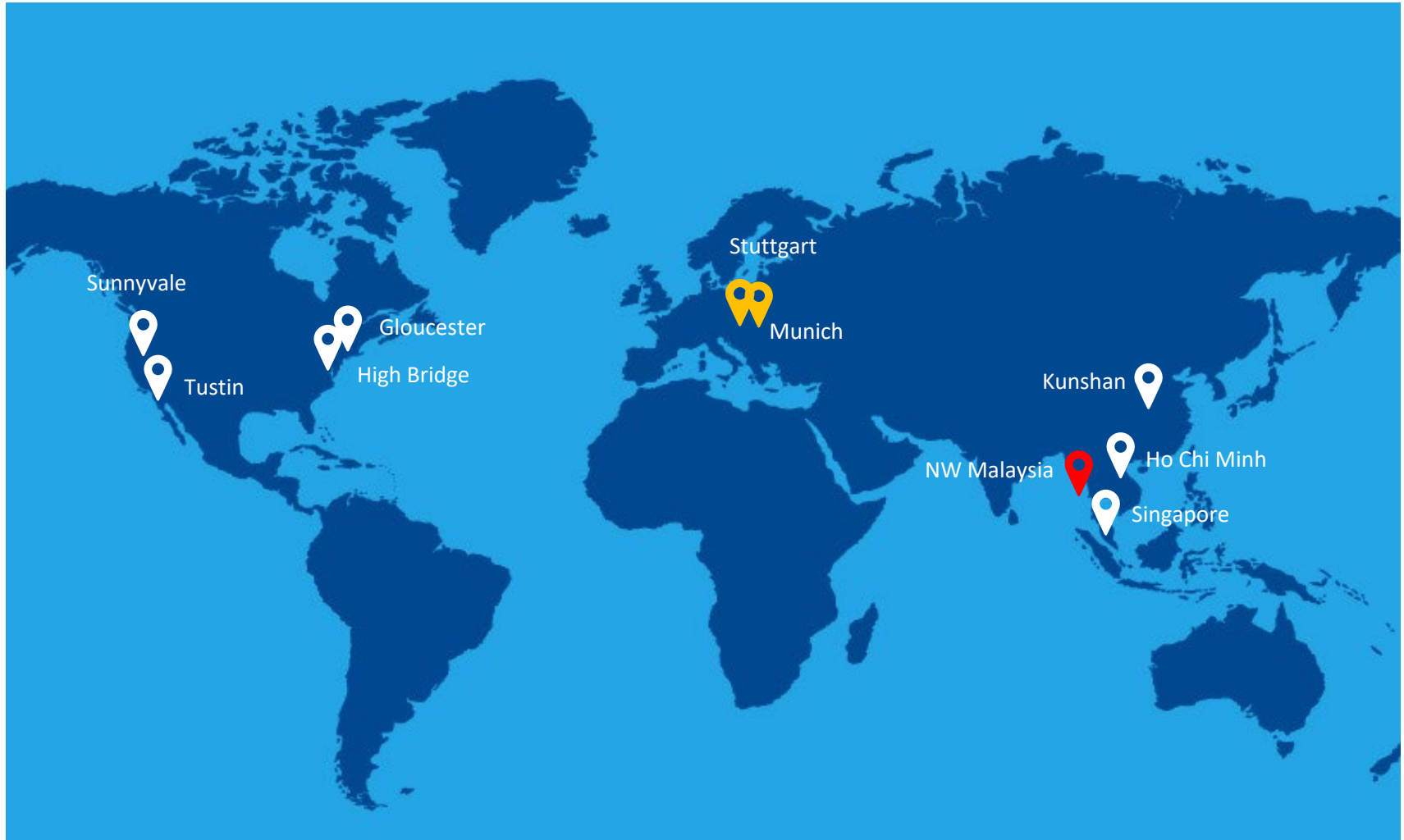
Market (\$ Millions)	Size	Share ¹
Asia	1,517	1.8%
Europe	802	10.7%
North America	1,241	13.5%
Total	3,614	7.8%
RF Power	2,042	1.8%
High power/high voltage	700	6.2%
Grand total	6,356	5.7%

