



Ref: CEL/NSEBSE/EP/10112022

10th November, 2022

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 H1/Q2-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

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CIN - L85110KA1993PLC013869



EARNINGS PRESENTATION

Q2/H1-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 13,200 Mn*



Single Source Supplier for ~80% of manufactured products



75% Revenues from Overseas Customers in Advanced Economies



Strong Corporate Governance

* As on 30th September 2022, Not including client forecasts of EMS division & signed LOIs for Transportation products

Company Overview

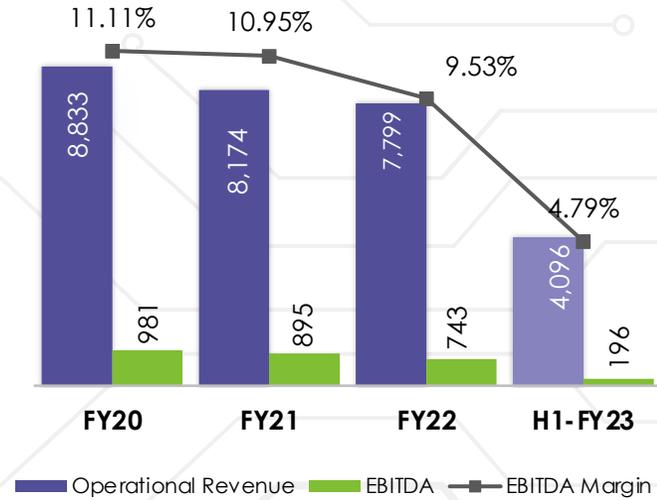


- Founded in 1993, Centum Electronics Limited (Centum) is one of the largest Electronics System Design and Manufacturing (ESDM) companies in India.
- Competencies across product design and manufacturing of complex and critical products and supplying to marquee customers in the most advanced economies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

H1-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) (41%)** – Services include manufacturing services solutions focused on a High Complexity products in high technology segment
- **Build-To-Specification (25%)** – Services include turn-key solutions to take project from conception to mass production quickly and efficiently.

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



H1-FY23 Industry Breakup

Defense, Space & Aerospace



44%

Transport & Automotive



30%

Industrial & Energy



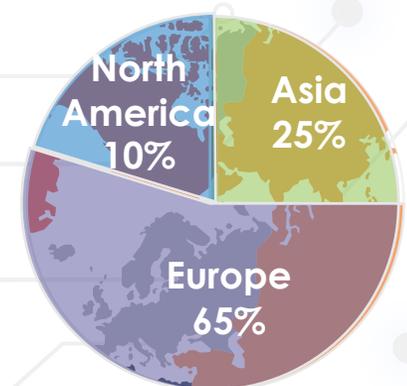
17%

Healthcare



9%

H1 - FY23 Geographical Breakup





Q2/H1-FY23 FINANCIAL OVERVIEW

H1/Q2-FY23 Financial Highlights



Q2-FY23 Standalone Performance:

- Operational Income: INR 1,046 Mn
- Operational EBITDA: INR 34 Mn
- Operational EBITDA Margin: 3.25%
- Net Profit: INR (25) Mn
- PAT Margin: (2.39)%
- Diluted EPS: INR (1.92)

H1-FY23 Standalone Performance:

- Operational Income: INR 2,026 Mn
- Operational EBITDA: INR 94 Mn
- Operational EBITDA Margin: 4.64%
- Net Profit: INR (25) Mn
- PAT Margin: (1.23)%
- Diluted EPS: INR (1.93)

Q2-FY23 Consolidated Performance:

- Operational Income: INR 2,011 Mn
- Operational EBITDA: INR 83 Mn
- Operational EBITDA Margin: 4.13%
- Net Profit: INR (69) Mn
- PAT Margin: (3.43)%
- Diluted EPS: INR (4.60)

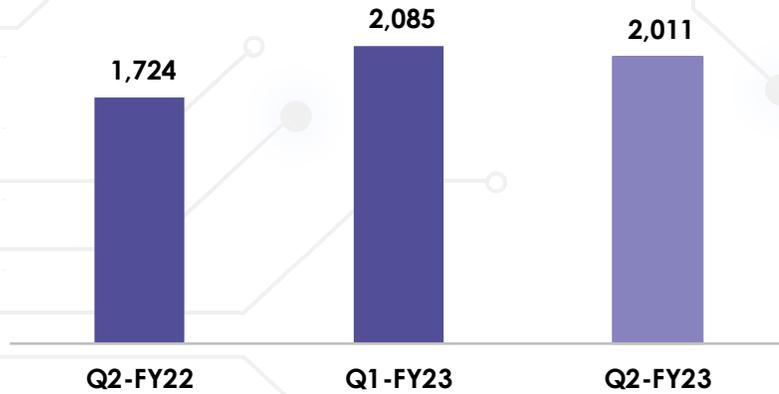
H1-FY23 Consolidated Performance:

- Operational Income: INR 4,096 Mn
- Operational EBITDA: INR 196 Mn
- Operational EBITDA Margin: 4.79%
- Net Profit: INR (94) Mn
- PAT Margin: (2.29)%
- Diluted EPS: INR (6.27)

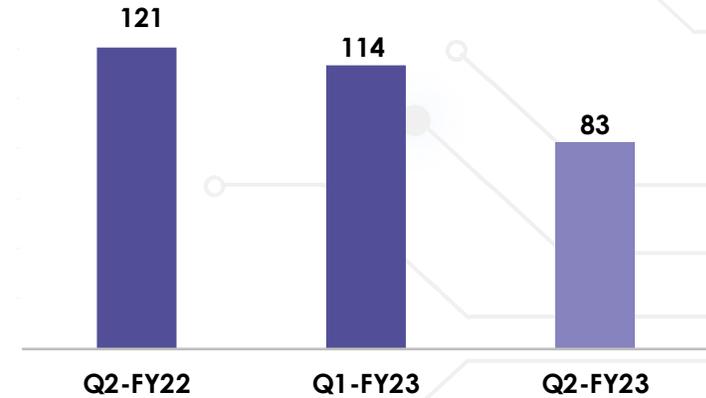
Q2-FY23 Consolidated Financial Performance



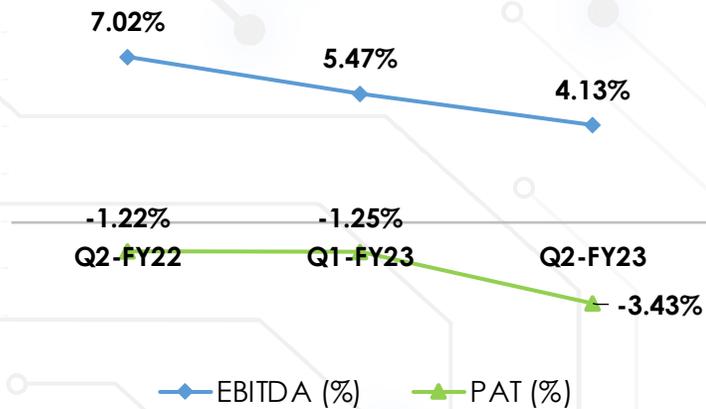
Revenue from Operations (INR Mn)



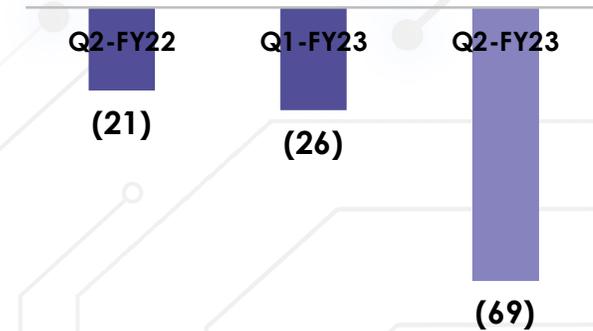
EBITDA (INR Mn)



EBITDA Margin (%) and PAT Margin (%)



PAT (INR Mn)



■ PAT

*PAT from continuing operations

Q2/H1 -FY23 Operational Highlights



- YOY Increase in Revenues was primarily driven by good growth in the EMS division
- Decline in EBITDA & PAT margins was mainly due to lower contribution from BTS business due to the lumpy nature of domestic defence/space business.
- Order book improved significantly in Q2-FY23 from INR 11,200 Mn in the previous quarter to INR 13,200 Mn.
- Supply chain challenges continue to impact the deliveries. However, with proactive planning and close monitoring with suppliers and customers the situation is expected to improve in the coming quarters.
- Board approved the proposal to acquire the shares of the Centum Adetel Group following the put option exercise by the employee shareholders. With the proposed acquisition the shareholding in the French subsidiary will increase from the present 77% to 90%.

