



Ref: CEL/NSEBSE/EP/21062021

21st June, 2021

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 FY21/Q4-FY21. Kindly take the same on your records.

Pursuant to Regulation 46(2)(o) of the Listing Regulations, the aforesaid Earnings Presentation is also uploaded on the website of the Company i.e. www.centumelectronics.com

Yours faithfully,
For **Centum Electronics Limited**

Nagaraj K V
Company Secretary & Compliance Officer

Encl: as above

Centum Electronics Limited

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CIN - L85110KA1993PLC013869



EARNINGS PRESENTATION

FY21/Q4-FY21

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 10,100 Mn*



Single Source Supplier for ~80% of manufactured products



75% Revenues from Overseas Customers in Advanced Economies



Strong Corporate Governance

* As on 31st March 2021, Not including client forecasts of EMS division & signed LOIs for Transportation products

Company Overview

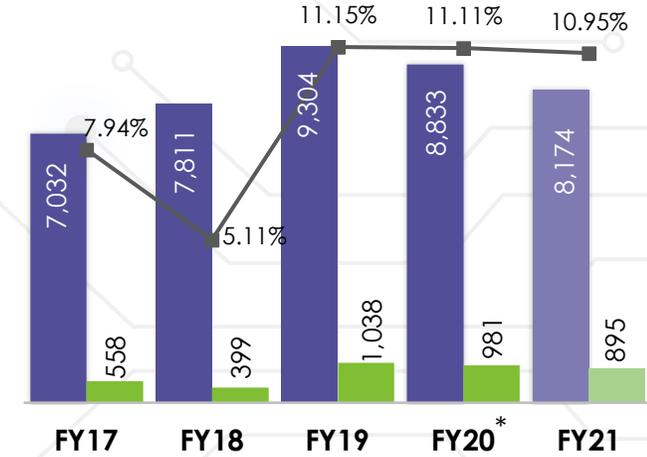


- Founded in 1993, Centum Electronics Limited (Centum) is one of the largest Electronics System Design and Manufacturing (ESDM) companies in India.
- Competencies across product design and manufacturing of complex and critical products and supplying to marquee customers in the most advanced economies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

FY21 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) (34%)** – Services include manufacturing services solutions focused on a High Complexity products in high technology segment
- **Build-To-Specification (32%)** – Services include turn-key solutions to take project from conception to mass production quickly and efficiently.

Operational Income (In Mn) and EBITDA



■ Operational Revenue ■ EBITDA — EBITDA Margin

* FY20 revenues not comparable due to sale of Energy division of Centum Adetel subsidiary.

FY21 Industry Breakup

Defense, Space & Aerospace



44%

Transport & Automotive



30%

Industrial & Energy



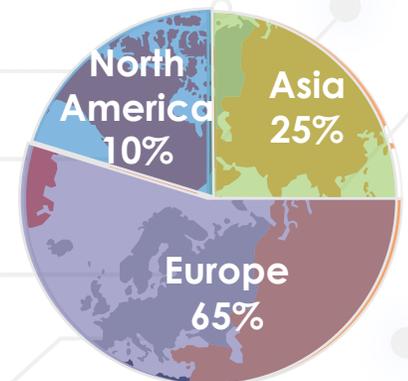
17%

Healthcare



9%

FY21 Geographical Breakup





FY21/Q4-FY21 FINANCIAL OVERVIEW

FY21/Q4-FY21 Financial Highlights



Q4-FY21 Standalone Performance

INR 955 Mn Operational Income	INR 78 Mn Operational EBITDA	8.17% Operational EBITDA Margin
INR 5 Mn Net Profit	0.52% PAT Margin	INR 0.39 /share Diluted EPS

Q4-FY21 Consolidated Performance

INR 2,065 Mn Operational Income	INR 189 Mn Operational EBITDA	9.15% Operational EBITDA Margin
INR 9 Mn Net Profit	0.44 % PAT Margin	INR 0.49 /share Diluted EPS

