

Independent Auditor's Review Report on the Quarterly and Year to Date Unaudited Standalone Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended**Review Report to
The Board of Directors
Centum Electronics Limited**

1. We have reviewed the accompanying statement of unaudited standalone financial results of Centum Electronics Limited (the "Company") for the quarter ended September 30, 2022 and year to date from April 01, 2022 to September 30, 2022 (the "Statement") attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").
2. The Company's Management is responsible for the preparation of the Statement in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The Statement has been approved by the Company's Board of Directors. 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. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons 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 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 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 Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed



S.R. BATLIBOI & ASSOCIATES LLP

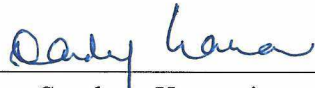
Chartered Accountants

in terms of the Listing Regulations, including the manner in which it is to be disclosed,
or that it contains any material misstatement.

For S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

ICAI Firm registration number: 101049W/E300004



per Sandeep Karnani

Partner

Membership No.: 061207



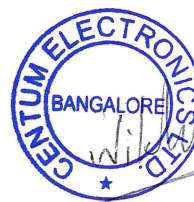
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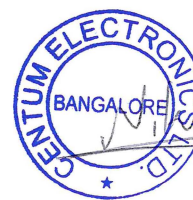
Statement of unaudited standalone Ind AS financial results for the quarter and six month ended September 30, 2022

| Sl. No. | Particulars | (Rs. in Million) | | | | | |
|-----------|---|--------------------|---------------|--------------------|--------------------|--------------------|-----------------|
| | | Quarter ended | | | Six month ended | | Year Ended |
| | | September 30, 2022 | June 30, 2022 | September 30, 2021 | September 30, 2022 | September 30, 2021 | March 31, 2022 |
| | | (Unaudited) | (Unaudited) | (Unaudited) | (Unaudited) | (Unaudited) | (Audited) |
| 1 | Income | | | | | | |
| | (a) Revenue from operations | 1,043.09 | 977.22 | 817.97 | 2,020.31 | 1,417.72 | 3,466.88 |
| | (i) Sales/Income from operations | 2.74 | 2.77 | 3.01 | 5.51 | 5.35 | 13.23 |
| | (ii) Other operating income | - | - | - | - | - | - |
| | (b) Other income | - | - | 5.57 | - | - | - |
| | (i) Gain on account of foreign exchange fluctuations (net) | 5.62 | 9.85 | 15.66 | 15.47 | 22.98 | 30.30 |
| | (ii) Others | - | - | - | - | - | - |
| | (c) Finance income | 4.27 | 4.27 | 10.69 | 8.54 | 15.28 | 27.76 |
| | Total income | 1,055.72 | 994.11 | 852.90 | 2,049.83 | 1,461.33 | 3,538.17 |
| 2 | Expenses | | | | | | |
| | (a) Cost of materials consumed | 822.14 | 660.95 | 636.79 | 1,483.09 | 1,042.85 | 2,063.34 |
| | (b) Changes in inventories of work-in-progress and finished goods | (142.72) | (48.45) | (140.32) | (191.17) | (159.62) | (30.59) |
| | (c) Employee benefits expenses | 196.24 | 178.09 | 170.32 | 374.33 | 328.77 | 677.49 |
| | (d) Finance costs | 37.35 | 33.00 | 34.65 | 70.35 | 78.51 | 146.09 |
| | (e) Depreciation and amortisation expenses | 40.55 | 40.32 | 41.34 | 80.87 | 82.75 | 164.88 |
| | (f) Loss on account of foreign exchange fluctuations (net) | 24.52 | 29.32 | - | 53.84 | 1.40 | 6.24 |
| | (g) Other expenses | 111.97 | 99.88 | 81.32 | 211.85 | 149.07 | 338.60 |
| | Total expenses | 1,090.05 | 993.11 | 824.10 | 2,083.16 | 1,523.73 | 3,366.05 |
| 3 | (Loss) / profit before exceptional items and tax (1-2) | (34.33) | 1.00 | 28.80 | (33.33) | (62.40) | 172.12 |
| 4 | Exceptional items (refer note 6(b)) | - | - | - | - | (18.36) | (18.36) |
| 5 | (Loss) / Profit before tax (3 ± 4) | (34.33) | 1.00 | 28.80 | (33.33) | (80.76) | 153.76 |
| 6 | Tax expenses | | | | | | |
| | (a) Current tax (including tax for earlier years) | (10.92) | 4.56 | (2.43) | (6.36) | (2.43) | 45.62 |
| | (b) Deferred tax charge / (credit) | 1.34 | (3.44) | 7.31 | (2.10) | (20.00) | (9.52) |
| 7 | (Loss) / profit for the period (5± 6) | (24.75) | (0.12) | 23.92 | (24.87) | (58.33) | 117.66 |
| 8 | Other comprehensive income/(expenses) (net of tax) | | | | | | |
| | (a) Items that will not be reclassified to profit or loss | | | | | | |
| | (i) Re-measurements gains/(losses) on defined benefit plans | 0.36 | 0.36 | 0.36 | 0.72 | 0.72 | 9.11 |
| | (ii) Income tax effect on above | (0.09) | (0.09) | (0.10) | (0.18) | (0.20) | (2.63) |
| | (b) Items that will be reclassified to profit or loss | | | | | | |
| | (i) Net movement effective portion of cash flow hedge | 0.86 | (0.86) | 0.84 | - | 0.84 | - |
| | (ii) Income tax on above | (0.22) | 0.22 | (0.21) | - | (0.21) | - |
| 9 | Total comprehensive income for the period (comprising (loss) / profit and other comprehensive income/(expenses) (net of tax) for the period (7±8)) | (23.84) | (0.49) | 24.81 | (24.33) | (57.18) | 124.14 |
| 10 | Paid up equity share capital (Face value- Rs.10 per share) | 128.85 | 128.85 | 128.85 | 128.85 | 128.85 | 128.85 |
| 11 | Earnings per equity share (of Rs. 10 each): | | | | | | |
| | (a) Basic (Rs.) | (1.92) | (0.01) | 1.86 | (1.93) | (4.53) | 9.13 |
| | (b) Diluted (Rs.) | (1.92) | (0.01) | 1.86 | (1.93) | (4.53) | 9.12 |