Quarterly Standalone Financial Performance



Particulars (INR Mn)	Q2-FY23	Q2-FY22	Y-o-Y	Q1-FY23	Q-o-Q
Operational Income	1,046	821	27.4%	980	6.7%
Total Expenses	1,012	748	35.3%	920	10.0%
EBITDA	34	73	(53.4)%	60	(43.3)%
EBITDA Margins (%)	3.25%	8.89%	(564) Bps	6.12%	(287) Bps
Other Income	10	32	(68.8)%	14	(28.6)%
Depreciation	41	41	NA	40	2.5%
Finance Cost	37	35	5.7%	33	12.1%
PBT	(34)	29	NA	1	NA
Tax	(9)	5	NA	1	NA
PAT	(25)	24	NA	0	NA
PAT Margins (%)	NA	2.92%	NA	NA	NA
Diluted EPS (INR)	(1.92)	1.86	NA	(0.01)	NA

Half Yearly Standalone Financial Performance



Particulars (INR Mn)	H1-FY23	H1-FY22	Y-o-Y
Operational Income	2,026	1,423	42.4%
Total Expenses	1,932	1,362	41.9%
EBITDA	94	61	54.1%
EBITDA Margins (%)	4.64%	4.29%	35 Bps
Other Income	24	38	(36.8)%
Depreciation	81	83	(2.4)%
Finance Cost	70	79	(11.4)%
Exceptional Items	-	(18)	NA
PBT	(33)	(81)	NA
Tax	(8)	(23)	NA
PAT	(25)	(58)	NA
PAT Margins (%)	NA	NA	NA
Diluted EPS (INR)	(1.93)	(4.53)	NA

Quarterly Consolidated Financial Performance



Particulars (INR Mn)	Q2-FY23	Q2-FY22	Y-o-Y	Q1-FY23	Q-o-Q
Operational Revenue	2,011	1,724	16.6%	2,085	(3.5)%
Total Expenses	1,928	1,603	20.3%	1,971	(2.2)%
EBITDA	83	121	(31.4)%	114	(27.2)%
EBITDA Margins (%)	4.13%	7.02%	(289) Bps	5.47%	(134) Bps
Other Income	6	29	(79.3)%	26	(76.9)%
Depreciation	108	112	(3.6)%	110	(1.8)%
Finance Cost	66	60	10.0%	60	10.0%
PBT	(85)	(22)	NA	(30)	NA
Tax	(16)	(1)	NA	(4)	NA
PAT from continuing operations	(69)	(21)	NA	(26)	NA
PAT Margins (%)	NA	NA	NA	NA	NA
Diluted EPS from continuing operations (INR)	(4.60)	(0.53)	NA	(1.67)	NA

Half Yearly Consolidated Financial Performance



Particulars (INR Mn)	H1-FY23	H1-FY22	Y-o-Y
Operational Revenue	4,096	3,468	18.1%
Total Expenses	3,900	3,250	20.0%
EBITDA	196	218	(10.1)%
EBITDA Margins (%)	4.79%	6.29%	(150) Bps
Other Income	32	45	(28.9)%
Depreciation	218	223	(2.2)%
Finance Cost	125	134	(6.7)%
Exceptional Items	-	(446)	NA
PBT	(115)	(540)	NA
Tax	(21)	(34)	NA
PAT from continuing operations	(94)	(506)	NA
PAT Margins (%)	NA	NA	NA
Diluted EPS from continuing operations (INR)	(6.27)	(27.12)	NA

Historical Standalone Income Statement



Particulars (INR Mn)	FY20	FY21	FY22	H1-FY23
Operational Income	4,824	4,245	3,480	2,026
Total Expenses	4,111	3,621	3,055	1,932
EBITDA	713	624	425	94
EBITDA Margins (%)	14.78%	14.70%	12.21%	4.64%
Other Income	43	39	58	24
Depreciation	131	158	165	81
Finance Cost	277	174	146	70
Exceptional Items	-	-	(18)	-
PBT	348	331	154	(33)
Tax	98	91	36	(8)
PAT	250	240	118	(25)
PAT Margins (%)	5.18%	5.65%	3.39%	NA
Diluted EPS (INR)	19.42	18.60	9.12	(1.93)

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	H1-FY23
Operational Revenue	8,833	8,174	7,799	4,096
Total Expenses	7,852	7,279	7,056	3,900
EBITDA	981	895	743	196
EBITDA Margins (%)	11.11%	10.95%	9.53%	4.79%
Other Income	153	58	80	32
Depreciation	414	453	432	218
Finance Cost	368	295	263	125
Share of profit / (losses) of associates and JV from continuing operation	(5)	(11)	(46)	0
Exceptional Item	(105)	-	(604)	0
PBT	242	194	(522)	(115)
Tax	74	74	13	(21)
PAT from continuing operations	168	120	(535)	(94)
PAT Margins (%)	1.90%	1.47%	NA	NA
Diluted EPS from continuing operations (INR)	15.74	13.30	(23.70)	(6.27)

