



Ref: CEL/NSEBSE/EP/08022023

8th February 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: Earnings Presentation

This is to inform you that 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 Q3/9M-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

Centum Electronics Limited

44, KHB Industrial Area, Yelahanka New Town, Bangalore - 560 106, Karnataka, India

Tel +91-(0)80-4143-6000 **Fax** +91-(0)80-4143-6005 **Website** www.centumelectronics.com **E-mail** info@centumelectronics.com

CIN - L85110KA1993PLC013869



EARNINGS PRESENTATION

Q3/9M-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 14,400 Mn*



Single Source Supplier for ~80% of manufactured products



75% Revenues from Overseas Customers in Advanced Economies



Strong Corporate Governance

* As on 31st December 2022, Not including client forecasts of EMS division & signed LOIs for Transportation products

Company Overview

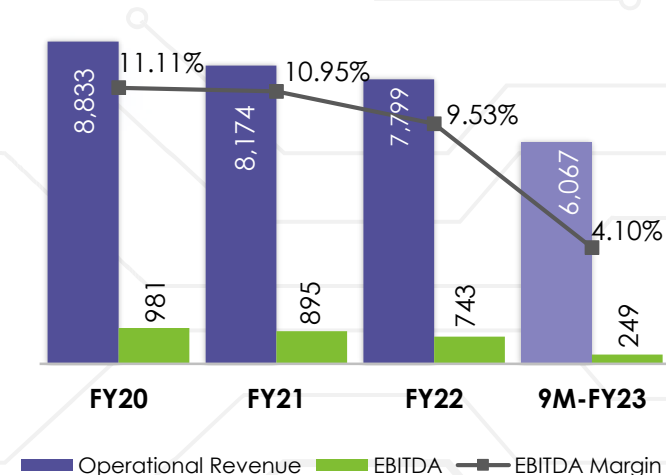


- Founded in 1993, Centum Electronics Limited (Centum) is one of the largest Electronics System Design and Manufacturing (ESDM) companies in India.
- Competencies across product design and manufacturing of complex and critical products and supplying to marquee customers in the most advanced economies 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.

9M-FY23 Key Business Segments:

- **Engineering R&D (ER&D) Services (34%)** – Involves conceptualizing and designing of Electronic Hardware, Embedded Software, FPGA, Analog, Radio Frequency products, etc.
- **Electronic Manufacturing Services (EMS) (42%)** – Services include manufacturing services solutions focused on a High Complexity products in high technology segment
- **Build-To-Specification (24%)** – Services include turn-key solutions to take project from conception to mass production quickly and efficiently.

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



9M-FY23 Industry Breakup

Defense, Space & Aerospace



44%

Transport & Automotive



30%

Industrial & Energy



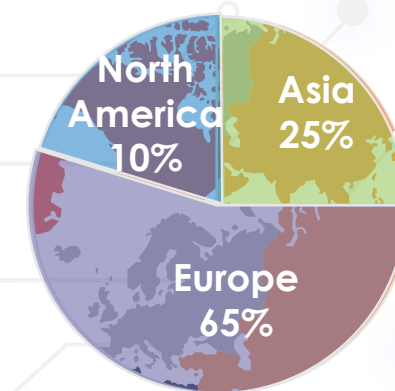
17%

Healthcare



9%

9M-FY23 Geographical Breakup





Q3/9M-FY23 FINANCIAL OVERVIEW

Q3/9M-FY23 Financial Highlights



Q3-FY23 Standalone Performance:

- Operational Income: INR 1,028 Mn
- Operational EBITDA: INR 55 Mn
- Operational EBITDA Margin %: 5.35%
- Net Profit: INR (9) Mn
- PAT Margin %: (0.88)%
- Diluted EPS: (0.73) INR

9M-FY23 Standalone Performance:

- Operational Income: INR 3,054 Mn
- Operational EBITDA: INR 150 Mn
- Operational EBITDA Margin %: 4.91%
- Net Profit : INR (34) Mn
- PAT Margin %: (1.11)%
- Diluted EPS: (2.66) INR

Q3-FY23 Consolidated Performance:

- Operational Income: INR 1,971 Mn
- Operational EBITDA: INR 51 Mn
- Operational EBITDA Margin %: 2.59%
- Net Profit: INR (97) Mn
- PAT Margin %: (4.92)%
- Diluted EPS: (5.92) INR

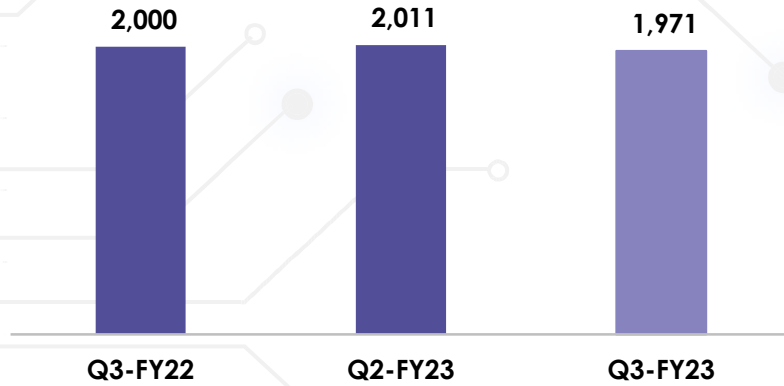
9M-FY23 Consolidated Performance:

- Operational Income: INR 6,067 Mn
- Operational EBITDA: INR 249 Mn
- Operational EBITDA Margin %: 4.10%
- Net Profit: INR (191) Mn
- PAT Margin %: (3.15)%
- Diluted EPS: (12.19) INR

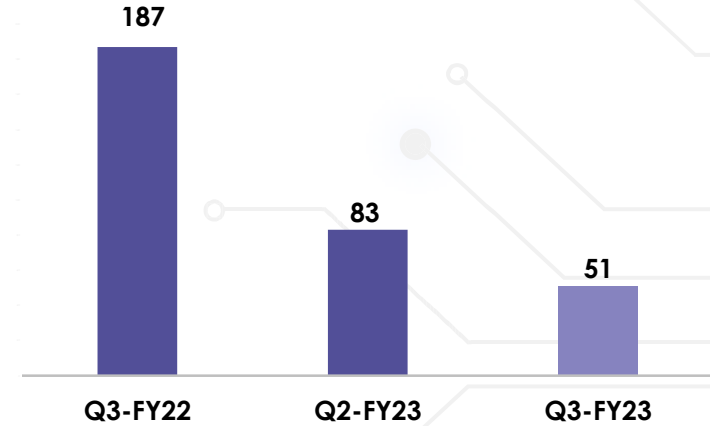
Q3-FY23 Consolidated Financial Performance



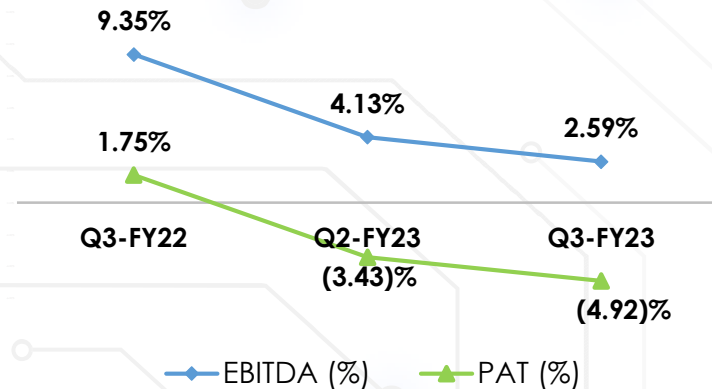
Revenue from Operations (INR Mn)



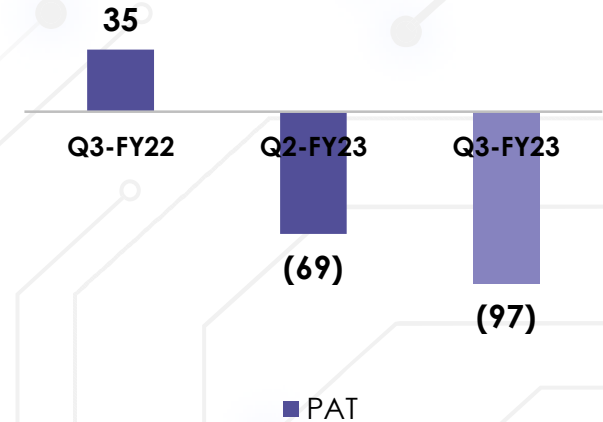
EBITDA (INR Mn)