Notes to the unaudited standalone Ind AS financial results for the quarter and six month ended September 30, 2022

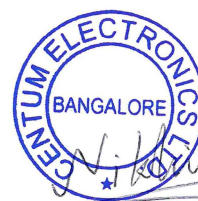
| 1. Statement of standalone assets and liabilities | | (Rs. in millions) | |
|---|--|-----------------------------------|-----------------------------|
| S.No. | Particulars | September 30, 2022 (Unaudited) | March 31, 2022 (Audited) |
| I | Assets | | |
| (1) | Non-current assets | | |
| | (a) Property, plant and equipment | 970.07 | 1,033.13 |
| | (b) Capital work-in-progress | 0.24 | 0.09 |
| | (c) Goodwill | 36.35 | 36.35 |
| | (d) Other intangible assets | 35.50 | 42.17 |
| | (e) Right-of-use assets | 32.72 | 29.07 |
| | (f) Financial assets | | |
| | (i) Investments (refer note 6) | 756.68 | 627.85 |
| | (ii) Other financial assets | 220.70 | 268.49 |
| | (g) Deferred tax assets (net) | 27.27 | 25.34 |
| | (h) Non-current tax assets (net) | 16.45 | 48.89 |
| | (i) Other non-current assets | 39.59 | 9.00 |
| | Total non-current assets | 2,135.57 | 2,120.38 |
| (2) | Current assets | | |
| | (a) Inventories | 2,338.39 | 1,986.57 |
| | (b) Financial assets | | |
| | (i) Trade receivables | 978.35 | 897.57 |
| | (ii) Cash and cash equivalents | 90.44 | 149.19 |
| | (iii) Bank balances other than cash and cash equivalents | 143.68 | 93.67 |
| | (iv) Other financial assets | 18.52 | 51.61 |
| | (c) Other current assets | 152.26 | 160.98 |
| | Total current assets | 3,721.64 | 3,339.59 |
| | Total assets (1+2) | 5,857.21 | 5,459.97 |
| II | Equity and liabilities | | |
| (1) | Equity | | |
| | (a) Equity share capital | 128.85 | 128.85 |
| | (b) Other equity | 2,465.62 | 2,516.38 |
| | Total equity | 2,594.47 | 2,645.23 |
| (2) | Non-current liabilities | | |
| | (a) Financial liabilities | | |
| | (i) Lease liabilities | 5.43 | 1.55 |
| | (b) Government Grants | 28.43 | 26.57 |
| | (c) Net employee defined benefit liabilities | 58.74 | 56.39 |
| | Total non current liabilities | 92.60 | 84.51 |
| (3) | Current liabilities | | |
| | (a) Financial liabilities | | |
| | (i) Borrowings | 1,096.13 | 979.45 |
| | (ii) Lease Liabilities | 8.74 | 11.80 |
| | (iii) Trade payables | | |
| | Total outstanding dues of micro enterprises and small enterprises | 17.54 | 51.90 |
| | Total outstanding dues of creditors other than micro enterprises and small enterprises | 932.75 | 674.33 |
| | (iv) Other financial liabilities | 93.59 | 84.48 |
| | (b) Government grants | 8.62 | 7.87 |
| | (c) Other current liabilities | 964.01 | 858.64 |
| | (d) Net employee defined benefit liabilities | 6.48 | 6.48 |
| | (e) Provisions | 30.08 | 25.26 |
| | (f) Liabilities for current tax (net) | 12.20 | 30.02 |
| | Total current liabilities | 3,170.14 | 2,730.23 |
| | Total equity and liabilities (1+2+3) | 5,857.21 | 5,459.97 |