FY21 Standalone Performance

INR 4,245 Mn Operational Income	INR 624 Mn Operational EBITDA	14.70% Operational EBITDA Margin
INR 240 Mn Net Profit	5.65 % PAT Margin	INR 18.60 /share Diluted EPS

FY21 Consolidated Performance

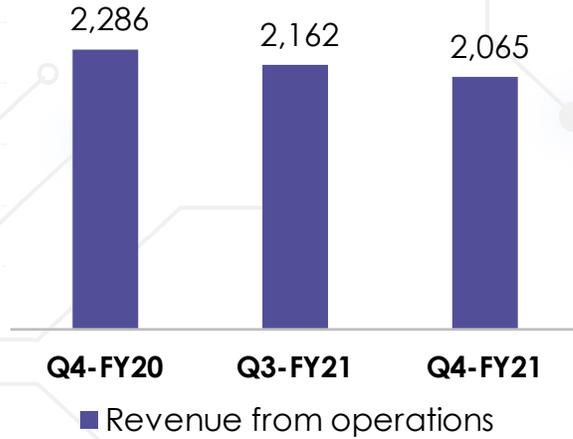
INR 8,174 Mn Operational Income	INR 895 Mn Operational EBITDA	10.95 % Operational EBITDA Margin
INR 120 Mn Net Profit	1.47 % PAT Margin	INR 13.30 /share Diluted EPS

Q4-FY21 Consolidated Financial Performance

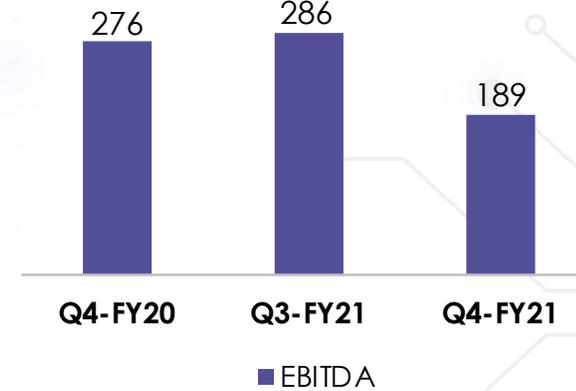


Revenues in Q4-FY21 declined over Q3FY21 due to shortage in semiconductor components which resulted in lower billing in domestic Built-to-Spec products business.

Revenue from Operations (INR Mn)

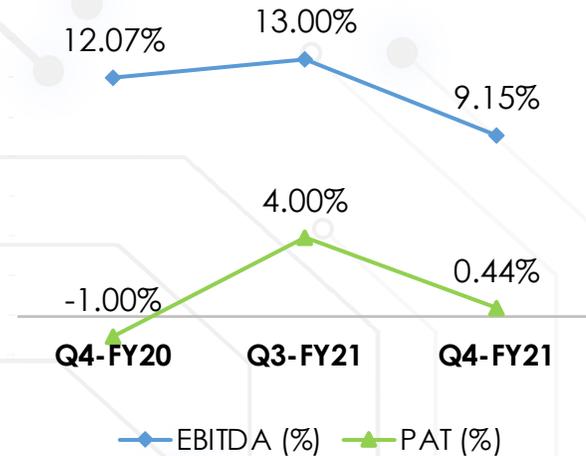


EBITDA (INR Mn)

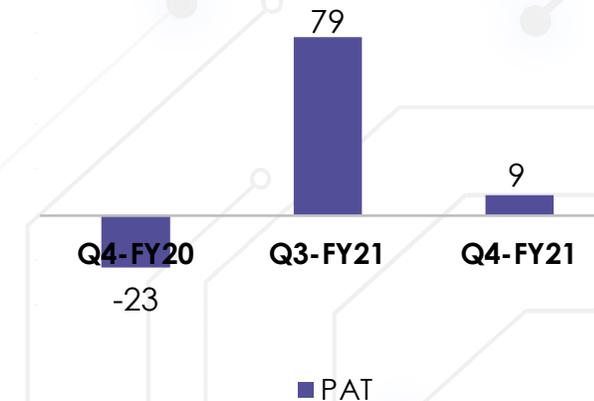


EBITDA declined in Q4-FY21 due to reduction in high margin business resulted out of supply chain challenges

