



To:

To:

BSE Limited
Corporate Relationship Department
PJ towers,
Dalal Street,
Mumbai -400001
BSE SCRIP CODE: 543896

The Manager
Listing Department
The National Stock Exchange of India Limited
“Exchange Plaza”, Bandra – Kurla Complex,
Bandra (EAST),
Mumbai – 400051
NSE Symbol: AVALON

Sirs,

Sub: -

Refer Regulation 33 of SEBI (Listing Obligations and Disclosures Requirements) Regulations 2015.

Pursuant to the Regulation captioned in the subject, please find enclosed the documents mentioned below:

1. The Unaudited Standalone and Consolidated Financial Results for the Quarter and Half Year Ended September 30, 2023, with the Limited Review Report of the Auditors are enclosed

You are requested to kindly take the above on records.

Yours sincerely,

For **AVALON TECHNOLOGIES LIMITED**

RAJESH V Digitally signed by RAJESH V
Date: 2023.11.08 20:36:58
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Name of the Person: Dr. V. Rajesh

Designation: Company Secretary

Membership Number: F9213

Date: 08.11.2023

Avalon Technologies Limited

(Formerly Avalon Technologies Private Limited)

Corporate Identification Number: U30007TN1999PLC043479

Reg. Office 'TPI Block' B7, First Main Road, MEPZ-SEZ, Tambaram, Chennai 600 045
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Independent Auditor's Review Report on Review of Statement of Unaudited Standalone Financial Results.

**To
The Board of Directors of
Avalon Technologies Limited**

1. We have reviewed the accompanying Statement of Unaudited Standalone Financial Results of Avalon Technologies Limited ("the Company") for the quarter and half year ended September 30, 2023 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended ("Listing Regulations").
2. This Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India (ICAI). This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statements is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of the Company's personnel responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under section 143(10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

Other Matter

5. Attention is invited to Note No.5 to the Statement. As stated therein, the Statement includes results for the quarter and half year ended September 30,2022 which have not been subject to an audit or review by us.

Our conclusion is not modified in respect of the above matter.

Place : Hyderabad
Date : 8th November, 2023

For Varma & Varma
Chartered Accountants
FRN. 004532S

POONJAR RAMA
PRASANNA VARMA

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RAMA PRASANNA VARMA
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P. R. Prasanna Varma
Partner
M.No. 025854
UDIN: 23025854BGRHYY5904

Avalon Technologies limited
(formerly known as Avalon Technologies Private Limited)
CIN:U30007TN1999PLC043479

Registered Office: B-7 First Main Road, MEPZ-SEZ, Tambaram, Chennai - 600045, Tamil Nadu, India
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STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2023

(₹. In Millions)

S.No	Particulars	For the Quarter Ended			For the Half Year Ended		For the Year Ended
		30 Sep'23	30 Jun'23	30 Sep'22	30 Sep'23	30 Sep'22	31 Mar'23
		Unaudited	Unaudited	(Refer Note 5)	Unaudited	(Refer Note 5)	Audited
I	Revenue from Operations	974.73	1,135.61	1,213.00	2,110.34	2,231.59	4,793.71
II	Other Income	57.92	52.93	15.02	110.85	35.05	48.84
III	Total Income (I+II)	1,032.65	1,188.54	1,228.02	2,221.19	2,266.64	4,842.55
IV	Expenses:						
	Cost of raw materials consumed	757.06	834.58	956.26	1,591.64	1,758.74	3,683.19
	Purchases of Stock-in-Trade	-	-	-	-	-	-
	Changes in Inventories of finished goods, work-in-progress	(22.98)	6.68	(30.31)	(16.30)	(46.74)	(131.86)
	Employee benefit expenses	112.87	113.49	112.24	226.36	210.28	416.50
	Finance costs	3.20	16.94	53.41	20.14	90.85	176.43
	Depreciation and amortisation expenses	13.61	12.77	12.24	26.38	22.31	48.70
	Other expenses	67.01	62.98	63.66	129.99	122.90	265.26
	Total Expenses	930.77	1,047.44	1,167.50	1,978.21	2,158.34	4,458.22
V	Profit before tax (III-IV)	101.88	141.10	60.52	242.98	108.30	384.33
VI	Tax Expense:						
	(1) Current Tax	22.32	33.13	14.66	55.45	26.59	95.95
	(2) Tax of earlier years	-	-	-	-	-	-
	(3) Deferred Tax	3.04	2.04	0.74	5.08	1.32	4.69
		25.36	35.17	15.40	60.53	27.91	100.64
VII	Profit for the period / year (V - VI)	76.52	105.93	45.12	182.45	80.39	283.69
VIII	Other Comprehensive Income						
	A. i) Items that will not be reclassified to profit or loss						
	a) Remeasurements of the defined benefit plans - Gratuity	(1.40)	(0.98)	(0.99)	(2.38)	(1.98)	(3.92)
	ii) Income tax expense on remeasurement benefit/(loss) of defined benefit plans	0.35	0.25	0.25	0.60	0.50	0.99
	Total other comprehensive income/ (loss) A (i+ii)	(1.05)	(0.73)	(0.74)	(1.78)	(1.48)	(2.93)
IX	Total Comprehensive Income for the period / year (VII+VIII)	75.47	105.20	44.38	180.67	78.91	280.76
X	Paid up Equity share Capital (Nominal Value Rs. 2 each)	130.96	130.59	111.77	130.96	111.77	115.91
XI	Other Equity						6,454.03
XII	Earnings Per Equity Share (Nominal value per share ₹ 2/-)	(not annualised)	(not annualised)	(not annualised)	(not annualised)	(not annualised)	(annualised)
	(a) Basic (In ₹)	1.17	1.64	0.81	2.81	1.44	5.00
	(b) Diluted (In ₹)	1.14	1.58	0.78	2.74	1.39	4.89

