



Ref: CEL/NSEBSE/EP/15022021

15<sup>th</sup> February, 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 9M/Q3-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](http://www.centumelectronics.com)

Yours faithfully,  
For **Centum Electronics Limited**

**Nagaraj K V**  
**Company Secretary & Compliance Officer**

Encl: as above

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**Centum Electronics Limited**

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

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CIN - L85110KA1993PLC013869



# EARNINGS PRESENTATION

9M/Q3-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



2,100 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 11,000 Mn\*



Single Source Supplier for ~80% of manufactured products



75% Revenues from Overseas Customers in Advanced Economies



Strong Corporate Governance

\* As on H1-FY21 Not including client forecasts of EMS division & signed LOIs for Transportation products

# Company Overview

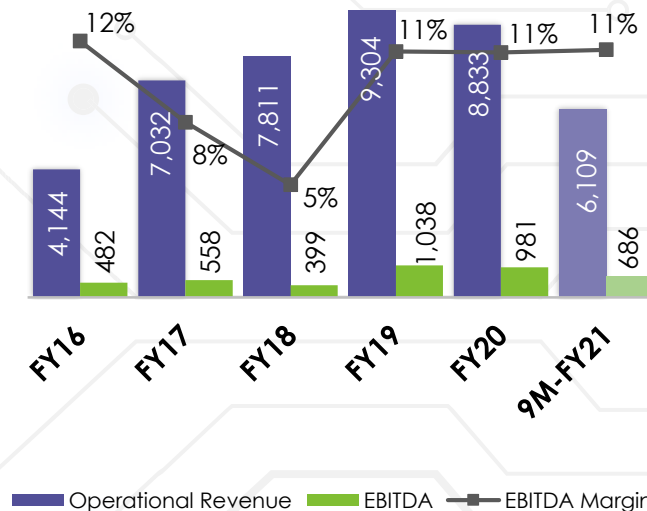


- Founded in 1993, Centum Electronics Limited (Centum) is one of the largest Electronics System Design and Manufacturing (ESDM) companies in India.
- Competencies across product design and manufacturing of complex and critical products and supplying to marquee customers in the most advanced economies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

## FY20 Key Business Segments:

- **Engineering R&D (ER&D) Services (38%)** – Involves conceptualizing and designing of Electronic Hardware, Embedded Software, FPGA, Analog, Radio Frequency products, etc.
- **Electronic Manufacturing Services (EMS) (35%)** – Services include manufacturing services solutions focused on a High Complexity products in high technology segment
- **Build-To-Specification (27%)** – Services include turn-key solutions to take project from conception to mass production quickly and efficiently.