2. Statement of unaudited standalone cash flows

(Rs. in million)

| | Six month ended September 30, 2022 | Six month ended September 30, 2021 |
|--|---------------------------------------|---------------------------------------|
| | (Unaudited) | (Unaudited) |
| A. CASH FLOW FROM OPERATING ACTIVITIES | | |
| (Loss) / profit before tax | (33.33) | (80.76) |
| Non-cash adjustments to reconcile profit / (loss) before tax to net cash flows: | | |
| Depreciation and amortisation expenses | 80.87 | 82.75 |
| Provisions no longer required, written back | (5.57) | (0.03) |
| Fair value (gain) / loss on financial instruments | - | (0.15) |
| Net foreign exchange differences (unrealised) | 22.52 | 5.49 |
| Gain on sale / discard of property, plant and equipment | (0.58) | - |
| Provision for expected credit loss / bad debts written off | 22.84 | 2.09 |
| Government grants | (6.04) | (3.95) |
| Employee share based compensation cost | 5.83 | 0.16 |
| Finance income | (8.54) | (15.28) |
| Finance costs | 53.49 | 59.24 |
| Operating profit before working capital changes | 131.49 | 49.57 |
| Working capital adjustments: | | |
| (Increase) / decrease in inventories | (351.82) | (184.39) |
| (Increase) / decrease in trade receivables | (86.88) | 227.06 |
| Decrease / (increase) in non current/ current financial assets and other assets | 49.00 | (11.73) |
| Increase / (decrease) in trade payables, provisions and other liabilities | 338.65 | 385.33 |
| Cash generated from / (used in) operations | 80.44 | 465.84 |
| Direct taxes paid (net of refunds) | 20.97 | (86.51) |
| Net cash flow from / (used in) operating activities | 101.41 | 379.33 |
| B. CASH FLOW FROM INVESTING ACTIVITIES | | |
| Purchase of property, plant and equipment, including intangible assets and capital advances | (39.51) | (48.21) |
| Proceeds from sale of property, plant and equipment | 0.63 | - |
| Purchase of non-current investments | (128.83) | - |
| Proceeds from sale of non-current investments | - | 9.32 |
| Investment in bank deposits (having original maturity of more than three months) and other bank balances | (2.22) | 9.21 |
| Interest income received | 2.98 | 11.02 |
| Government grant received | 8.65 | - |
| Net cash flow (used in) / from investing activities | (158.30) | (18.66) |
| C. CASH FLOW FROM FINANCING ACTIVITIES | | |
| Repayment of long term borrowings | - | (195.21) |
| Repayment of lease liabilities | (7.29) | (13.09) |
| Proceeds / repayment of short term borrowings (net) | 89.09 | (144.33) |
| Finance costs paid | (51.96) | (57.32) |
| Dividend paid (including amount transferred to Investor Education & Protection Fund) | (32.47) | (25.79) |
| Net cash flow (used in) / from financing activities | (2.63) | (435.74) |
| Net (decrease) / increase in cash and cash equivalents (A+B+C) | (59.52) | (75.07) |
| Cash and cash equivalents at the beginning of the year | 149.19 | 104.53 |
| Effect of exchange differences on cash and cash equivalents held in foreign currency | 0.77 | 0.18 |
| Cash and cash equivalents at the end of the year | 90.44 | 29.64 |
| Total cash and cash equivalents | 90.44 | 29.64 |



