



**An AS 9100D Certified**

**Regd. Office:** Aerospace SEZ Sector, Plot Nos. 29,30 and 107,  
Hitech Defence and Aerospace Park, Kavadasanahalli,  
Bengaluru Rural – 562110, Karnataka, India

**DCX SYSTEMS LIMITED**

**CIN: U31908KA2011PLC061686**

*(Formerly known as DCX Cable Assemblies Pvt Ltd)*

**email:**[cs@dcxindia.com](mailto:cs@dcxindia.com)

**Tel:** 080-67119555

**web:**[www.dcxindia.com](http://www.dcxindia.com)

**November 24, 2022**

**Ref No: DCX/2022-23/004**

The Department of Corporate Services  
BSE Limited  
P J Towers, Dalal Street, Fort  
Mumbai – 400001

National Stock Exchange of India Ltd  
Exchange Plaza, C-1, BlockG  
Bandra Kurla Complex, Bandra (E)  
Mumbai – 400 051

**Scrip Code - 543650**

**Symbol-DCXINDIA**

Dear Sir / Madam,

**Subject: Press Release**

Pursuant to Regulation 30 read with Schedule III of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015, please find enclosed a Press Release dated November 24, 2022 with respect to un-audited financial performance of DCX Systems Limited for the second quarter and half year ended September 30, 2022.

You are requested to take the same on your records.

Thanking you,

Yours Sincerely,

For **DCX Systems Limited**

**Nagaraj R Dhavaskar**  
**Company Secretary, Legal & Compliance Officer**  
**M. No: A53230**



## **MEDIA RELEASE**

**H1 FY23 Revenue at Rs 387 crore – YoY growth of 24%; driven by increase in high margin projects**

**H1 FY23 EBIDTA at Rs 35 crore – YoY growth of 116%**

**H1 FY23 EBIDTA margin at 9.1% - YoY improvement of 386 bps**

**Order Book (as on 30<sup>th</sup> September 2022) at over Rs. 2,550 crores**

**Bengaluru, November 24, 2022:** DCX Systems Limited, among one of the leading Indian Defence Manufacturing Players offering a full service and manufacturing of Electronic Sub - Systems and cable - wire harnesses for both International and Domestic reputed customers, released the un-audited financial results for the second quarter and half year ended September 30, 2022.

Standalone (Rs Crore)	Q2 FY23	Q2 FY22	% Change	Consol. Q2 FY23	H1 FY23	H1 FY22	% Change	Consol. H1 FY23
Operational Revenue	173.88	188.14	(7.58%)	173.89	387.13	311.06	24.46%	387.14
EBITDA *	17.72	9.22	92.19%	17.70	35.27	16.29	116.51%	35.05
EBITDA %	10.19%	4.90%	529 bps	10.18%	9.11%	5.24%	387 bps	9.05%
PAT	7.87	11.64	(32.39%)	7.88	13.64	14.99	(9.01%)	13.45
PAT %	4.53%	6.19%	(166 bps)	4.53%	3.52%	4.82%	(130 bps)	3.47%

\* EBITDA excluding Other Income and Forex Loss

### **For the quarter comparative from July to September FY23 viz FY22:**

- Operational Revenue stood at Rs 173.88 crore in Q2 FY23, decreased by 7.58% from Rs 188.14 crore in Q2 FY22. Seasonal decline in demand in Kitting vertical offset the growth in System Integration and Cable - Wire Harness verticals, impacting revenue growth during the quarter.
- Q2 FY23 Segmental Contribution to Revenue:
  - System Integration – 96.5%
  - Wire Harness – 3.5%
- Q2 FY23 Geographical Contribution to Revenue:
  - Domestic – 43.5%
  - Exports – 56.5%
- EBITDA (excluding other income & forex loss) stood at Rs 17.72 crore in Q2 FY23, up from Rs 9.22 crore in Q2 FY22, Y-o-Y growth of 92.19%
- EBITDA Margin for the quarter stood at 10.19%, increase of 529 bps as compared to 4.90% in Q2 FY22. Rise in share of high-margin projects executed during this quarter helped reduce raw material expenses, benefiting overall EBITDA margins.
- Profit After Tax (PAT) for the quarter is Rs 7.87 crore compared to Rs 11.64 crore in the same period of last financial year



### **For the half year comparative from April to September FY23 viz FY22:**

- Operational Revenue stood at Rs 387.13 crore in H1 FY23, up by 24.46% from Rs 311.06 crore in H1 FY22. During the half year, Company undertook a higher sales of System Integration projects, leading to year-on-year increase in revenue.
- H1 FY23 Segmental Contribution to Revenue:
  1. System Integration – 96.4%
  2. Wire Harness – 3.4%
  3. Kitting – 0.2%
- H1 FY23 Geographical Contribution to Revenue:
  - Domestic – 48.7%
  - Exports – 51.3%
- EBITDA (excluding other income & forex loss) stood at Rs 35.27 crore in H1 FY23, up from Rs 16.29 crore in H1 FY22; YoY increase of 116.51%
- EBITDA Margin for the half year stood at 9.11%, rise of 387 bps as compared to 5.24% in H1 FY22
- Profit After Tax (PAT) for the half year is Rs 13.64 crore compared to Rs 14.99 crore in the same period of last financial year
- **Order Book (as on 30<sup>th</sup> September 2022) is over Rs. 2,550 crores.**

