

Ref: CEL/NSEBSE/EP/13082022

13th August, 2022

To,

Listing Department National Stock Exchange of India Limited Exchange Plaza, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051	Department of Corporate Services - Listing BSE Limited P. J. Towers, Dalal Street, Mumbai – 400 001
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Re: Scrip Symbol: CENTUM/ Scrip Code: 517544

Dear Sir/ Madam,

Sub: Earnings Presentation

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations"), read with Part A of Schedule III of the Listing Regulations, we hereby enclose the Earnings Presentation for Q1 of FY 22- 23. Kindly take the same on your records.

Yours faithfully,
For **Centum Electronics Limited**

Indu H S
Company Secretary & Compliance Officer

Encl: as above



EARNINGS PRESENTATION

Q1-FY23

Snapshot



25+ years of domain expertise in Electronics Design & Manufacturing Solutions



Global Operations with strong presence in India, Europe and North America



Concept to Commissioning capabilities



1,800 Employees
650 Designers



Flexible Engagement Models



Strong Supply Chain Network



Strong relationship with marquee global clients



Serving segments with Hi-Tech, High Entry Barriers



Healthy Order Book of ~INR 11,200 Mn*



Single Source Supplier for ~80% of manufactured products



75% Revenues from Overseas Customers in Advanced Economies



Strong Corporate Governance

* As on 30th June 2022, Not including client forecasts of EMS division & signed LOIs for Transportation products

Company Overview

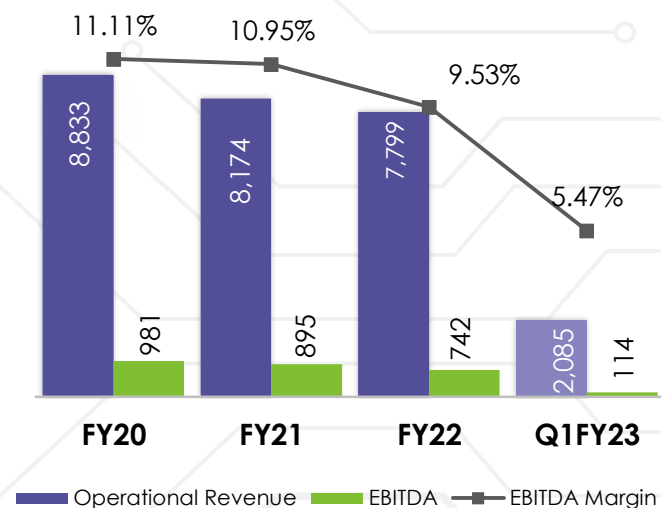


- Founded in 1993, Centum Electronics Limited (Centum) is one of the largest Electronics System Design and Manufacturing (ESDM) companies in India.
- Competencies across product design and manufacturing of complex and critical products and supplying to marquee customers in the most advanced economies as well as in India.
- Offering entire spectrum of design services and manufacturing of systems, subsystems for mission critical products in Defence, Space, Aerospace, Industrial, Transportation and Medical sectors.
- World-class design & manufacturing facilities across North America, Europe and India, with cutting edge infrastructure as well as a global supply chain capable of delivering products with high quality and reliability anywhere in the world.

FY22 Key Business Segments:

- **Engineering R&D (ER&D) Services (37%)** – Involves conceptualizing and designing of Electronic Hardware, Embedded Software, FPGA, Analog, Radio Frequency products, etc.
- **Electronic Manufacturing Services (EMS) (26%)** – Services include manufacturing services solutions focused on a High Complexity products in high technology segment
- **Build-To-Specification (37%)** – Services include turn-key solutions to take project from conception to mass production quickly and efficiently.