Notes to the unaudited standalone Ind AS financial results for the quarter and six month ended September 30, 2022

3 Investors can view the unaudited standalone Ind AS financial results of Centum Electronics Limited ("the Company") on the Company's website www.centumelectronics.com or on the websites of BSE (www.bseindia.com) or NSE (www.nseindia.com).

4 The Company is an integrated business unit which addresses the Electronics System Design and Manufacturing ("ESDM") and accordingly there is only one reportable segment called ESDM in accordance with the requirement of Ind AS 108 - "Operating segments".

5 The accompanying unaudited standalone Ind AS financial results of the Company for the quarter and six month ended September 30, 2022 have been reviewed by the Audit Committee in their meeting on November 08, 2022 and approved by the Board of Directors in their meeting held on November 09, 2022.

6 a) The Company has investments in Centum Electronics UK Limited, which in turn has made investment in Centum Adetel Group SA. Centum Adetel Group SA and its underlying subsidiaries have incurred losses.

During the quarter and six month ended September 30, 2022, the Board of Directors of Company further acquired 12.50% stake of Centum Adetel Group SA through Centum Electronics UK Limited from other shareholders of Centum Adetel Group SA. The carrying value of the aforesaid investment continues to be higher than the net worth of Centum Adetel Group SA.

However, based on internal assessment performed with regard to future operations and external valuation by an expert, the management of the Company is of the view that the carrying value of the Company's investment in Centum Electronics UK Limited is appropriate.

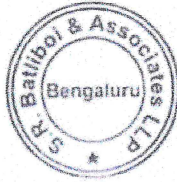
b) During the year ended March 31, 2020, Centum Adetel Group SA, a step down subsidiary entered into agreement for sale of 65% stake in HOLIWATT (formerly known as Centum Adetel Transportation SAS ("HOLIWATT")), subsidiary of Centum Adetel Group SA. Centum Adetel Group SA had a put option to sale its remaining 35% stake at a fixed price amounting to EUR 3.96 million plus interest at the rate of 6% p.a as per the aforesaid sale agreement and other receivables of EUR 0.5 million. Subsequent to the year ended March 31, 2021 the HOLIWATT has been placed in specific insolvency statutes, allowing it to commence negotiation with other parties including its shareholders. During the year ended March 31, 2022, the Commercial Court of Lyon announced the opening of judicial recovery procedures and accordingly, based on its internal assessment, the management of the Company had provided for its receivables amounting to Rs. 18.36 million and the same had been disclosed as exceptional items in the standalone Ind AS financial results for the year ended March 31, 2022.

7 Pursuant to the ongoing COVID-19 pandemic, the Company has made a detailed assessment of its liquidity position as at the date of approval of these unaudited standalone Ind AS financial results for the next one year and of the recoverability and carrying values of its assets including property, plant and equipment (including capital work-in-progress), goodwill, other intangible assets, trade receivables, inventory, investments and other assets as at the reporting date and has concluded that there are no material adjustments required in the unaudited standalone Ind AS financial results. Management believes that it has taken into account all the possible impact of known events and economic forecasts based on internal and external sources of information arising from COVID-19 pandemic while making such assessment in the preparation of the unaudited standalone Ind AS financial results.

8 For the periods the Company has incurred losses, the allotment of stock options would increase the loss per share for the respective periods and accordingly has not been considered for the purpose of calculation of diluted earnings per share from operations.

9 The figures pertaining to previous quarters / period / year have been reclassified, wherever necessary, to conform to the classification adopted in the current period.

Place : Bengaluru
Date : November 09, 2022



For Centum Electronics Limited

Nikhil Mallavarapu
Executive Director