### **Recent Major Updates:**

- Listed on the exchanges with a 100% book building; initial public offering (IPO) of 2,53,80,710 Equity Shares of face value of Rs. 2 each in a price band Rs 197-207 per equity share.
  - Shares listed on BSE as well as NSE and face value of the share is Rs. 2 and is priced 98.50 times of its face value on the lower side and 103.50 times on the higher side.
- Company invested Rs. 0.6 crore in its subsidiary Raneal Advanced Systems Pvt Ltd, during January-September 2022, in the form of equity.

### **Management Comment:**

*Commenting on the company's performance, **Dr. H.S. Raghavendra Rao, Chairman & Managing Director, DCX Systems, said,***

*"Our Q2 & H1 FY23 performance has been in line with expectations. Despite slight headwinds, our Company has performed well during this period. The demand for kitting is seasonal in nature, which led to lower sales in that vertical during the second quarter. However, revenue from our System Integration and Wire Harness verticals grew well during this period.*

*In Q2 FY23, our revenues stood at Rs. 173.9 crore, while EBITDA (excluding other income & forex loss) and PAT were at Rs. 17.7 crore and Rs. 7.9 crore, respectively. We undertook more high-margin projects during this period thereby improving the EBITDA margins.*

*We have a healthy and strong order book which gives an optimistic outlook for the near future. Our focus remains on securing raw materials to support the anticipated growth and rationalizing expenses to improve operational efficiencies. Also through our recent successful IPO, we have been able to raise equity worth Rs. 160 crore, to augment our working capital.*



*We are also focusing on forward and backward integration in FY24, which would include setting up of Electronic Manufacturing Services (EMS) plant in our wholly owned subsidiary Raneal Advanced Systems Pvt. Ltd. Additionally, we are scouting to acquire technology (TOT) from OEMs in the area of Aerospace and defence and Civil Applications. This would also be supported by potential inorganic growth in offset defence obligations and Non offset defence opportunities.*

*Overall, we strive to emerge as a one-stop-service provider for global and domestic customers, encompassing multiple verticals including Cable – Wire Harness, System Integration, EMS, Maintenance Repair and Overhauling (MRO) and Product segment under Transfer of Technology (ToT).*

*I thank the entire team of DCX and all our stakeholders for your faith and support which helps us set and achieve new benchmarks.”*

**About DCX Systems:**

DCX Systems Limited (“DCX Systems”), one of the leading Indian Defence Manufacturing Player offering a full service and manufacturing of Electronic sub-Systems and cable - wire harnesses for both International and Domestic reputed customers. The Company commenced operations in 2011 and have been a preferred Indian Offset Partner (“IOP”) for foreign original equipment manufacturers (“OEMs”) for executing defence manufacturing projects. DCX is primarily engaged in system integration and manufacturing a comprehensive array of cables and wire harness assemblies and are also involved in kitting”.

DCX is a rapidly growing company in the Indian defence space and one of the largest Indian Offset Partner (“IOP”) for ELTA Systems Limited and Israel Aerospace Industries Limited, System Missiles and Space Division (together, the “IAI Group”), Israel, for the Indian defence market. Over the years, the Company has expanded their manufacturing capabilities and grown their order book.

The Company operates through their manufacturing facility located at the Hi-Tech Defence and Aerospace Park SEZ in Bengaluru, Karnataka.

DCX’s customers include certain Fortune 500 companies, multinational corporations and start-ups in Israel, United States, Korea and India, across different sectors, ranging from defence and aerospace to space ventures and railways.

BSE: 543650; NSE: DCXINDIA; Website: [www.dcxindia.com](http://www.dcxindia.com)

**For Further information, please contact:**

<p><b>Mr. Niraj K Khandelwal</b></p> <p><b>DCX Systems Limited</b></p> <p>Email: <a href="mailto:niraj@dcxindia.com">niraj@dcxindia.com</a></p>	<p><b>Mr. Amit Sharma / Mr. Rahul Trivedi</b></p> <p>98677 26686 / 98335 41841</p> <p><b>Adfactors PR Pvt. Ltd.</b></p> <p>Email: <a href="mailto:amit.sharma@adfactorspr.com">amit.sharma@adfactorspr.com</a> / <a href="mailto:rahul.trivedi@adfactorspr.com">rahul.trivedi@adfactorspr.com</a></p> <p><a href="http://www.adfactorspr.com">www.adfactorspr.com</a></p>
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