## Operational Income (In Mn) and EBITDA



## FY20 Industry Breakup

Defense, Space & Aerospace



44%

Transport & Automotive



30%

Industrial & Energy



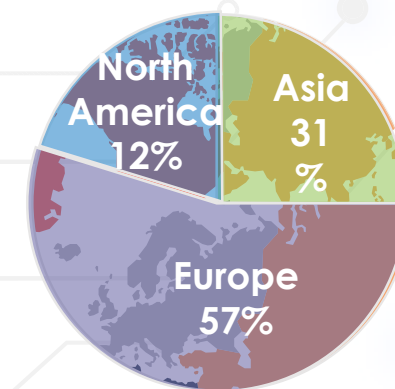
20%

Healthcare



6%

## FY20 Geographical Breakup





# 9M/Q3-FY21 FINANCIAL OVERVIEW



# 9M/Q3-FY21 Financial Highlights



## Q3-FY21 Standalone Performance

**INR 1,052 Mn**  
Operational Income

**INR 171 Mn**  
Operational EBITDA

**16.25%**  
Operational EBITDA Margin

**INR 73 Mn**  
Net Profit

**6.94%**  
PAT Margin

**INR 5.68 /share**  
Diluted EPS

## Q3-FY21 Consolidated Performance

**INR 2,162 Mn**  
Operational Income

**INR 286 Mn**  
Operational EBITDA

**13.23%**  
Operational EBITDA Margin

**INR 79 Mn**  
Net Profit

**3.65 %**  
PAT Margin

**INR 5.93 /share**  
Diluted EPS

## 9M-FY21 Standalone Performance

**INR 3,290 Mn**  
Operational Income

**INR 544 Mn**  
Operational EBITDA

**16.53%**  
Operational EBITDA Margin

**INR 235 Mn**  
Net Profit

**7.14 %**  
PAT Margin

**INR 18.21 /share**  
Diluted EPS

## 9M-FY21 Consolidated Performance

**INR 6,109 Mn**  
Operational Income

**INR 686 Mn**  
Operational EBITDA

**11.23 %**  
Operational EBITDA Margin

**INR 111 Mn**  
Net Profit

**1.82 %**  
PAT Margin

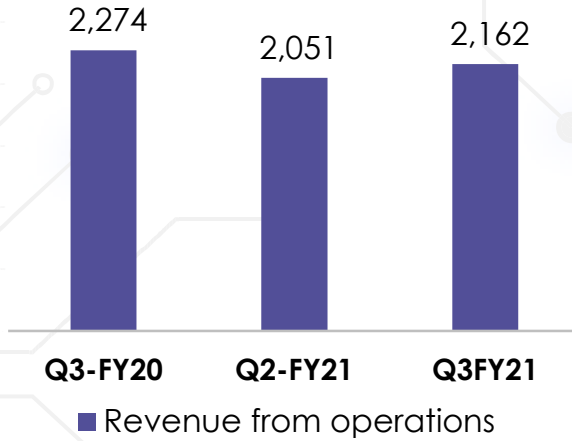
**INR 12.82 /share**  
Diluted EPS

# Q3-FY21 Financial Performance & Highlights

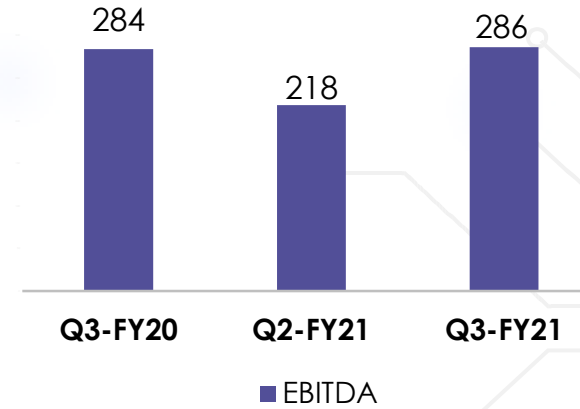


Improvement in Centum Adetel Group resulted in increase in revenue over the previous quarter.

Revenue from Operations (INR Mn)

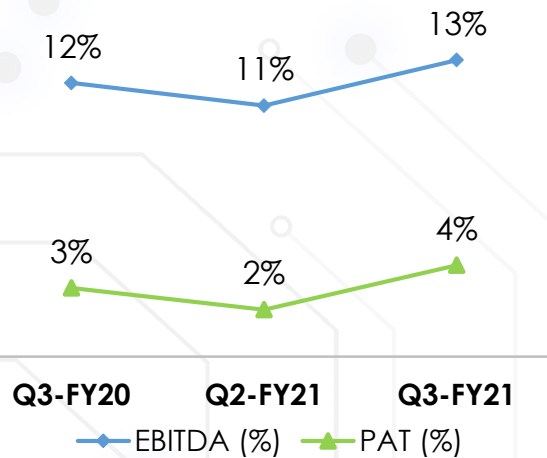


EBITDA (INR Mn)

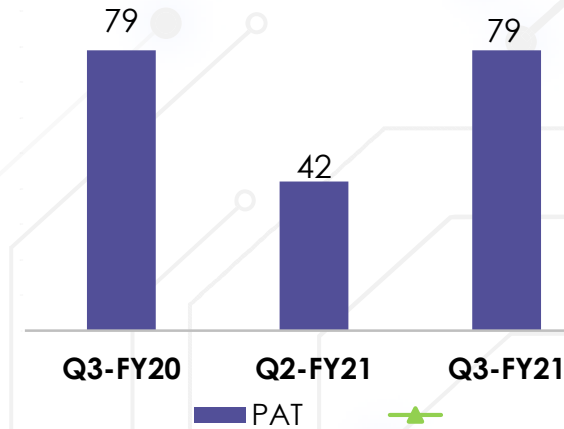


EBITDA improved over the previous quarter due to increase in activity in Centum Adetel Group and Cost productivity measures helped YoY margin improvement

EBITDA Margin (%) and PAT Margin (%)



PAT (INR Mn)



# 9M/Q3-FY21 Operational Highlights

- Revenue and EBITDA improved Q-on-Q primarily with better utilization in ER&D services business. However, not yet back to pre-COVID levels due to impact of second lockdown in France.
- Some demand push outs on EMS and BTS business with international defence and industrial customers.
- Centum Electronics Limited received DRDO's Prestigious Defence Technology Award from Defence Minister Shri Rajnath Singh in recognition of Centum Electronics' outstanding contribution towards the critical technology in defence space systems. Centum was recognized for pioneering development of Electronic Warfare Payload for the Satellite Mission Kautilya.
- Cash flow improved from reduction of inventory and improvement in receivables from government customers.
- Significant New Business awards from new customers in EMS vertical.





