



Ref: CEL/NSEBSE/AGM/08092023

8th September 2023

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.: Intimation under Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015: Chairman's Speech at the 30th Annual General Meeting (AGM) of the Company

Pursuant to Regulation 30 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015, we are enclosing herewith a copy of the Chairman's Speech as delivered at the 30th Annual General Meeting of our Company held on 11th August 2023 through video conference mode.

Kindly take the same on your records.

Thanking you,

Yours faithfully,
For **Centum Electronics Limited**

Indu H S
Company Secretary & Compliance Officer

Encl: as above

Centum Electronics Limited

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CHAIRMAN'S SPEECH

Ladies and gentlemen, a very good afternoon to all our esteemed shareholders, distinguished Board Members, and honored guests.

It brings me immense pleasure to extend a warm and heartfelt welcome to each one of you, as we gather today to commemorate Centum's 30th Annual General Meeting. Three decades ago, we received the certificate of incorporation from the ROC, marking the inception of our journey. That was our humble beginning with the construction of our first facility and commencement of operations in September 1994 to where we are today. Though three decades have passed, it feels as if time has merely whispered by.

Remarkably, the challenges posed by the pandemic are now receding, and our nation stands tall with a robust economy, counted among the fastest-growing globally. A sage piece of advice resonates with us: spend 20% of your time learning from the past, and dedicate 80% to envisioning and shaping the future. Today, we stand at the precipice of that future, poised to seize the opportunities that await us.

In the fiscal year 2022-23, our company has achieved a consolidated total income of INR 929 crores, representing a notable growth of 18%. This growth has been predominantly propelled by our Standalone revenues, surging from INR 354 crores to INR 505 crores, primarily attributed to our Electronic Manufacturing Services (EMS). Our consolidated EBITDA stands at INR 76 crores, reflecting a margin of 8.3%. Additionally, our consolidated debt has seen a declining trend from INR 273 crores in the preceding year to INR 262 crores in the current year. Notably, we have steadfastly focused on optimizing working capital by maintaining stringent control over inventory and judiciously securing customer advances.

Our French subsidiary has undergone a transformative change, aligning seamlessly with our overarching strategy to harness the collective strengths of our Indian group. Over the past year, a significant portion of test bench activity, as well as manufacturing operations, has been successfully relocated from France and Canada to India, eliciting positive feedback from our valued customers. This strategic shift has already begun yielding dividends, enhancing our competitive edge in the Canadian and French markets. Moreover, a concentrated effort to fortify our design capabilities and expand our design capacity in India has been undertaken, aimed at bolstering margins and enhancing competitiveness.

Turning our gaze to Canada, where challenges arose last year, I am pleased to announce that a series of strategic changes, including a reduction in headcount, have been instrumental in steering the Canadian entity towards a path of recovery and growth.

The acquisition of our French entity, albeit a distressed asset, remains a pivotal move. Despite the unforeseen hurdles presented by the pandemic, we are resolutely navigating the path to revitalizing our French operations. With these trials behind us, we eagerly anticipate our French entity to emerge as a significant contributor to the group's endeavours starting from this year.

Our diverse portfolio spans the domains of Defense & Aerospace, Space, Transport, Automotive, Industrial, Energy, and Medical sectors. Gratifyingly, all these sectors exhibit promising growth trajectories. Noteworthy is the resurgence in the Defense & Aerospace sector, buoyed by the Government of India's "Make in India" initiative. Last year saw the forging of three strategic teaming agreements with esteemed multinational OEMs, aimed at designing, manufacturing, and delivering products for the Indian defense and aerospace clientele. Furthermore, the ongoing Russia-Ukraine conflict has triggered an uptick in our Defense & Aerospace exports.

The realm of space exploration is unfolding with newfound promise, propelled by policy reforms. While the realization of policy shifts often entails a temporal lag, we are already glimpsing opportunities that were hitherto untapped. Our company, with its established prowess in constructing intricate payloads and systems, is poised to ascend the value chain, venturing into satellite manufacturing. This trajectory has been solidified through our forthcoming investment in a state-of-the-art satellite Assembly, Integration, and Testing (AIT) facility.

An exciting milestone has been achieved with the receipt of orders to conceive, manufacture, and deliver comprehensive Passenger Information Systems (PIS) for both the Delhi and Chennai metro networks. Notably, this marks the maiden instance of an Indian enterprise engaging in PIS deployment, a feat underpinned by the technological expertise honed by our Canadian entity. This triumphant foray into the Indian metro market lays a robust foundation for our engagement in the extensive Indian train market domain.

Echoing sentiments expressed in our prior AGM, the burgeoning realm of electric mobility stands as a prime avenue for growth. I am elated to share substantial progress in this sphere, marked by orders from prominent multinational corporations and well-capitalized Indian startups. Our strategic focus on electric mobility, within the broader automotive sector, positions us as a formidable player in this transformative space.

India's landmark achievement, Chandrayaan 3's journey to the moon, fills us with immense pride. I am delighted to announce our substantial contributions to Chandrayaan 3, manifest in the design and manufacture of critical modules and subsystems spanning its three pivotal stages: launch vehicle, lander, and rover. This active involvement reaffirms our commitment to India's monumental strides in space exploration.

Concluding on a resoundingly positive note, I am thrilled to share that our order book has reached unprecedented heights. The trajectory of growth is evident, with our order book surging from INR 1090 crores on April 1st, 2022, to INR 1538 crores by March 31st, 2023. This remarkable surge has been chiefly propelled by the rapid expansion of our EMS operations, facilitated by both new customer onboarding and the post-pandemic resurgence among legacy clients. The horizon is bright with prospects, and I am excited and confident as we navigate the trajectory ahead.

In extending my gratitude, I wish to first acknowledge our invaluable customers, whose unwavering trust and confidence fuel our endeavors.

A heartfelt appreciation is also extended to our esteemed Board Members, whose sagacious counsel and experience illuminate our path forward.

Our company ethos is encapsulated in the triad of Teamwork, Technology, and Trust. It is the dedicated and united Team Centum, under the stewardship of our leadership, that is responsible for our achievements. I extend wholehearted gratitude to each individual within this team, whose unwavering commitment, passion, and sense of ownership have been instrumental in driving our successes.

Lastly, none of our accomplishments would be conceivable without the unwavering support and commitment of our shareholders. Your steadfast dedication fortifies the foundation upon which our endeavours are constructed. With profound gratitude, I extend my heartfelt thanks to each shareholder for their resolute commitment and invaluable support.

In conclusion, I extend my heartfelt thanks to all those who have contributed to our journey thus far. With optimism, we stride into the future, driven by a shared vision and unwavering determination.

Thank you.