Operational Income (In Mn) and EBITDA Margins (%)



FY22 Industry Breakup

Defense, Space & Aerospace



44%

Transport & Automotive



30%

Industrial & Energy



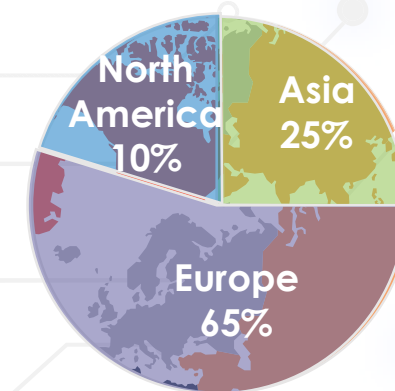
17%

Healthcare



9%

FY22 Geographical Breakup





Q1-FY23 FINANCIAL OVERVIEW

Q1-FY23 Financial Highlights



Q1-FY23 Standalone Performance:

- **Operational Income:** INR 980 Mn
- **Operational EBITDA:** INR 60 Mn
- **Operational EBITDA Margin:** 6.12%
- **Net Profit:** INR 0 Mn
- **PAT Margin:** NA
- **Diluted EPS:** INR (0.01) per share

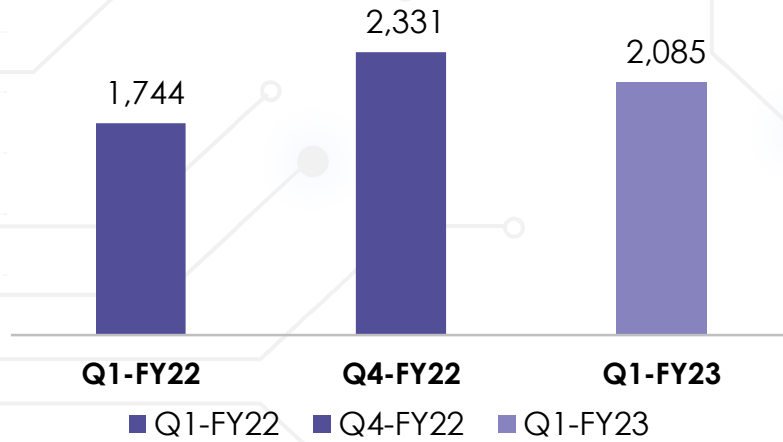
Q1-FY23 Consolidated Performance:

- **Operational Income:** INR 2,085 Mn
- **Operational EBITDA:** INR 114 Mn
- **Operational EBITDA Margin:** 5.47%
- **Net Profit:** INR (26) Mn
- **PAT Margin:** (1.25)%
- **Diluted EPS:** INR (1.67) per share

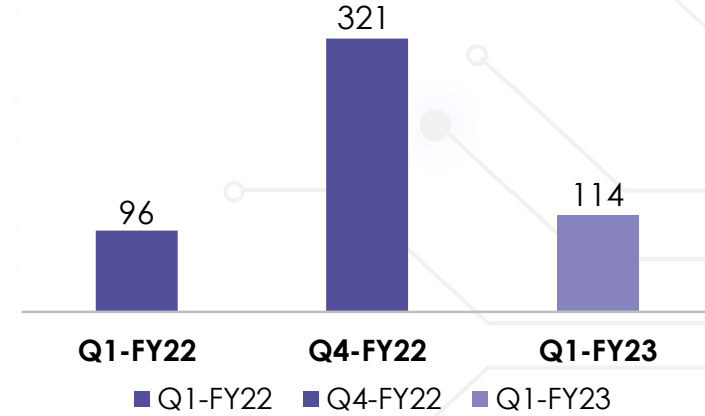
Quarterly Consolidated Financial Performance