Consolidated Balance Sheet



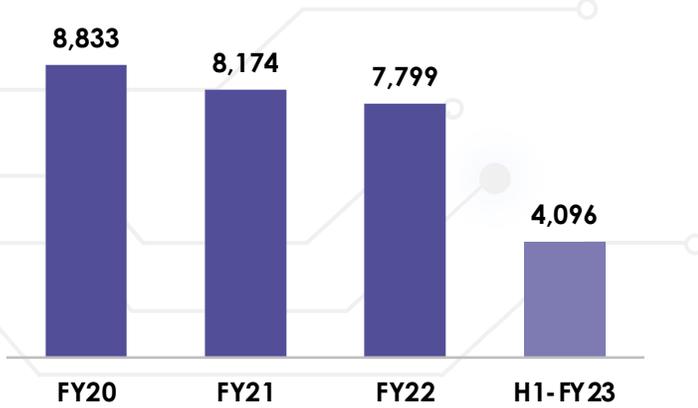
Particulars (INR Mn)	FY21	FY22	H1-FY23
ASSETS			
(1) Non-current assets	3,611	3,261	2,990
(a) Property, Plant and Equipment	1,184	1,120	1,039
(b) Capital work-in-progress	21	0	0
(c) Goodwill on consolidation	376	376	376
(d) Other Intangible assets	409	416	337
(e) Right of use asset	556	481	409
(f) Intangible 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

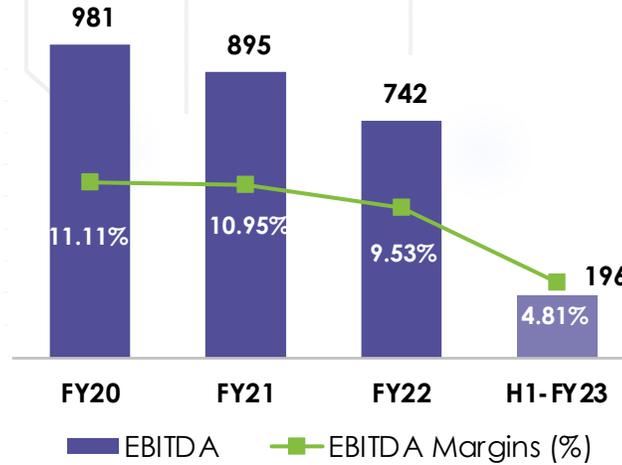
Consolidated Financial Highlights



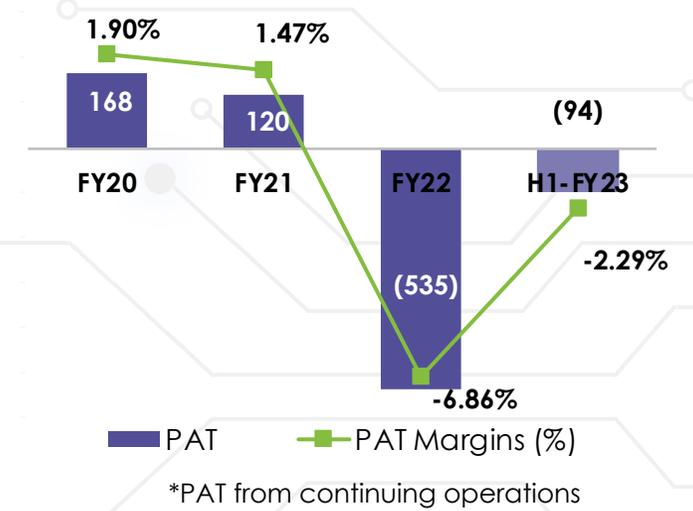
Operational Revenue



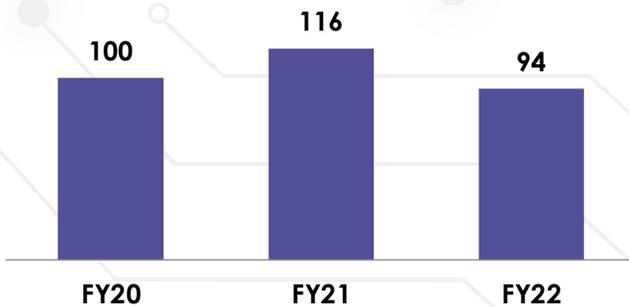
EBITDA & EBITDA Margins (%)