EBITDA Margin (%) and PAT Margin (%)



PAT (INR Mn)



Q3/9M-FY23 Operational Highlights



- Q3-FY23 consolidated revenue growth was flat on a Y-o-Y and Q-o-Q basis as revenues from Engineering services (Centum TNS France) improved due to higher utilisation, but this was offset by the significant drop in revenues from Passenger Information Solutions business (Centum Canada) due to project delays and supply chain challenges, this also impacted the EBITDA negatively.
- At a standalone level, the company witnessed a strong growth in revenues driven by the increase in order book.
- The decline in EBITDA on a standalone level was due to lower revenues from the high margin BTS business during the quarter.
- The Defence & Space BTS business was lower due to the lumpiness and customer delays on key projects, which is expected to recover in Q4-FY23.
- There was healthy growth in the order book which increased to INR 14,400 Mn mainly driven by EMS business.
- Looking at the improved order book position and expected project deliveries in the Defence and Space BTS business, along with gradual improvements in the supply chain, the management expects gradual revival across all financial parameters in the coming quarters.

Quarterly Standalone Financial Performance



Particulars (INR Mn)	Q3-FY23	Q3-FY22	Y-o-Y	Q2-FY23	Q-o-Q
Operational Income	1,028	849	21.1%	1,046	(1.7)%
Total Expenses	973	747	30.3%	1,012	(3.9)%
EBITDA	55	102	(46.1)%	34	61.8%
EBITDA Margins (%)	5.35%	12.01%	(666) Bps	3.25%	210 Bps
Other Income	12	12	NA	10	20.0%
Depreciation	40	42	(4.8)%	41	(2.4)%
Finance Cost	38	27	40.7%	37	2.7%
PBT	(11)	45	NA	(34)	67.6%
Tax	(2)	13	NA	(9)	77.8%
PAT	(9)	32	NA	(25)	64.0%
PAT Margins (%)	NA	3.77%	NA	NA	NA
Other Comprehensive Income	-	(1)	NA	1	NA
Total Comprehensive Income	(9)	31	NA	(24)	62.5%
Diluted EPS (INR)	(0.73)	2.48	NA	(1.92)	62.0%

YTD Standalone Financial Performance



Particulars (INR Mn)	9M-FY23	9M-FY22	Y-o-Y
Operational Income	3,054	2,272	34.4%
Total Expenses	2,904	2,099	38.4%
EBITDA	150	173	(13.3)%
EBITDA Margins (%)	4.91%	7.61%	(270) bps
Other Income	36	40	(10.0)%
Depreciation	121	125	(3.2)%
Finance Cost	109	106	2.8%
Exceptional Items	-	(18)	NA
PBT	(44)	(36)	(22.0)%
Tax	(10)	(10)	NA
PAT	(34)	(26)	(30.8)%
PAT Margins (%)	NA	NA	NA
Other Comprehensive Income	1	0	NA
Total Comprehensive Income	(33)	(26)	(26.9)%
Diluted EPS (INR)	(2.66)	(2.04)	(30.4)%

Quarterly Consolidated Financial Performance



Particulars (INR Mn)	Q3-FY23	Q3-FY22	Y-o-Y	Q2-FY23	Q-o-Q
Operational Revenue	1,971	2,000	(1.5)%	2,011	(2.0)%
Total Expenses	1,920	1,813	5.9%	1,928	(0.4)%
EBITDA	51	187	(72.7)%	83	(38.6)%
EBITDA Margins (%)	2.59%	9.35%	(676) bps	4.13%	(154) bps
Other Income	24	26	(7.7)%	6	NA
Depreciation	110	116	(5.2)%	108	1.9%
Finance Cost	67	56	19.6%	66	1.5%
PBT	(102)	41	NA	(85)	(20.0)%
Tax	(5)	6	NA	(16)	68.8%
PAT	(97)	35	NA	(69)	(40.6)%
PAT Margins (%)	NA	1.75%	NA	NA	NA
Other Comprehensive Income	(33)	7	NA	15	NA
Total Comprehensive Income	(130)	42	NA	(54)	NA
Diluted EPS (INR)	(5.92)	2.72	NA	(4.60)	(28.7)%