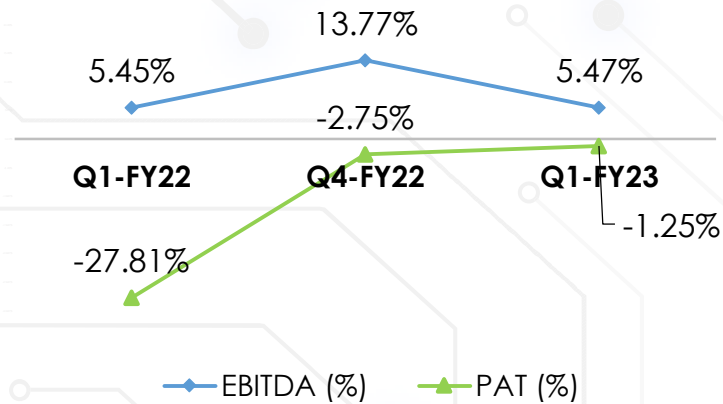
Revenue from Operations (INR Mn)



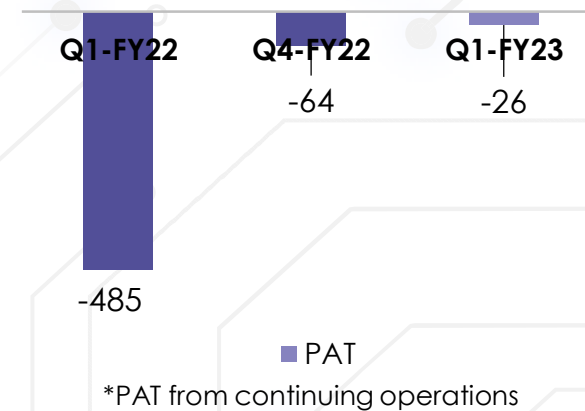
EBITDA (INR Mn)



EBITDA Margin (%) and PAT Margin (%)



PAT (INR Mn)



Q1-FY23 Operational Highlights



- Revenues grew by 20% Y-o-Y due to improvement on all three business units.
- Q-o-Q revenues decreased by 11% majorly in the BTS business due to the lumpy nature of domestic defence/space business. Expect BTS revenues to be concentrated in the other half of FY 22-23.
- EBITDA margins were impacted on a Q-o-Q basis due to an adverse mix (lower BTS business)
- Order book improved from INR 10,900 M on 31st March, 22 to INR 11,200 Mn as on 30th June,22.
- Shareholding in the French subsidiary increased from 64% to 77% following the put option exercise by the employee/management shareholders.
- Supply chain challenges continue to persist and impact deliveries. However, with proactive mitigating actions and a slight improvement in the overall supply situation, affirmative expectations of the deliveries in the coming quarters.

Quarterly Standalone Financial Performance



Particulars (INR Mn)	Q1-FY23	Q1-FY22	Y-o-Y	Q4-FY22	Q-o-Q
Operational Income	980	602	62.8%	1,208	(18.9)%
Total Expenses	920	621	48.1%	957	(3.9)%
EBITDA	60	(19)	NA	251	(76.1)%
EBITDA Margins (%)	6.12%	NA	NA	20.78%	NA
Other Income	14	12	16.7%	18	(22.2)%
Depreciation	40	41	(2.4)%	40	NA
Finance Cost	33	44	(25.0)%	40	(17.5)%
Exceptional Items	-	(18)	NA	-	NA
PBT	1	(110)	NA	189	(99.5)%
Tax	1	(28)	NA	45	(97.8)%
PAT	0	(82)	NA	144	NA
PAT Margins (%)	NA	NA	NA	11.92%	NA
Diluted EPS (INR)	(0.01)	(6.38)	NA	11.16	NA

Standalone Balance Sheet



Particulars (INR Mn)	FY20	FY21	FY22
ASSETS			
Non-Current Assets	2,118	2,110	2,120
(a) Property, Plant & Equipment	1,116	1,075	1,033
(b) Capital Work in progress	14	23	-
(c) Goodwill on Consolidation	36	36	36
(d) Other Intangible Assets	54	55	42
(e) Right of use asset	21	37	29
(f) Intangible assets under development	-	-	-
(g) Financial Assets			
(i) Investments	489	637	628
(ii) Other financial assets	300	182	269
(h) Deferred tax assets (net)	28	18	25
(i) Non-current tax assets (net)	34	34	49
(j) Other non-current assets	26	13	9
Current Assets	4,244	3,233	3,340
(a) Inventories	2,204	1,746	1,987
(b) Financial Assets			
(i) Investments	-	-	-
(ii) Trade Receivables	1,700	996	891
(iii) Cash and Cash Equivalents	55	105	149
(iv) Bank balances other than above	97	187	94
(v) Others current financial assets	57	55	58
(c) Other Current Assets	131	144	161
TOTAL ASSETS	6,362	5,343	5,460