Notes:

1. STATEMENT OF STANDALONE ASSETS AND LIABILITIES

(₹. In Millions)

S.No	Particulars	As at	As at
		30 September 2023	31 March 2023
		Unaudited	Audited
A.	ASSETS		
	Non-Current Assets		
	(a) Property, plant and equipment	434.61	392.37
	(b) Capital Work in Progress	94.16	121.89
	(c) Right-of-Use assets	60.06	66.54
	(d) Intangible Assets	2.48	2.01
	(e) Financial Assets		
	(i) Investments	1,177.15	875.95
	(ii) Other Financial Assets	623.76	156.44
	(f) Deferred Tax Asset (Net)	3.00	7.46
	(g) Other Non Current Assets	31.85	-
	Total non-current assets	2,427.07	1,622.66
	Current Assets		
	(a) Inventories	1,817.30	1,735.34
	(b) Financial Assets		
	(i) Investments	1,138.48	-
	(ii) Trade Receivables	1,664.48	1,319.67
	(iii) Cash and Cash Equivalents	129.38	4,199.25
	(iv) Bank balances other than (iii) above	14.76	3.37
	(v) Other Financial Assets	30.00	30.00
	(c) Other Current Assets	141.00	530.65
	Total current assets	4,935.40	7,818.28
	TOTAL ASSETS	7,362.47	9,440.94
B.	EQUITY AND LIABILITIES		
	Equity		
	(a) Equity Share Capital	130.96	115.91
	(b) Other equity	6,448.12	6,454.03
	Total equity	6,579.08	6,569.94
	Liabilities		
	Non-Current Liabilities		
	(a) Financial Liabilities		
	(i) Borrowings	-	198.12
	(ii) Lease Liabilities	45.99	48.94
	(iii) Other Financial Liabilities	-	0.24
	(b) Provisions	73.50	66.26
	Total non-current liabilities	119.49	313.56
	Current Liabilities		
	(a) Financial Liabilities		
	(i) Borrowings	3.08	1,020.80
	(ii) Lease Liabilities	5.64	6.25
	(iii) Trade Payables		
	a) Micro and small enterprises	5.37	7.09
	b) Others	495.33	641.73
	(iv) Other Financial Liabilities	32.21	847.74
	(b) Other Current Liabilities	99.12	11.70
	(c) Provisions	11.36	7.24
	(d) Current tax Liabilities (Net)	11.79	14.89
	Total current liabilities	663.90	2,557.44
	Total Liabilities	783.39	2,871.00
	TOTAL EQUITY AND LIABILITIES	7,362.47	9,440.94

Notes:

2. STATEMENT OF STANDALONE CASH FLOWS

(₹. In Millions)