YTD Consolidated Financial Performance



Particulars (INR Mn)	9M-FY23	9M-FY22	Y-o-Y
Operational Revenue	6,067	5,468	11.0%
Total Expenses	5,818	5,048	15.3%
EBITDA	249	420	(40.7)%
EBITDA Margins (%)	4.10%	7.68%	(358) Bps
Other Income	56	55	1.8%
Depreciation	329	339	(2.9)%
Finance Cost	193	189	2.1%
Exceptional Items	-	(446)	NA
PBT	(217)	(499)	56.5%
Tax	(26)	(28)	7.1%
PAT	(191)	(471)	59.4%
PAT Margins (%)	NA	NA	NA
Other Comprehensive Income	3	17	(82.4)%
Total Comprehensive Income	(188)	(454)	58.6%
Diluted EPS (INR)	(12.19)	(24.40)	50.0%

Historical Standalone Income Statement



Particulars (INR Mn)	FY20	FY21	FY22	9M-FY23
Operational Income	4,824	4,245	3,480	3,054
Total Expenses	4,111	3,621	3,055	2,904
EBITDA	713	624	425	150
EBITDA Margins (%)	14.78%	14.70%	12.21%	4.91%
Other Income	43	39	58	36
Depreciation	131	158	165	121
Finance Cost	277	174	146	109
Exceptional Items	-	-	(18)	-
PBT	348	331	154	(44)
Tax	98	91	36	(10)
PAT	250	240	118	(34)
PAT Margins (%)	5.18%	5.65%	3.39%	NA
Other Comprehensive Income	2	1	6	1
Total Comprehensive Income	252	241	124	(33)
Diluted EPS (INR)	19.42	18.60	9.12	(2.66)

Standalone Balance Sheet



Particulars (INR Mn)	FY21	FY22	H1-FY23
ASSETS			
Non-Current Assets	2,110	2,120	2,136
(a) Property, Plant & Equipment	1,075	1,033	970
(b) Capital Work in progress	23	0	0
(c) Goodwill on Consolidation	36	36	36
(d) Other Intangible Assets	55	42	36
(e) Right of use asset	37	29	33
(f) Intangible assets under development	-	-	-
(g) Financial Assets			
(i) Investments	637	628	757
(ii) Other financial assets	182	269	221
(h) Deferred tax assets (net)	18	25	27
(i) Non-current tax assets (net)	34	49	16
(j) Other non-current assets	13	9	40
Current Assets	3,233	3,340	3,722
(a) Inventories	1,745	1,987	2,388
(b) Financial Assets			
(i) Investments	-	-	-
(ii) Trade Receivables	996	898	978
(iii) Cash and Cash Equivalents	105	149	90
(iv) Bank balances other than above	187	94	144
(v) Others current financial assets	56	52	19
(c) Other Current Assets	144	161	152
TOTAL ASSETS	5,343	5,460	5,857

Particulars (INR Mn)	FY21	FY22	H1-FY23
EQUITY AND LIABILITIES			
Equity	2,547	2,645	2,594
(a) Share Capital	129	129	129
(b) Other Equity	2,418	2,516	2,466
Non Current Liabilities	216	85	93
(a) Financial Liabilities			
(i) Borrowings	114	-	-
(ii) Other Financial Liabilities	-	-	-
(iii) Lease Liabilities	13	2	5
(b) Government Grants	34	27	28
(c) Net non-current employee defined benefit liabilities	55	56	59
Current Liabilities	2,580	2,730	3,170
(a) Financial Liabilities			
(i) Borrowings	1,283	980	1,096
(ii) Trade Payables	592	726	950
(iii) Other Financial Liabilities	93	84	94
(iv) Lease Liabilities	20	12	9
(b) Government Grants	8	8	9
(c) Other current Liabilities	469	859	964
(d) Net current employee defined benefit liabilities	6	6	6
(e) Provisions	33	25	30
(f) Liabilities for current tax (net)	76	30	12
TOTAL EQUITY AND LIABILITIES	5,343	5,460	5,857