XP 2022 Revenue (£ Millions)	Asia	Europe	North America	FuG & Guth	Total	Share of XP (%)
Healthcare	6.0	20.4	28.9	2.1	57.4	20%
Industrial Technology	13.9	47.0	44.6	14.4	119.6	41%
Semifab	16.8	2.6	93.7	0.0	113.4	39%
Total	36.7	70.0	167.2	16.5	290.4	100%
<i>Share of XP (%)</i>	13%	24%	57%	6%	100%	

Source: Micro-Tech Consultants (September 2022), VLSI Research (May 2022) and XP Power Management
 1. Based on FY 2022 revenues

WELL INVESTED GLOBAL MANUFACTURING FOOTPRINT

- 📍 Adding Capacity in all production sites
 - In all LV, RF and HV sites
 - Added RF manufacturing capability to China, diversifying from US
 - “Customer value add” in Vietnam
- 📍 FuG and Guth acquisitions in Germany to complement HV portfolio
- 📍 Adding further manufacturing facility in Perak, Malaysia
 - Final capacity potential - \$300-400m over long term
 - To complement Vietnam and China
 - Well connected, skilled labour, cost competitive
 - Go-live H2 2024, progress on track
- 📍 Ongoing investment in all design centres globally. 2023 North and South California



XP Power long term growth drivers

Rapid increase of electronic devices

- More products need power converters
- Pace of innovation
- Global shortage of semiconductors driving investment in capacity

Digital transformation

- Increase in smart technology
- More sophisticated customer products
- Demand for higher power capability

Structural growth in Healthcare

- Growing and aging global population
- Healthcare infrastructure investments
- Advances in medical technology
- Critical products need reliable power solutions

Growth drivers play to XP Power's competitive strengths

- Power supply part of the customer ecosystem with increased connectivity of the power converter to the customer's equipment
- Higher power and higher levels of customisation driving higher engineering services content with Industry 4.0 accelerating these trends
- Increased legislation and safety regulations
- Increasing environmental demands driving higher efficiency

BALANCE SHEET AND CASH FLOW

£ Million	Dec-22	Dec-21
Cash	22.3	9.0
Inventory	114.4	74.0
Trade receivables	42.4	30.8
Other	47.5	7.9
Total Current Assets	226.6	121.7
Goodwill	77.5	52.5
Other Intangibles	69.9	56.3
PP&E	36.6	30.2
Other non-current assets	71.1	11.0
Total Non-Current Assets	255.1	150.5
Total Assets	481.7	272.2
Trade & Other Payables	98.7	44.7
Tax & other current liabilities	7.5	4.3
Total Current Liabilities	106.2	49.0
Borrowings	174.2	33.4
Deferred tax liabilities	10.5	9.4
Other non-current liabilities	51.3	8.0
Total Non-Current Liabilities	236.0	50.8
Total Liabilities	342.2	99.8
NET ASSETS	139.5	172.4

£ Million	2022	2021	Change
Profit After Tax	(19.6)	23.0	-185%
Non-cash items	55.2	21.5	
Change in working capital	(33.5)	(3.9)	
Cash generated from Operations	2.1	40.6	-95%
Income tax paid, net of refund	(4.1)	(4.2)	
Payment of Lease Liabilities	(2.3)	(1.7)	
Purchase of property and equipment	(11.1)	(5.5)	
Capitalised product development costs	(8.0)	(8.3)	
Capitalised software development costs	(3.9)	(8.1)	
Purchase of bond receivable	(36.9)	0.0	
Interest paid	(5.5)	(0.9)	
Proceeds from exercise of share options	0.0	0.6	
Free cash flow	(69.6)	12.5	-656%
Cash generated from Operations	2.1	40.6	-95%
Specific items	15.9	9.7	
Adjusted Operating Cashflow	18.0	50.3	-64%
Adjusted Operating Cash Conversion	42%	111%	



POWERING THE WORLD'S CRITICAL SYSTEMS