EBITDA Margin (%) and PAT Margin (%)



PAT (INR Mn)



FY21/Q4-FY21 Operational Highlights



- FY21 being impacted by the Covid-19 pandemic, our major focus has been on improving the cash flows, operational cost efficiencies and debt reduction.
- Strengthened the Balance Sheet and Cash Flows through focused efforts:
 - Inventories reduced by INR 416 Mn from INR 2,358 Mn in FY20 to INR 1,942 Mn in FY21
 - Receivables reduced by INR 328 Mn from INR 2,489 Mn in FY20 to INR 2,161 Mn in FY21
 - Trade Payables reduced by INR 699 Mn from INR 1,780 Mn in FY20 to INR 1,081 Mn in FY21
 - Total Debt reduced by INR 380 Mn in Standalone Balance sheet from INR 1,691 Mn in FY20 to INR 1,311 Mn in FY21
- Sustainable cost productivity measures resulted in significant reduction (INR 506 Mn) in expenditure levels over the previous year
- Positive steps taken towards growth:
 - Invested in new talent both in North America and India to capture new growth opportunities
 - Strong pipeline opportunities in EMS business from new and existing customers
 - Improving trend in utilization levels in the Engineering services business with improving situation in Europe
- Key challenges / Focus areas
 - Covid second wave in India to impact revenues & profits in Q1-FY22
 - Significant supply chain challenges being faced worldwide due to shortage of semiconductor components and increase in lead times, which are expected to impact revenues in H1-FY22, however we are working with our customers and suppliers to minimise the impact as much as possible

Q4-FY21 – Standalone Income Statement



Particulars (INR Mn)	Q4-FY21	Q4-FY20	Y-o-Y	Q3-FY21	Q-o-Q
Operational Income	955	1,232	(22.5)%	1,052	(9.2)%
Total Expenses	877	1,056	(17.0)%	881	(0.5)%
EBITDA	78	176	(55.7)%	171	(54.4)%
EBITDA Margins (%)	8.17%	14.29%	(612) bps	16.25%	(808) bps
Other Income	16	9	77.8%	9	77.8%
Depreciation	42	37	13.5%	39	7.7%
Finance Cost	36	92	(60.9)%	42	(14.3)%
PBT	16	56	(71.4)%	99	(83.8)%
Tax	11	12	(8.3)%	26	(57.7)%
PAT	5	44	(88.6)%	73	(93.2)%
PAT Margins (%)	0.52%	3.57%	(305) bps	6.94%	(642) bps
Diluted EPS (INR)	0.39	3.47	(88.8)%	5.68	(93.1)%

Standalone Balance Sheet



Particulars (INR Mn)	FY20	FY21
ASSETS		
Non-Current Assets	2,118	2,110
(a) Property, Plant & Equipment	1,116	1,075
(b) Capital Work in progress	14	23
(c) Goodwill on Consolidation	36	36
(d) Other Intangible Assets	54	55
(e) Right of use asset	21	37
(f) Intangible assets under development	-	-
(g) Financial Assets		
(i) Investments	489	637
(ii) Long-term Loans and Advances	21	21
(iii) Other financial assets	279	161
(h) Deferred tax assets (net)	28	18
(i) Non-current tax assets (net)	34	34
(j) Other non-current assets	26	13
Current Assets	4,244	3,233
(a) Inventories	2,204	1,746
(b) Financial Assets		
(i) Investments	-	-
(ii) Trade Receivables	1,700	996
(iii) Cash and Cash Equivalents	55	105
(iv) Bank balances other than above	97	187
(v) Loans	0.3	0.3
(vi) Others current financial assets	57	55
(c) Other Current Assets	131	144
TOTAL ASSETS	6,362	5,343