Historical Consolidated Income Statement



Particulars (INR Mn)	FY20	FY21	FY22	9M-FY23
Operational Revenue	8,833	8,174	7,799	6,067
Total Expenses	7,852	7,279	7,056	5,818
EBITDA	981	895	743	249
EBITDA Margins (%)	11.11%	10.95%	9.53%	4.10%
Other Income	153	58	80	56
Depreciation	414	453	432	329
Finance Cost	368	295	263	193
Share of profit / (losses) of associates and JV from continuing operation	(5)	(11)	(46)	-
Exceptional Item	(105)	-	(604)	-
PBT	242	194	(522)	(217)
Tax	74	74	13	(26)
PAT from continuing operations	168	120	(535)	(191)
PAT from discontinuing operations	(7)	-	-	-
PAT	161	120	(535)	(191)
PAT Margins (%)	1.82%	1.47%	NA	NA
Other Comprehensive Income	12	(6)	25	3
Total Comprehensive Income	173	114	(510)	(188)
Diluted EPS from continuing operations (INR)	15.45	13.30	(23.70)	(12.19)

Consolidated Balance Sheet



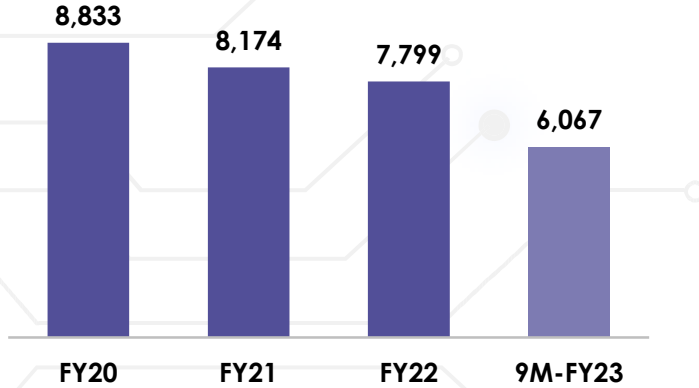
Particulars (INR Mn)	FY21	FY22	H1-FY23
ASSETS			
(1) Non-current assets	3,611	3,261	2,990
(a) Property, Plant and Equipment	1,184	1,120	1,039
(b) Capital work-in-progress	21	0	0
(c) Goodwill on consolidation	376	376	376
(d) Other Intangible assets	409	416	337
(e) Right of use asset	556	481	409
(f) Intangible assets under development	171	120	125
(g) Financial assets			
(i) Investment in joint ventures and associates	465	59	57
(ii) Other Investments	23	14	14
(iii) Other non current financial assets	336	378	351
(iv) Trade receivable	-	174	167
(h) Deferred tax assets (net)	22	32	35
(i) Non-current tax assets (net)	34	49	18
(j) Other non-current assets	14	42	61
(2) Current assets	6,194	5,969	5,969
(a) Inventories	1,942	2,248	2,616
(b) Financial assets			
(i) Trade receivables	2,161	2,594	2,452
(ii) Cash and cash equivalents	412	480	333
(iii) Bank balances other than cash and cash equivalents	187	94	144
(iv) Other current financial assets	1,106	226	101
(c) Other current assets	386	326	324
(3) Assets classified as held for disposal	-	-	-
Total assets (1+2+3)	9,805	9,230	8,959