Particulars (INR Mn)	FY20	FY21	FY22
EQUITY AND LIABILITIES			
Equity	2,363	2,547	2,645
(a) Share Capital	129	129	129
(b) Other Equity	2,234	2,418	2,516
Non Current Liabilities	285	216	85
(a) Financial Liabilities			
(i) Borrowings	197	114	-
(ii) Other Financial Liabilities	2	-	-
(iii) Lease Liabilities	24	13	2
(b) Government Grants	17	34	27
(c) Net non-current employee defined benefit liabilities	45	55	56
Current Liabilities	3,714	2,580	2,730
(a) Financial Liabilities			
(i) Borrowings	1,494	1,283	980
(ii) Trade Payables	1,136	592	726
(iii) Other Financial Liabilities	271	93	84
(iv) Lease Liabilities	6	20	12
(b) Government Grants	4	8	8
(c) Other current Liabilities	686	469	859
(d) Net current employee defined benefit liabilities	6	6	6
(e) Provisions	34	33	25
(f) Liabilities for current tax (net)	77	76	30
TOTAL EQUITY AND LIABILITIES	6,362	5,343	5,460

Quarterly Consolidated Financial Performance



Particulars (INR Mn)	Q1-FY23	Q1-FY22	Y-o-Y	Q4-FY22	Q-o-Q
Operational Revenue	2,085	1,744	19.6%	2,331	(10.6)%
Total Expenses	1,971	1,649	19.5%	2,010	(1.9)%
EBITDA	114	95	20.0%	321	(64.5)%
EBITDA Margins (%)	5.47%	5.45%	2 Bps	13.77%	(830) Bps
Other Income	26	18	44.4%	26	NA
Depreciation	110	111	NA	93	18.3%
Finance Cost	60	73	(17.8)%	74	(18.9)%
Share of profit / (losses) of associates from operations	-	-	NA	(46)	NA
Exceptional Items	-	(447)	NA	(157)	NA
PBT	(30)	(518)	NA	(23)	NA
Tax	(4)	(33)	NA	41	NA
PAT from continuing operations	(26)	(485)	NA	(64)	NA
PAT Margins (%)	NA	NA	NA	NA	NA
Diluted EPS from continuing operations (INR)	(1.67)	(26.59)	NA	0.69	NA

Consolidated Balance Sheet



Particulars (INR Mn)	FY20	FY21	FY22
ASSETS			
(1) Non-current assets	3,759	3,611	3,261
(a) Property, Plant and Equipment	1,253	1,184	1,120
(b) Capital work-in-progress	13	21	-
(c) Goodwill on consolidation	376	376	376
(d) Other Intangible assets	479	409	416
(e) Right of use asset	457	556	481
(f) Intangible assets under development	101	171	120
(g) Financial assets			
(i) Investment in joint ventures and associates	387	465	59
(ii) Other Investments	14	23	14
(iii) Other non current financial assets	588	336	552
(h) Deferred tax assets (net)	30	22	32
(i) Non-current tax assets (net)	34	34	49
(j) Other non-current assets	27	14	42
(2) Current assets	7,013	6,194	5,969
(a) Inventories	2,358	1,942	2,248
(b) Financial assets			
(i) Trade receivables	2,489	2,161	1,993
(ii) Cash and cash equivalents	136	412	480
(iii) Bank balances other than cash and cash equivalents	97	187	94
(iv) Other current financial assets	1,610	1,106	828
(c) Other current assets	323	386	326
(3) Assets classified as held for disposal	-	-	-
Total assets (1+2+3)	10,772	9,805	9,230