Particulars (INR Mn)	FY20	FY21
EQUITY AND LIABILITIES		
Equity	2,363	2,547
Share Capital	129	129
Other Equity	2,234	2,418
Non Current Liabilities	285	216
(a) Financial Liabilities		
(i) Borrowings	197	114
(ii) Other Financial Liabilities	2	-
(iii) Lease Liabilities	24	13
Government Grants	17	34
Net non-current employee defined benefit liabilities	45	55
Current Liabilities	3,714	2,580
(a) Financial Liabilities		
(i) Borrowings	1,494	1,197
(ii) Trade Payables	1,136	588
(iii) Other Financial Liabilities	271	183
(iv) Lease Liabilities	6	20
(b) Government Grants	4	8
(c) Other current Liabilities	686	469
(d) Net current employee defined benefit liabilities	6	6
Provisions	35	33
Liabilities for current tax (net)	77	76
TOTAL EQUITY AND LIABILITIES	6,362	5,343

Q4-FY21 – Consolidated Income Statement



Particulars (INR Mn)	Q4-FY21	Q4-FY20	Y-o-Y	Q3-FY21	Q-o-Q
Operational Revenue	2,065	2,286	(9.7)%	2,162	(4.5)%
Total Expenses	1,876	2,010	(6.7)%	1,876	0.00%
EBITDA	189	276	(31.5)%	286	(33.9)%
EBITDA Margin (%)	9.15%	12.07%	(292) bps	13.23%	(408) bps
Other Income	26	43	(39.5)%	16	62.5%
Depreciation	114	107	6.5%	127	(10.2)%
Finance Cost	75	120	(37.5)%	76	(1.3)%
Share of profit / (losses) of associates and JV from continuing operation	(8)	(5)	NA	-	NA
Exceptional Items	-	(105)	NA	-	NA
PBT	18	(18)	NA	99	(81.8)%
Tax	9	5	NA	20	(55)%
PAT from continuing operations	9	(23)	NA	79	(88.6)%
PAT Margin (%)	0.44%	NA	NA	3.65%	(321) bps
Diluted EPS from continuing operations (INR)	0.49	0.34	44.11%	5.93	(91.7)%

Consolidated Balance Sheet



Particulars (INR Mn)	FY20	FY21
ASSETS		
(1) Non-current assets	3,759	3611
(a) Property, Plant and Equipment	1,253	1,184
(b) Capital work-in-progress	14	21
(c) Goodwill on consolidation	376	376
(d) Other Intangible assets	479	409
(e) Right of use asset	456	556
(f) Intangible assets under development	101	171
(g) Financial assets		
(i) Investment in joint ventures and associates	387	465
(ii) Other Investments	14	23
(iii) Loans	61	46
(iv) Other non current financial assets	527	290
(h) Deferred tax assets (net)	30	22
(i) Non-current tax assets (net)	34	34
(j) Other non-current assets	27	14
(2) Current assets	7,013	6,194
(a) Inventories	2,358	1,942
(b) Financial assets		
(i) Trade receivables	2,489	2,161
(ii) Cash and cash equivalents	136	412
(iii) Bank balances other than cash and cash equivalents	97	187
(iv) Loans	0.3	0.3
(v) Other current financial assets	1,609	1106
(c) Other current assets	323	386
(3) Assets classified as held for disposal	-	-
Total assets (1+2+3)	10,772	9,805