Particulars (INR Mn)	FY21	FY22	H1-FY23
EQUITY AND LIABILITIES			
(1) Equity	2,401	1,985	1,900
(a) Equity share capital	129	129	129
(b) Other equity	2,102	1,911	1,817
Equity attributable to equity holders of the parent (a+b)	2,231	2,040	1,945
(c) Non-controlling interests	170	(55)	(45)
(2) Non-current liabilities	1,702	1,375	1,116
(a) Financial liabilities			
(i) Borrowings	1,089	816	666
(ii) Other non-current financial liabilities	-	-	-
(iii) Lease Liabilities	419	356	298
(b) Deferred tax liabilities (net)	71	49	38
(c) Net non-current employee defined benefit liabilities	57	58	61
(d) Provisions	32	70	25
(e) Government Grants	34	27	28
(3) Current liabilities	5,702	5,870	5,942
(a) Financial liabilities			
(i) Borrowings	2,095	1,910	1,887
(ii) Trade payables	1,086	1,141	1,339
(iii) Other current financial liabilities	733	598	452
(iv) Lease Liabilities	140	120	103
(b) Other current liabilities	1,323	1,779	1,904
(c) Government Grants	8	8	9
(d) Net employee defined benefit liabilities	7	7	7
(e) Provisions	228	275	228
(f) Liabilities for current tax (net)	82	32	14
(4) Liabilities directly associated with assets classified as held for disposal	-	-	-
Total equity and liabilities (1+2+3+4)	9,805	9,230	8,959

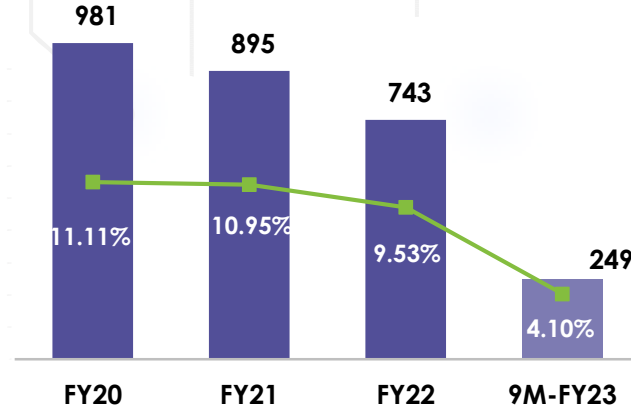
Consolidated Financial Highlights



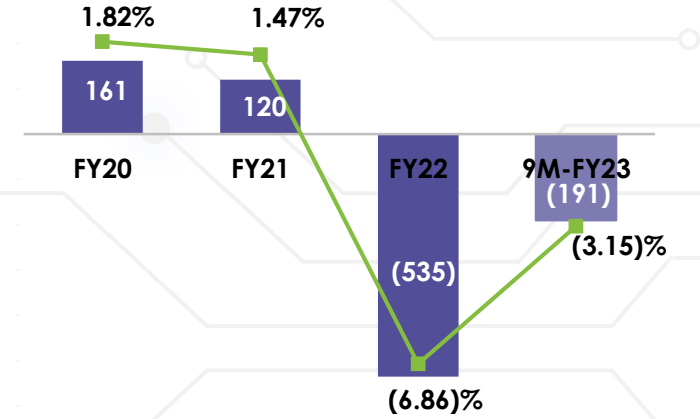
Operational Revenue



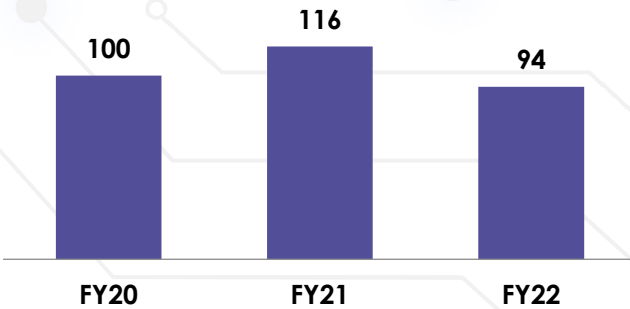
EBITDA & EBITDA Margins (%)



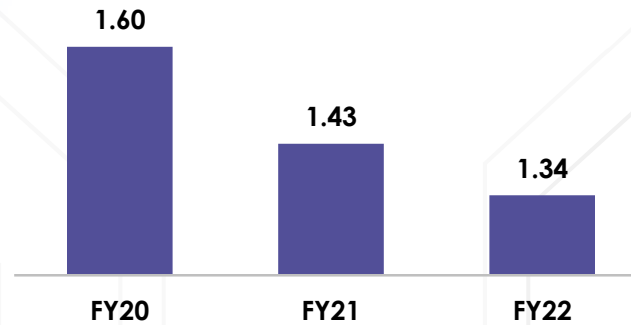
PAT & PAT Margins (%)