S.No	Particulars	Half Year ended	Half Year ended
		30 September 2023	30 September 2022
		Unaudited	(Refer Note 5)
A	Cash flows from operating activities		
	Profit before tax	242.98	108.30
	Adjustments for :		
	Finance costs recognised in profit or loss	14.87	58.16
	Interest Income recognised in profit or loss	(30.91)	(7.07)
	Dividend Income recognised in profit or loss	(5.12)	-
	Income on sale of Investments	(3.50)	-
	Gain on account of fair value changes in Investments	(27.98)	-
	Allowance for expected credit loss	0.02	0.63
	Employee Share Based Payment	0.50	0.24
	Depreciation and Amortisation	26.38	22.31
	Provision for Gratuity	5.72	4.43
	Provision for Leave Encashment	4.83	3.84
	Amount no longer payable written back	(1.64)	(3.85)
	Net foreign exchange (gain) / loss - Unrealised	6.78	13.14
		232.93	200.13
	Movements in working capital :		
	(Increase) / decrease in trade and other receivables	(344.83)	28.41
	(Increase) / decrease in inventories	(81.96)	(347.20)
	(Increase) / decrease in other assets	221.43	104.88
	Increase / (decrease) in trade payables	(146.48)	113.23
	Increase / (decrease) in provisions	(1.57)	(2.37)
	Increase / (decrease) in other liabilities	85.73	30.29
	Cash generated from operations	(34.75)	127.37
	Income Tax paid	(58.55)	(60.30)
	Net cash (used in)/generated by operating activities (A)	(93.30)	67.07
B	Cash flow from investing activities		
	(Acquisition)/Proceeds from sale of property, plant and equipment	(61.35)	(147.28)
	Interest received	30.91	7.07
	Dividend income	5.12	-
	Loans given during the period	(470.37)	-
	Investments made during the period	(1,407.00)	-
	Net cash used in investing activities (B)	(1,902.69)	(140.21)
C	Cash flow from financing activities		
	Proceeds from issue of Equity Shares (ESOP)	3.70	-
	Receipt of balance IPO proceeds (including share of selling shareholders)	4,633.72	-
	Payment towards Selling shareholders	(5,087.65)	-
	Share issue expenses/ expenses towards offer for sale	(379.68)	-
	Proceeds from Non current Borrowings	-	152.37
	Repayment of Non-Current Borrowings	(198.12)	(17.54)
	Proceeds/Repayment of Current Borrowings	(1,017.72)	54.87
	Repayment of Lease liability	(6.43)	(5.34)
	Dividend paid on Preference Shares	(2.93)	(3.50)
	Interest paid	(17.26)	(87.99)
	Net cash (used in)/generated by financing activities (C)	(2,072.37)	92.87
	Net Increase/(Decrease) in cash and cash equivalents (A)+(B)+(C)	(4,068.36)	19.73
	Cash and cash equivalents at the beginning of the period	4,199.25	52.91
	Effects of exchange rate changes on the balance of cash and cash equivalents held in foreign currencies	(1.51)	19.55
	Cash and Cash equivalents at the end of the period	129.38	92.19

Avalon Technologies Limited
(formerly known as Avalon Technologies Private Limited)
CIN: U30007TN1999PLC043479
Regd Office: B-7, First Main Road, MEPZ-SEZ, Tambaram, Chennai - 600 045, Tamil Nadu, India
visit us at <https://www.avalontec.com>

**Notes to Statement of Unaudited Standalone financial results for the
quarter and half year ended September 30, 2023**

Notes:

- 3 The above unaudited standalone financial results for the quarter and half year ended September 30, 2023 have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 “Interim Financial Reporting” (“Ind AS 34”) as prescribed under Section 133 of the Companies Act, 2013, which were reviewed and recommended by the Audit Committee and approved by the Board of Directors at its respective meetings held on November 08, 2023. The statutory auditors of the Company have carried out a limited review of the results for the quarter and half year ended September 30, 2023 and have issued an unmodified conclusion thereon.
- 4 The Company has completed the Initial Public Offering of 19,839,446 equity shares of face value of ₹2 each at an issue price of ₹436 per equity share, consisting of a fresh issue of 7,339,449 equity shares aggregating to ₹3,200 Million and an offer for sale of 12,499,997 equity shares aggregating to ₹5,450 Million. The equity shares of the Company were listed on National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) w.e.f April 18, 2023. The Company had also completed two pre-IPO placements during the previous year aggregating to ₹1,600 Million, consisting of ₹800 million of primary issuance and ₹800 million of secondary share sales. The first pre-IPO issue consisted of 798,339 Equity shares of ₹2 each at ₹375.78 per share and the second pre-IPO issue consisted of 1,173,543 Equity shares of ₹2 each at ₹426.06 per share.
- 5 The results for the quarter and half year ended September 30, 2022, have not been subject to an audit or review by the Statutory Auditors. However, the management has exercised necessary diligence to ensure that the financial results for these periods provide a true and fair view of the Company's affairs.
- 6 The expenditure incurred by the Company in connection with the IPO is estimated at ₹ 577.29 Million (including GST). These expenses have been allocated between the Company and selling shareholders in proportion to the total proceeds raised and also considering the nature of expenditure incurred. The Company's share of expenses of ₹ 176.96 Million has been adjusted against Securities Premium. Upon actualisation of the final IPO expense, the difference, if any, between the estimate and the actual expense will be adjusted against the securities premium account in the period in which such actualisation takes place.
- 7 The Company has received an amount of ₹ 2,984.25 Million (net of estimated IPO expenses) from proceeds out of fresh issue of equity shares. The utilisation of net IPO proceeds is summarised below:

(₹ In Millions)

Objects of the issue as stated in the prospectus	Amount as per prospectus (A)	Utilisation upto September 30, 2023 (B)	Unutilised amount as on September 30, 2023 (A-B)
Prepayment or repayment of all or a portion of certain outstanding borrowings availed by our Company and one of our Material Subsidiaries, Avalon Technology and Services Pvt Limited [Refer (b) below]	1,450.00	1,449.66	0.34
Funding the working capital requirements of our Company	900.00	900.00	-
General corporate purposes [Refer (a) & (b) below]	644.00	634.59	9.41
Total	2,994.00	2,984.25	9.75

(a) As disclosed in the Prospectus, amount to be spent for General Corporate Purposes is ₹ 644.00 Million which is arrived at as ₹ 850.00 Million less estimated issue expenses of ₹ 206.00 Million. The same is subject to any changes that may arise on actualisation of the final IPO expense.

(b) The company has infused ₹ 770.39 million (including ₹ 711.39 million out of IPO proceeds) in one of its material subsidiaries, Avalon Technology and Services Private Limited, consisting of ₹ 300.02 Million as equity investment and ₹ 470.37 Million as unsecured loan.

- 8 The Company operates in only one reportable business segment i.e. providing Electronics Manufacturing Services (EMS) with capabilities in printed circuit board assembly, custom cable and wire harnesses, etc., as determined by the chief operating decision maker, in accordance with Ind AS 108 “Operating Segments”.
- 9 Number of employee stock options granted is 17,79,750 and outstanding as at September 30, 2023 is 15,50,513. During the quarter ended September 30,2023, the company has allotted 1,85,362 Equity shares upon exercise of Employee stock options by the eligible employees.
- 10 The previous period figures have been re-grouped wherever necessary to conform to current period's presentation.

For Avalon Technologies Limited

**KUNHAMED
BICHA**

Chennai
Dated : November 08, 2023

Kunhamed Bicha
Chairman & Managing Director

Independent Auditor's Review Report on Review of Statement of Unaudited Consolidated Financial Results.

**To
The Board of Directors of
Avalon Technologies Limited**

1. We have reviewed the accompanying Statement of Unaudited Consolidated Financial Results of Avalon Technologies Limited (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group") for the quarter and half year ended September 30, 2023 ("the Statement"), being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").
2. This Statement, which is the responsibility of the Holding Company's Management and approved by the Holding Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India (ICAI). This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statements is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of the Holding Company's personnel responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under section 143(10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the Listing Regulations, to the extent applicable.

