

This announcement contains inside information as stipulated under the UK version of the Market Abuse Regulation No 596/2014 which is part of English Law by virtue of the European (Withdrawal) Act 2018, as amended. On publication of this announcement via a Regulatory Information Service, this information is considered to be in the public domain.

4 January 2023

**Concurrent Technologies Plc**  
(the 'Company')

**Post-Close Trading Update**

Concurrent Technologies Plc (AIM: CNC), a world-leading specialist in the design and manufacture of high-end embedded computer systems and boards for critical applications, is pleased to announce an update on trading for the year ending 31 December 2022 ("FY22").

Based on its unaudited management accounts for FY22, the Company expects to report revenues circa 10% ahead of market expectations\* and profit before tax at least in line with market expectations\*\*.

This was achieved despite the global supply chain shortages which extended lead times throughout the year, delaying manufacture, shipping and revenues. The Company invested significant cash into holding increased inventory to react quickly once parts became available, as happened at the end of FY22. To best manage this recent surge in activity the Company implemented a double shift throughout Q4, resulting in record revenues in November and December 2022.

Cash was depleted throughout the year as a result of the Company's declared strategy of investing in R&D, systems, and growth of its home markets in the US and UK. The additional investment in components holdings to mitigate supply shortages, resulted in a cash low point at the end of FY22, at a value of circa £4M.

With the increased shipping of product in November and December 2022, the Company anticipates strong cash generation at the start of FY23, with further episodes of cash generation as components become more available. Whilst overall supply chains are seeing a degree of recovery, the Company is in many cases dependent on some very specific components, and hence FY23 forecasts remain prudently cautious.

The Company intends to continue its strategy to invest in growth during FY23, and this includes efforts to make acquisitions that align with a strategy of owning more of the technology building blocks in embedded systems, in addition to single board computers.

FY22 has seen excellent strategic progress. The Company now sells systems products and has received its first purchase orders accordingly. It has also qualified a manufacturing partner in the USA and is therefore capable of selling domestic product in America. In addition, the Company's accelerated R&D efforts are resulting in increased demand for evaluation boards which is the route to being designed into latter production phases that typically last several years.

Following a record order intake in FY21 of £25M, the Company is proud to announce order intake for FY22 in excess of £31M, an increase of over 25%. The FY22 closing backlog was also very strong, in excess of £26M. These figures indicate that, as supply chains ease, the Company has potential for significant revenue growth. A further cause for optimism is that the Company expects to run double shifts throughout Q1 FY23, maintaining its increased capacity.

The Board previously confirmed a policy of paying dividends from profit generated during the year. Accordingly, the Board does not currently propose to pay a dividend in respect of FY22, with cash instead being used to fund further investment across the business, including in component holdings to mitigate the impact of any potential further restrictions. However, the Board is still committed to the capital discipline of paying a dividend when future profits allow.

**Chief Executive Officer Miles Adcock said** "Whilst the prolonged components shortages have frustratingly slowed down revenue generation, it is clear that our strategy is yielding growth potential. The fact that we have our highest ever backlog, following a record order intake, gives us real optimism for short to mid-term performance growth as supply chains improve. In addition, our longer-term strategies are exciting our customers and colleagues, so it is all to play for."

*\*Consensus revenue expectations for 2022 are £16m*

*\*\*Consensus profit before tax expectations for 2022 are £0.1m*

## **Enquiries:**

### **Concurrent Technologies Plc**

Miles Adcock, CEO

+44 (0)1206 752626

Kim Garrod, CFO

### **SEC Newgate (Financial PR)**

Bob Huxford

+44 (0)20 3757 6880

Isabelle Smurfit  
+44 (0)20 3757 6880

Harry Handyside  
[concurrent@secnewgate.co.uk](mailto:concurrent@secnewgate.co.uk)

### **Cenkos Securities Plc (NOMAD)**

Neil McDonald  
+44 (0)131 220 9771

Peter Lynch  
+44 (0)131 220 9772

### **About Concurrent Technologies Plc**

Concurrent Technologies Plc develops and manufactures high-end embedded computer products for use in a wide range of high-performance, long-life cycle applications within the telecommunications, defence, security, telemetry, scientific and aerospace markets, including applications within extremely harsh environments.

The processor products feature Intel<sup>®</sup> processors, including the latest generation embedded Intel<sup>®</sup> Core™ processors, Intel<sup>®</sup> Xeon<sup>®</sup> and Intel Atom™ processors. The products are designed to be compliant with industry specifications and support many of today's leading embedded Operating Systems. The products are sold world-wide.

For more information on Concurrent Technologies Plc and its products please visit [www.gocct.com](http://www.gocct.com).

*All trademarks, registered trademarks and trade names used in this announcement are the property of their respective owners.*

This information is provided by RNS, the news service of the London Stock Exchange. RNS is approved by the Financial Conduct Authority to act as a Primary Information Provider in the United Kingdom. Terms and conditions relating to the use and distribution of this information may apply. For further information, please contact [rns@lseg.com](mailto:rns@lseg.com) or visit [www.rns.com](http://www.rns.com).

RNS may use your IP address to confirm compliance with the terms and conditions, to analyse how you engage with the information contained in this communication, and to share such analysis on an anonymised basis with

others as part of our commercial services. For further information about how RNS and the London Stock Exchange use the personal data you provide us, please see our [Privacy Policy](#).

END

TSTUOAWROWUARAR Anonymous (not verified) Post-Close Trading Update 33211591 A Wed, 01/04/2023 - 07:00 LSE RNS Results and Trading Reports CNC