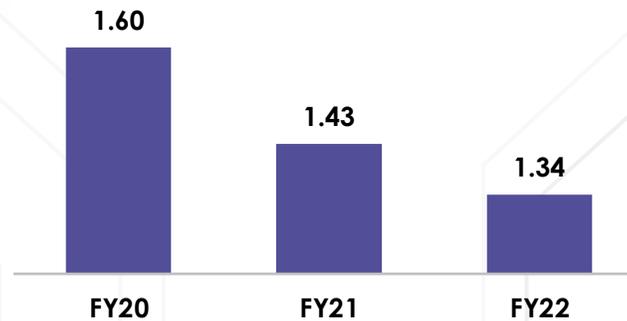
PAT & PAT Margins (%)*



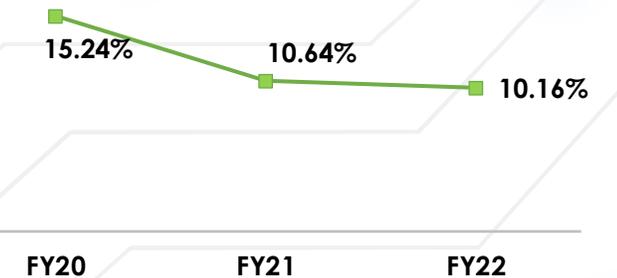
Net Working Capital Days



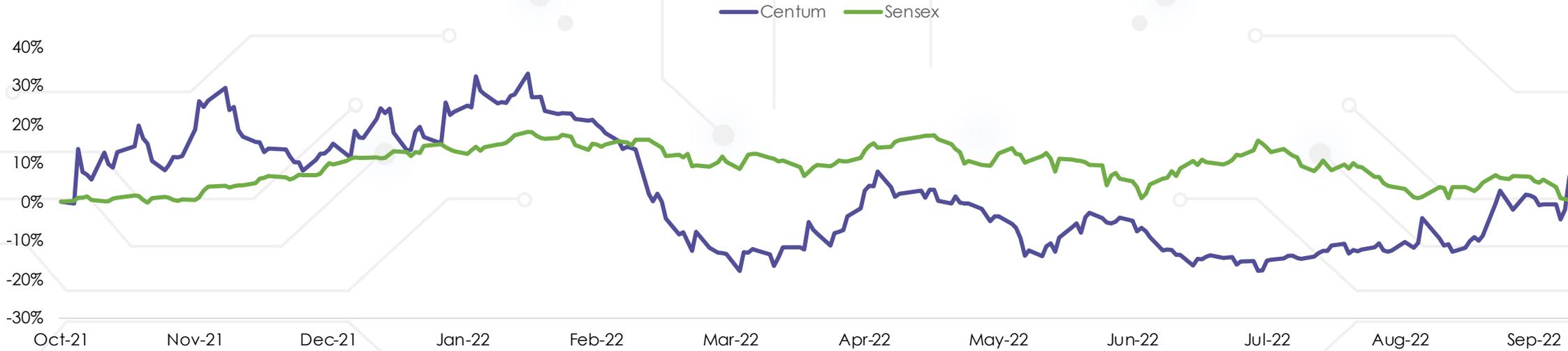
Debt to Equity



ROCE(%)



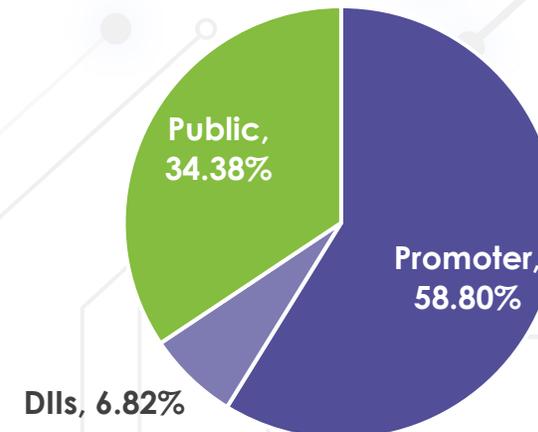
1 Year Stock Performance upto 30th September, 2022



Price Data (As on 30th September, 2022)

CMP	481.1
52 Week H/L	659.2/390.0
Avg. Vol. ('000)	23.2
Avg. turnover (Mn)	12.3
Market Capital (INR Mn)	6198.2
Total outstanding shares (Mn)	12.9

Shareholding Pattern (As on 30th September, 2022)



Centum Electronics Limited

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