Chartered Accountants

4. The Statement includes the financial results of the following entities.

Avalon Technologies Limited, India	Holding Company
Avalon Technology and Services Private Limited, India	Subsidiary
Sienna Ecad Technologies Private Limited, India	
ABV Electronics Inc (D/B/A Sienna Corporation), United States of America	

5. Based on our review conducted as stated in paragraph 3 above and based on the consideration of the review report of the other auditor referred to in paragraph 6(b), nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

Other Matters

- 6.
- (a) Attention is invited to Note No.6 to the Statement. As stated therein, the Statement includes the results for the quarter and half year ended September 30,2022 which have not been subject to an audit or review by us.
- (b) The interim financial information in respect of the subsidiary of the Company incorporated in the United States of America (whose Special Purpose Statement of Unaudited Standalone Financial Results reflects total income of Rs.1051.37 million for the quarter ended September 30, 2023, net profit/(loss) after tax of Rs. (75.09) million for the quarter ended September 30, 2023 and total comprehensive income/(loss) of Rs.(87.12) million for the quarter ended September 30, 2023 respectively and total income of Rs.2337.82 million for the half year ended September 30, 2023, net profit/(loss) after tax of Rs. (138.42) million for the half year ended September 30, 2023 and total comprehensive income/(loss) of Rs.(149.75) million for the half year ended September 30, 2023 respectively) included in the Statement are based on the Special Purpose Statement of Unaudited Standalone Ind AS Financial Results of the said subsidiary prepared by the management based on the financial statements prepared in accordance with the US GAAP reviewed by the said subsidiary's auditor which have been restated by the Company to comply with Ind AS. The review report of the other auditor on the financial statements of the subsidiary prepared in accordance with the US GAAP for the quarter and half year ended September 30, 2023, expressed an unmodified conclusion on those financial statements. Adjustments to the said financial information of the subsidiary for the differences in accounting principles adopted by the Company in accordance with Ind AS have been reviewed by us as stated in our report on the Special Purpose Statement of Unaudited Standalone Ind AS Financial Results of the said subsidiary for the quarter and half year ended September 30, 2023. Our conclusion, insofar as it relates to the amounts included in respect of such subsidiary (other than the adjustments arising on restatement to Ind AS that have been reviewed by us) is based solely

Chartered Accountants

on the review report of the other auditor and the procedures performed by us as stated in paragraph 3 above.

Our conclusion is not modified in respect of the above matters.

Place : Hyderabad
Date : 8th November, 2023

For Varma & Varma
Chartered Accountants
FRN. 004532S

POONJAR RAMA
PRASANNA
VARMA

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POONJAR RAMA
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Date: 2023.11.08 19:52:10
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P. R. Prasanna Varma
Partner

M.No. 025854
UDIN: 23025854BGRHYZ8766

STATEMENT OF UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2023

(₹. In Millions)

S.No	Particulars	For the Quarter Ended			For the Half Year Ended		For the Year Ended
		30 Sep'23	30 Jun'23	30 Sep'22	30 Sep'23	30 Sep'22	31 Mar'23
		Unaudited	Unaudited	(Refer Note 6)	Unaudited	(Refer Note 6)	Audited
I	Revenue from Operations	2,009.93	2,350.92	2,446.91	4,360.85	4,407.00	9,447.19
II	Other Income	47.43	51.19	64.08	98.62	134.27	143.50
III	Total Income (I+II)	2,057.36	2,402.11	2,510.99	4,459.47	4,541.27	9,590.69
IV	Expenses:						
	Cost of raw materials consumed	1,253.63	1,608.02	1,636.67	2,861.65	2,858.04	6,117.68
	Purchases of Stock-in-Trade	-	-	-	-	-	-
	Changes in Inventories of finished goods, work-in-progress and stock in trade	8.50	(60.63)	(57.81)	(52.13)	(58.44)	(171.14)
	Employee benefit expenses	455.43	482.30	434.97	937.73	817.49	1,713.61
	Finance costs	32.46	56.00	100.06	88.46	175.23	347.92
	Depreciation and amortisation expenses	55.15	52.73	48.71	107.88	94.28	196.55
	Other expenses	166.32	159.11	147.19	325.43	308.73	659.14
	Total Expenses	1,971.49	2,297.53	2,309.79	4,269.02	4,195.33	8,863.76
V	Profit before tax (III-IV)	85.87	104.58	201.20	190.45	345.94	726.93
VI	Tax Expense:						
	(1) Current Tax	44.67	44.55	30.03	89.22	56.66	160.30
	(2) Tax of earlier years	-	-	-	-	-	-
	(3) Deferred Tax	(31.59)	(10.67)	23.44	(42.26)	48.60	41.60
		13.08	33.88	53.47	46.96	105.26	201.90
VII	Profit for the period / year (V - VI)	72.79	70.70	147.73	143.49	240.68	525.03
VIII	Other Comprehensive Income						
	A. i) Items that will not be reclassified to profit or loss						
	a) Remeasurements of the defined benefit plans - Gratuity	1.38	(1.69)	(1.71)	(0.31)	(3.42)	(6.80)
	ii) Income tax expense on remeasurement benefit/(loss) of defined benefit plans	(0.46)	0.44	0.45	(0.02)	0.90	1.81
	B. i) Items that may be reclassified to profit or loss						
	a) Exchange differences on translating the financial statements of foreign operations	(12.03)	0.70	(28.49)	(11.33)	(63.88)	(72.03)
	Total other comprehensive loss A (i+ii) + B (i)	(11.11)	(0.55)	(29.75)	(11.66)	(66.40)	(77.02)
IX	Total Comprehensive Income for the period / year	61.68	70.15	117.98	131.83	174.28	448.01
X	Profit for the period / year						
	Attributable to:						
	Equity holders of the parent	72.79	70.70	147.73	143.49	240.68	525.03
	Non-controlling interests	-	-	-	-	-	-
XI	Other comprehensive income/(loss) for the period / year						
	Attributable to:						
	Equity holders of the parent	(11.11)	(0.55)	(29.75)	(11.66)	(66.40)	(77.02)
	Non-controlling interests	-	-	-	-	-	-
XII	Total comprehensive income for the period / year						
	Attributable to:						
	Equity holders of the parent	61.68	70.15	117.98	131.83	174.28	448.01
	Non-controlling interests	-	-	-	-	-	-
XIII	Paid up Equity Share Capital (Nominal Value of Rs. 2 each)	130.96	130.59	111.77	130.96	111.77	115.91
XIV	Other Equity						5,254.28
XV	Earnings Per Equity Share						
	(Nominal value per share ₹ 2/-)	(not annualised)	(not annualised)	(not annualised)	(not annualised)	(not annualised)	(annualised)
	(a) Basic (In ₹)	1.11	1.10	2.64	2.21	4.30	9.27
	(b) Diluted (In ₹)	1.09	1.06	2.56	2.16	4.17	9.08