Particulars (INR Mn)	FY20	FY21	FY22
EQUITY AND LIABILITIES			
(1) Equity	2,300	2,401	1,985
(a) Equity share capital	129	129	129
(b) Other equity	1,923	2,102	1,911
Equity attributable to equity holders of the parent (a+b)	2,052	2,231	2,040
(c) Non-controlling interests	248	170	(55)
(2) Non-current liabilities	1,281	1,702	1,375
(a) Financial liabilities			
(i) Borrowings	697	1,089	816
(ii) Other non-current financial liabilities	2	-	-
(iii) Lease Liabilities	374	419	355
(b) Deferred tax liabilities (net)	92	71	49
(c) Net non-current employee defined benefit liabilities	46	57	58
(d) Provisions	54	32	70
(e) Government Grants	16	34	27
(3) Current liabilities	7,191	5,702	5,870
(a) Financial liabilities			
(i) Borrowings	2,025	2,095	1,910
(ii) Trade payables	1,780	1,086	1,141
(iii) Other current financial liabilities	1,666	733	598
(iv) Lease Liabilities	103	140	120
(b) Other current liabilities	1,471	1,323	1,779
(c) Government Grants	4	8	8
(d) Net employee defined benefit liabilities	6	7	7
(e) Provisions	58	228	275
(f) Liabilities for current tax (net)	78	82	32
(4) Liabilities directly associated with assets classified as held for disposal	-	-	-
Total equity and liabilities (1+2+3+4)	10,772	9,805	9,230

Historical Standalone Income Statement



Particulars (INR Mn)	FY20	FY21	FY22	Q1-FY23
Operational Income	4,824	4,245	3,480	980
Total Expenses	4,111	3,621	3,055	920
EBITDA	713	624	425	60
EBITDA Margins (%)	14.78%	14.70%	12.21%	6.12%
Other Income	43	39	58	14
Depreciation	131	158	165	40
Finance Cost	277	174	146	33
Exceptional Items	-	-	(18)	-
PBT	348	331	154	1
Tax	98	91	36	1
PAT	250	240	118	0
PAT Margins (%)	5.18%	5.65%	3.39%	NA
Diluted EPS (INR)	19.42	18.60	9.12	(0.01)

Historical Consolidated Income Statement

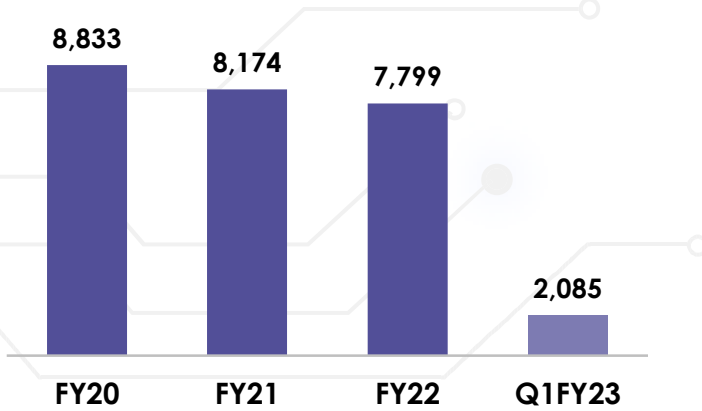


Particulars (INR Mn)	FY20	FY21	FY22	Q1-FY23
Operational Revenue	8,833	8,174	7,799	2,085
Total Expenses	7,852	7,279	7,056	1,971
EBITDA	981	895	743	114
EBITDA Margins (%)	11.11%	10.95%	9.53%	5.47%
Other Income	153	58	80	26
Depreciation	414	453	432	110
Finance Cost	368	295	263	60
Share of profit / (losses) of associates and JV from continuing operation	(5)	(11)	(46)	-
Exceptional Item	(105)	-	(604)	-
PBT	242	194	(522)	(30)
Tax	74	74	13	(4)
PAT from continuing operations	168	120	(535)	(26)
PAT Margins (%)	1.90%	1.47%	NA	NA
Diluted EPS from continuing operations (INR)	15.74	13.30	(23.70)	(1.67)