Particulars (INR Mn)	FY20	FY21
EQUITY AND LIABILITIES		
(1) Equity	2,300	2,401
(a) Equity share capital	129	129
(b) Other equity	1,923	2,102
Equity attributable to equity holders of the parent (a+b)	2,052	2,231
Non-controlling interests	248	170
(2) Non-current liabilities	1,281	1,702
(a) Financial liabilities		
(i) Borrowings	697	1,089
(ii) Other non-current financial liabilities	2	-
(iii) Lease Liabilities	374	419
(b) Deferred tax liabilities (net)	92	71
(c) Net non-current employee defined benefit liabilities	46	57
(d) Provisions	54	32
(e) Government Grants	16	34
(3) Current liabilities	7,191	5,702
(a) Financial liabilities		
(i) Borrowings	2,025	1,785
(ii) Trade payables	1,780	1,082
(iii) Other current financial liabilities	1,666	1,236
(iv) Lease Liabilities	103	140
(b) Other current liabilities	1,471	1,323
(c) Government Grants	4	8
(c) Net employee defined benefit liabilities	6	6
(d) Provisions	58	40
(e) Liabilities for current tax (net)	78	82
(4) Liabilities directly associated with assets classified as held for disposal	-	-
Total equity and liabilities (1+2+3+4)	10,772	9805

Historical Standalone Income Statement



Particulars (INR Mn)	FY19	FY20	FY21
Operational Income	4,987	4,824	4,245
Total Expenses	4,290	4,111	3,621
EBITDA	697	713	624
EBITDA Margins (%)	13.98%	14.78%	14.70%
Other Income	38	43	39
Depreciation	121	132	158
Finance Cost	268	277	174
Exceptional Items	329	-	-
PBT	675	347	331
Tax	95	97	91
PAT	580	250	240
PAT Margins (%)	11.63%	5.18%	5.65%
Diluted EPS (INR)	45.00	19.42	18.60

Historical Consolidated Income Statement

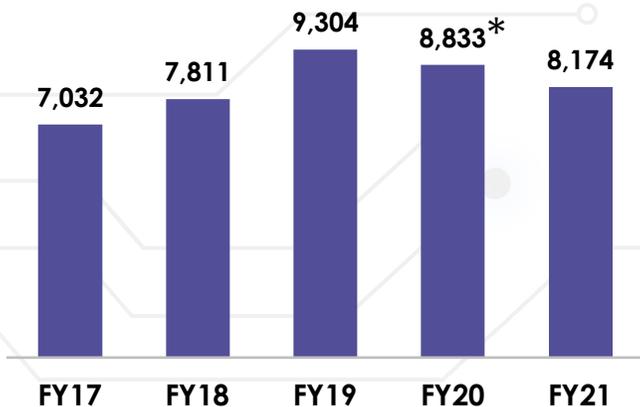


Particulars (INR Mn)	FY19	FY20	FY21
Operational Revenue	9,304	8,833	8,174
Total Expenses	8,267	7,852	7,279
EBITDA	1,037	981	895
EBITDA Margin (%)	11.15%	11.11%	10.95%
Other Income	71	153	58
Depreciation	278	414	453
Finance Cost	349	368	295
Share of profit / (losses) of associates and JV from continuing operation	(13)	(5)	(11)
Exceptional Item	-	(105)	-
PBT	468	242	194
Tax	(3)	74	74
PAT from continuing operations	471	168	120
PAT Margin (%)	5.06%	1.90%	1.47%
Diluted EPS from continuing operations (INR)	30.51	15.74	13.30