Avalon Technologies limited
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CIN:U30007TN1999PLC043479

Registered Office: B-7 First Main Road, MEPZ-SEZ, Tambaram, Chennai - 600045, Tamil Nadu, India
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Notes:

1. STATEMENT OF CONSOLIDATED ASSETS AND LIABILITIES

(₹. In Millions)

S.No	Particulars	As at	As at
		September 30, 2023	March 31, 2023
		Unaudited	Audited
A.	ASSETS		
	Non-Current Assets		
	(a) Property, plant and equipment	966.37	908.72
	(b) Capital Work in Progress	121.88	152.78
	(c) Right-of-Use assets	311.42	342.16
	(d) Intangible Assets	23.02	24.46
	(e) Financial Assets		
	(i) Other financial assets	50.72	53.18
	(f) Deferred Tax Asset (Net)	174.94	130.34
	(g) Tax assets (Net)	24.03	23.25
	(h) Other Non Current Assets	34.19	31.66
	Total non-current assets	1,706.57	1,666.55
	Current Assets		
	(a) Inventories	3,224.58	3,178.99
	(b) Financial Assets		
	(i) Investments	1,138.48	-
	(ii) Trade Receivables	1,663.08	2,062.01
	(iii) Cash and Cash Equivalents	178.73	4,219.03
	(iv) Bank Balances other than (iii) above	14.85	3.45
	(v) Other Financial Assets	39.04	37.66
	(c) Other Current Assets	275.18	635.46
	Total current assets	6,533.94	10,136.60
	TOTAL ASSETS	8,240.51	11,803.15
B.	EQUITY AND LIABILITIES		
	Equity		
	(a) Equity Share Capital	130.96	115.91
	(b) Other Equity	5,199.50	5,254.28
	Total equity	5,330.46	5,370.19
	Liabilities		
	Non-Current Liabilities		
	(a) Financial Liabilities		
	(i) Borrowings	411.16	655.95
	(ii) Lease Liabilities	276.26	292.07
	(iii) Other Financial Liabilities	13.88	9.88
	(b) Provisions	131.94	114.12
	(c) Deferred Tax Liabilities (Net)	0.79	-
	Total non-current liabilities	834.03	1,072.02
	Current Liabilities		
	(a) Financial Liabilities		
	(i) Borrowings	607.44	2,406.70
	(ii) Lease Liabilities	61.08	65.01
	(iii) Trade Payables		
	(a) Micro and small enterprises	6.85	16.61
	(b) Others	885.30	1,401.12
	(iv) Other Financial Liabilities	58.10	907.85
	(b) Other Current Liabilities	426.43	528.53
	(c) Provisions	19.03	15.71
	(d) Current tax Liabilities (Net)	11.79	19.41
	Total current liabilities	2,076.02	5,360.94
	Total Liabilities	2,910.05	6,432.96
	TOTAL EQUITY AND LIABILITIES	8,240.51	11,803.15