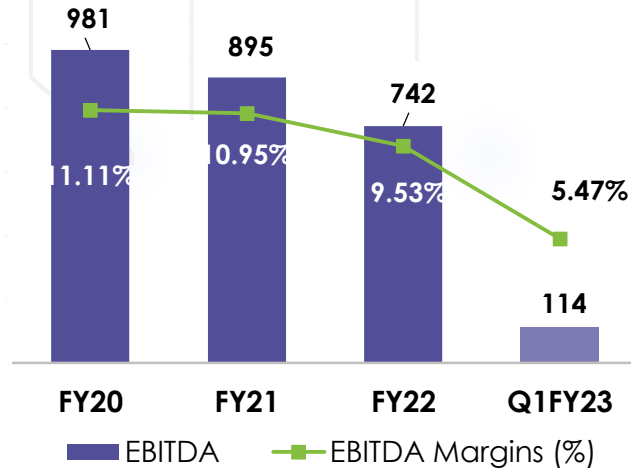
Consolidated Financial Highlights



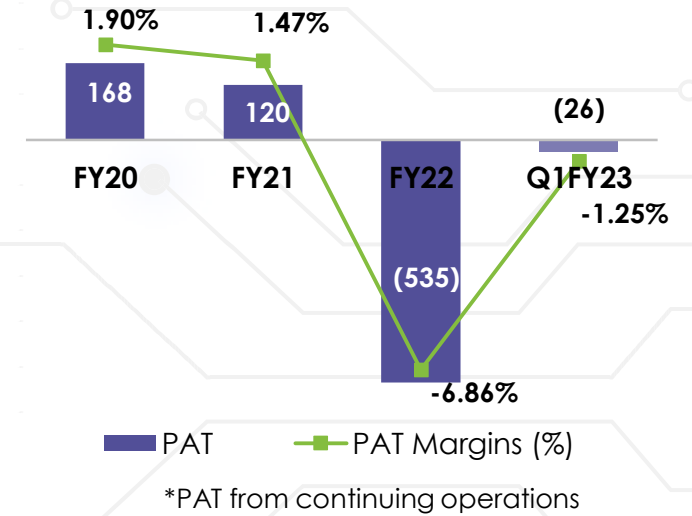
Operational Revenue



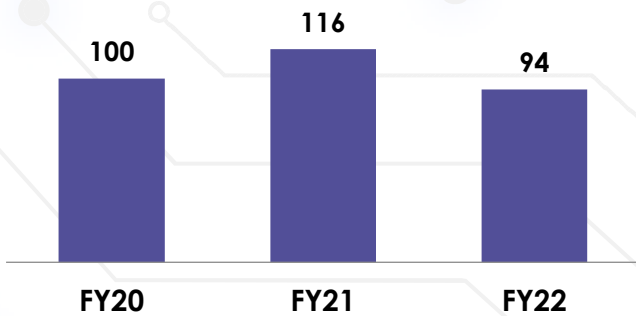
EBITDA & EBITDA Margins (%)