Consolidated Financial Highlights

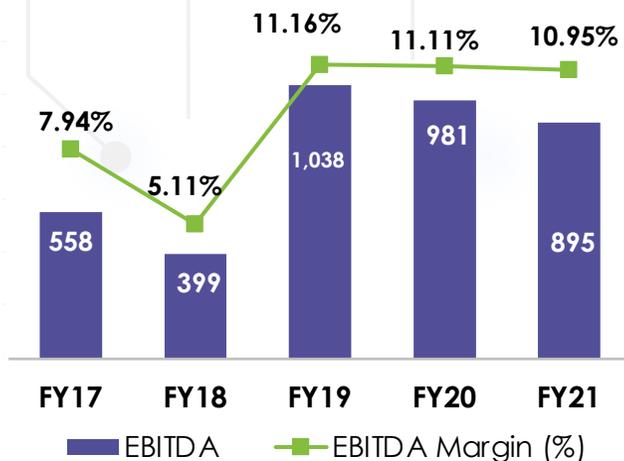


Operational Revenue

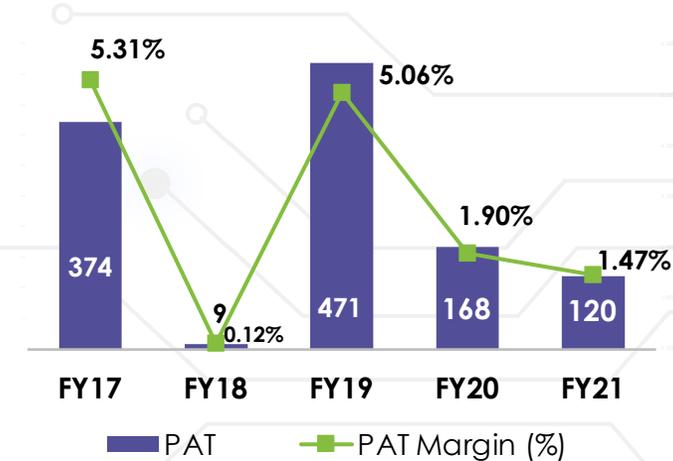


* FY20 revenues not comparable due to sale of Energy division of Centum Adetel subsidiary.

EBITDA & EBITDA Margin (%)

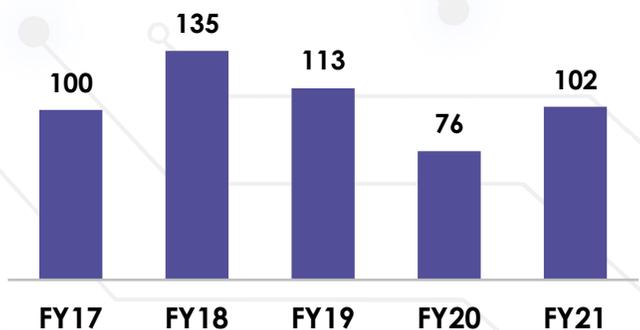


PAT & PAT Margin (%)*

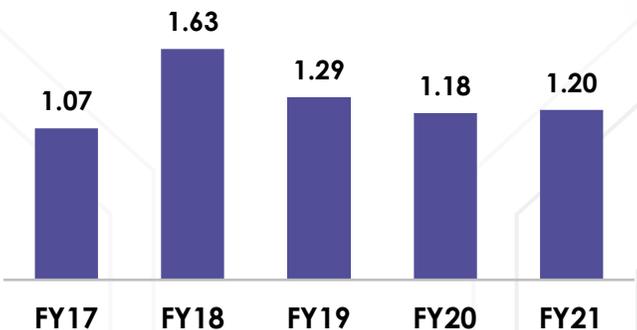


*PAT from continuing operations

Net Working Capital Days



Debt to Equity



ROCE



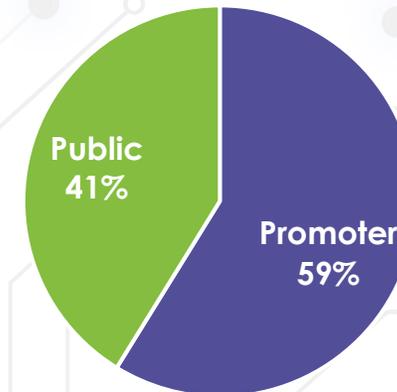
Stock Market Performance (as on 31st March, 2021)



Price Data (As on 31st March 2021)

CMP	379.2
52 Week H/L	490.0/210.5
Avg. Vol. ('000)	17.1
Avg. turnover (Mn)	6,351.2
Market Capital (INR Mn)	4,886.0
Total outstanding shares (Mn)	12.9

Shareholding Pattern (as on 31st March, 2021)



Centum Electronics Limited

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