Notes:

2. CONSOLIDATED STATEMENT OF CASH FLOWS

(₹. In Millions)

S.No	Particulars	Half Year ended	Half Year ended
		September 30, 2023	September 30, 2022
		Unaudited	(Refer Note 6)
A	<u>Cash flows from operating activities</u>		
	Profit before tax	190.45	345.93
	Adjustments for :		
	Finance costs recognised in profit or loss	61.29	107.70
	Interest Income recognised in profit or loss	(6.12)	(1.34)
	Income on sale of Investments	(3.50)	-
	Gain on account of fair value changes in investments	(27.98)	-
	(Gain) / Loss on disposal of property, plant and equipment	(0.01)	(0.33)
	Allowance for Expected Credit Loss	3.94	8.00
	Depreciation and Amortisation	107.88	94.29
	Provision for Gratuity	12.45	9.64
	Provision for Leave Encashment	9.42	7.42
	Preference Dividend	19.21	25.47
	Amounts no longer payable written back	(2.67)	(6.58)
	Employee Share based Payment	1.70	0.85
	Net foreign exchange (gain) / loss - Unrealised	7.48	20.43
		373.54	611.48
	Movements in working capital :		
	(Increase) / decrease in trade and other receivables	401.20	(141.82)
	(Increase) / decrease in inventories	(38.35)	(407.49)
	(Increase) / decrease in other assets	191.12	100.38
	Increase / (decrease) in trade payables	(535.80)	237.26
	Increase / (decrease) in provisions	(1.04)	(2.85)
	Increase / (decrease) in other liabilities	(109.74)	(29.29)
	Cash generated from operations	280.93	367.67
	Income Tax paid	(97.64)	(92.53)
	Net cash generated by operating activities (A)	183.29	275.14
B	<u>Cash flow from investing activities</u>		
	(Acquisition)/ Proceeds from Sale of Property, Plant & Equipment	(116.14)	(205.71)
	Interest received	5.95	1.18
	Investment in Mutual Funds	(1,107.00)	-
	Net cash used in investing activities (B)	(1,217.19)	(204.53)
C	<u>Cash flow from financing activities</u>		
	Proceeds from issue of Equity Shares (ESOP)	3.70	-
	Receipt of balance IPO proceeds (including share of selling shareholders)	4,633.72	-
	Payment towards Selling Shareholders	(5,087.65)	-
	Share issue expenses / expenses towards offer for sale	(379.68)	-
	Dividends paid on preference shares	(22.14)	(28.97)
	Proceeds from Non-Current borrowings	-	168.37
	Repayment of Non-Current borrowings	(530.45)	(112.12)
	Proceeds from / (Repayment) of Current borrowings	(1,524.59)	128.53
	Repayment of Lease liability	(45.18)	(40.82)
	Interest paid	(52.68)	(133.15)
	Net cash used in financing activities (C)	(3,004.95)	(18.16)
	Add: Effects of exchange differences on restatement of foreign currency cash and cash equivalents (D)	(1.45)	17.86
	Net Increase/(Decrease) in cash and cash equivalents (A)+(B)+(C)+(D)	(4,040.30)	70.31
	Net increase in cash and cash equivalents		
	Cash and cash equivalents at the beginning of the period	4,219.03	77.59
	Cash and Cash equivalents at the end of the period	178.73	147.90

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**Notes to Statement of Unaudited Consolidated financial results for the
quarter and half year ended September 30, 2023**

Notes:

- 3 The above unaudited consolidated financial results for the quarter and half year ended September 30, 2023 have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34") as prescribed under Section 133 of the Companies Act, 2013, which were reviewed and recommended by the Audit Committee and approved by the Board of Directors at its respective meetings held on November 08, 2023. The statutory auditors of the Company have carried out a limited review of results for the quarter and half year ended September 30, 2023 and have issued an unmodified conclusion thereon.
- 4 The Consolidated Financial Results of the Company and its subsidiaries (the Company and its subsidiaries collectively referred to as 'the Group') includes results of the following entities.