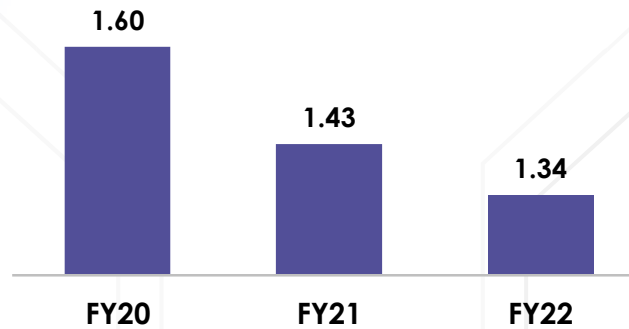
PAT & PAT Margins (%)*



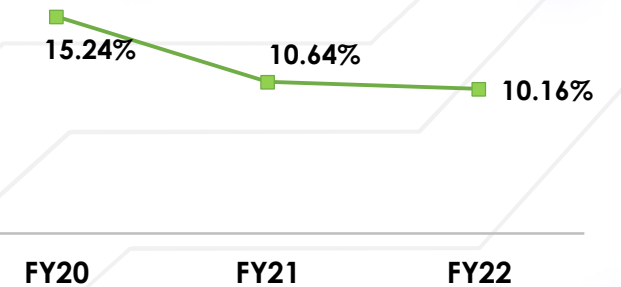
Net Working Capital Days



Debt to Equity



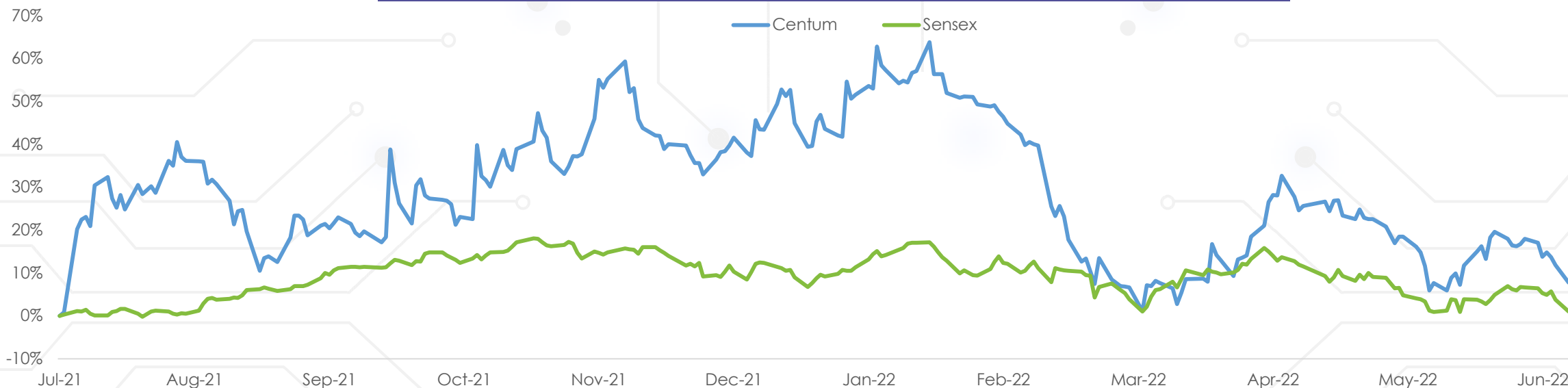
ROCE(%)



Capital Market Data



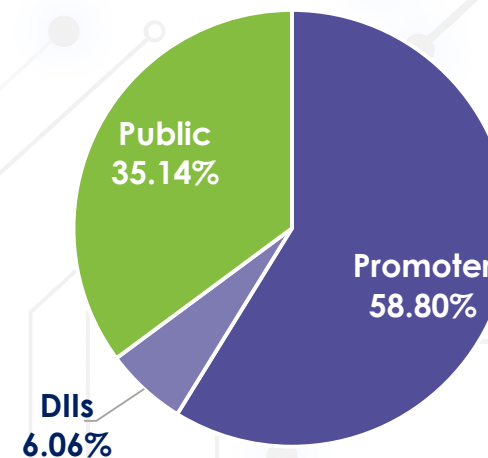
1 Year Stock Performance upto 30th June,2022



Price Data (As on 30th June, 2022)

CMP	402.9
52 Week H/L	659.2/388.0
Avg. Vol. ('000)	29.1
Avg. turnover (Mn)	39.2
Market Capital (INR Mn)	5,191
Total outstanding shares (Mn)	12.9

Shareholding Pattern (As on 30th June,2022)



Centum Electronics Limited

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