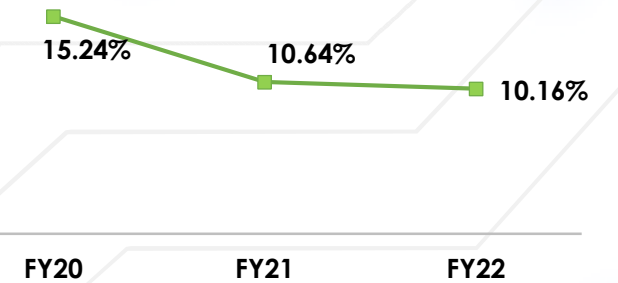
Net Working Capital Days



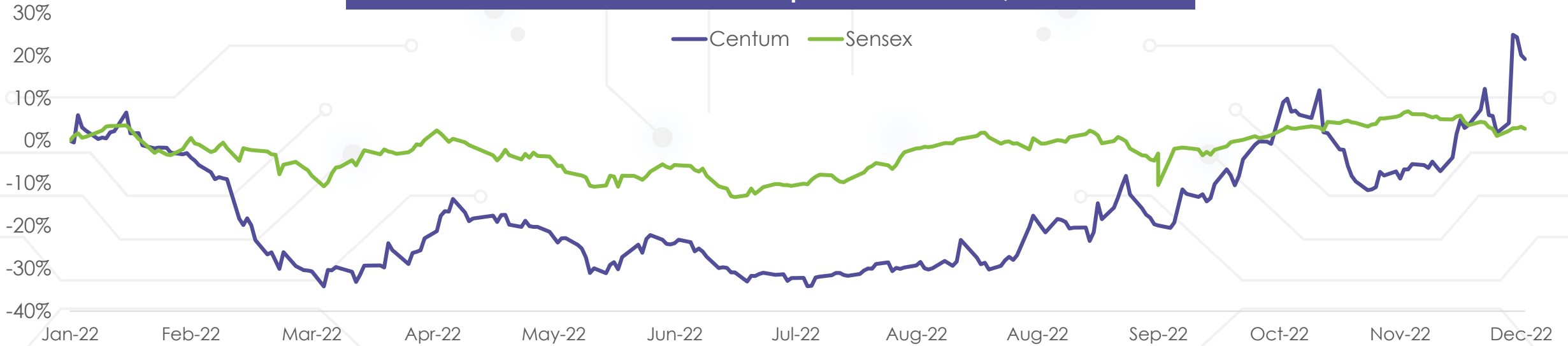
Debt to Equity



ROCE(%)



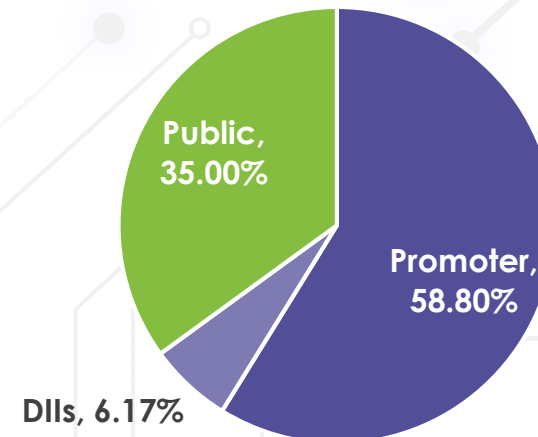
1 Year Stock Performance upto 31st December, 2022



Price Data (As on 31st December, 2022)

CMP	715.2
52 Week H/L	790.0/390.0
Avg. Vol. ('000)	25.4
Avg. turnover (Mn)	14.6
Market Capital (INR Mn)	9214.6
Total outstanding shares (Mn)	12.88

Shareholding Pattern (As on 31st December, 2022)



Centum Electronics Limited

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