Name of the Entity	Relationship
Avalon Technologies Limited	Holding Company
Avalon Technology and Services Private Limited, India	Subsidiary
Sienna Ecad Technologies Private Limited, India	
ABV Electronics, Inc. (D/B/A Sienna Corporation), United States of America	

- 5 The Company has completed the Initial Public Offering of 19,839,446 equity shares of face value of ₹2 each at an issue price of ₹436 per equity share, consisting of a fresh issue of 7,339,449 equity shares aggregating to ₹3,200 Million and an offer for sale of 12,499,997 equity shares aggregating to ₹5,450 Million. The equity shares of the Company were listed on National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) w.e.f April 18, 2023. The Company had also completed two pre-IPO placements during the previous year aggregating to ₹1,600 Million, consisting of ₹800 million of primary issuance and ₹800 million of secondary share sales. The first pre-IPO issue consisted of 798,339 Equity shares of ₹2 each at ₹375.78 per share and the second pre-IPO issue consisted of 1,173,543 Equity shares of ₹2 each at ₹426.06 per share.
- 6 The Consolidated results for quarter and half year ended September 30, 2022, have not been subject to an audit or review by the Statutory Auditors. However, the management has exercised necessary diligence to ensure that the financial results for these periods provide a true and fair view of the Company's affairs.
- 7 The expenditure incurred by the Company in connection with the IPO is estimated at ₹ 577.29 Million (including GST). These expenses have been allocated between the Company and selling shareholders in proportion to the total proceeds raised and also considering the nature of expenditure incurred. The Company's share of expenses ₹ 176.96 Million has been adjusted against Securities Premium. Upon actualisation of the final IPO expense, the difference, if any, between the estimate and the actual expense will be adjusted against the securities premium account in the period in which such actualisation takes place.

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**Notes to Statement of Unaudited Consolidated financial results for the
quarter and half year ended September 30, 2023**

- 8 The Company has received an amount of ₹ 2,984.25 Million (net of estimated IPO expenses) from proceeds out of fresh issue of equity shares. The utilisation of net IPO proceeds is summarised below:

(₹ In Millions)

Objects of the issue as stated in the prospectus	Amount as per prospectus (A)	Utilisation upto September 30, 2023 (B)	Unutilised amount as on September 30, 2023 (A-B)
Prepayment or repayment of all or a portion of certain outstanding borrowings availed by our Company and one of our Material Subsidiaries, Avalon Technology and Services Pvt Limited [Refer (b) below]	1,450.00	1,449.66	0.34
Funding the working capital requirements of our Company	900.00	900.00	-
General corporate purposes [Refer (a) & (b) below]	644.00	634.59	9.41
Total	2,994.00	2,984.25	9.75

(a) As disclosed in the Prospectus, amount to be spent for General Corporate Purposes is ₹ 644.00 Million which is arrived at as ₹ 850.00 Million less estimated issue expenses of ₹ 206.00 Million. The same is subject to any changes that may arise on actualisation of the final IPO expense.

(b) The company has infused ₹ 770.39 million (including ₹ 711.39 million out of IPO proceeds) in one of its material subsidiaries, Avalon Technology and Services Private Limited, consisting of ₹ 300.02 Million as equity investment and ₹ 470.37 Million as unsecured loan.

- 9 The Group operates in only one reportable business segment i.e. providing Electronics Manufacturing Services (EMS) with capabilities in printed circuit board assembly, custom cable and wire harnesses, etc., as determined by the chief operating decision maker, in accordance with Ind AS 108 "Operating Segments".
- 10 Number of employee stock options granted is 17,79,750 and outstanding as at September 30, 2023 is 15,50,513. During the quarter ended September 30,2023, the company has allotted 1,85,362 Equity shares upon exercise of Employee stock options by the eligible employees.
- 11 The previous period figures have been re-grouped wherever necessary to conform to current period's presentation.

For Avalon Technologies Limited

**KUNHAM
ED BICHA**

**Kunhamed Bicha
Chairman & Managing Director**

Chennai
Dated : November 08, 2023