# Q3-FY21 – Standalone Income Statement



Particulars (INR Mn)	Q3-FY21	Q3-FY20	Y-o-Y	Q2-FY21	Q-o-Q
<b>Operational Income</b>	<b>1,052</b>	<b>1,248</b>	<b>(15.7)%</b>	<b>1,186</b>	<b>(11.3)%</b>
Total Expenses	881	1,031	(14.5)%	970	(9.2)%
<b>EBITDA</b>	<b>171</b>	<b>217</b>	<b>(21.2)%</b>	<b>216</b>	<b>(20.8)%</b>
<b>EBITDA Margins (%)</b>	<b>16.25%</b>	<b>17.39%</b>	<b>(114) Bps</b>	<b>18.21%</b>	<b>(196) Bps</b>
Other Income	9	10	(10.0)%	7	28.6%
Depreciation	39	35	11.4%	39	NA
Finance Cost	42	57	(26.3)%	41	2.4%
<b>PBT</b>	<b>99</b>	<b>135</b>	<b>(26.7)%</b>	<b>143</b>	<b>(30.8)%</b>
Tax	26	35	(25.7)%	36	(27.8)%
<b>PAT</b>	<b>73</b>	<b>100</b>	<b>(27.0)%</b>	<b>107</b>	<b>(31.8)%</b>
<b>PAT Margins (%)</b>	<b>6.94%</b>	<b>8.01%</b>	<b>(107) Bps</b>	<b>9.02%</b>	<b>(208) Bps</b>
Diluted EPS (INR)	5.68	7.76	(26.8)%	8.32	(31.7)%

# 9M-FY21 – Standalone Income Statement



Particulars (INR Mn)	9M-FY21	9M-FY20	Y-o-Y
<b>Operational Income</b>	<b>3,290</b>	<b>3,591</b>	<b>(8.4)%</b>
Total Expenses	2,746	3,056	(10.1)%
<b>EBITDA</b>	<b>544</b>	<b>535</b>	<b>1.7%</b>
<b>EBITDA Margins (%)</b>	<b>16.53%</b>	<b>14.90%</b>	<b>163 Bps</b>
Other Income	25	34	(27.2)%
Depreciation	116	94	23.4%
Finance Cost	138	184	(25.0)%
<b>PBT</b>	<b>315</b>	<b>291</b>	<b>8.1%</b>
Tax	80	85	(5.9)%
<b>PAT</b>	<b>235</b>	<b>206</b>	<b>13.9%</b>
<b>PAT Margins (%)</b>	<b>7.14%</b>	<b>5.75%</b>	<b>139 Bps</b>
Diluted EPS (INR)	18.21	15.95	14.2%

# Standalone Balance Sheet



Particulars (INR Mn)	FY19	FY20	H1-FY21
<b>ASSETS</b>			
<b>Non-Current Assets</b>	<b>2,039</b>	<b>2,098</b>	<b>2,082</b>
(a) Property, Plant & Equipment	972	1,116	1,076
(b) Capital Work in progress	71	14	28
(c) Goodwill on Consolidation	36	36	36
(d) Other Intangible Assets	17	54	49
(e) Right of use asset	-	21	38
(f) Intangible assets under development	30	-	3
(g) Financial Assets			-
(i) Investments	489	489	583
(ii) Long-term Loans and Advances	20	21	21
(iii) Other financial assets	261	259	174
(h) Deferred tax assets (net)	51	28	17
(i) Non-current tax assets (net)	34	34	34
(j) Other non-current assets	59	26	23
<b>Current Assets</b>	<b>4,556</b>	<b>4,264</b>	<b>4,090</b>
(a) Inventories	2,251	2,204	2,056
(b) Financial Assets			
(i) Investments	-	-	-
(ii) Trade Receivables	1,863	1,700	1,665
(iii) Cash and Cash Equivalents	45	55	38
(iv) Bank balances other than above	118	97	104
(v) Loans	-	-	-
(vi) Others current financial assets	125	77	74
(c) Other Current Assets	154	131	153
<b>TOTAL ASSETS</b>	<b>6,595</b>	<b>6,362</b>	<b>6,172</b>

Particulars (INR Mn)	FY19	FY20	H1-FY21
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>	<b>2,172</b>	<b>2,363</b>	<b>2,494</b>
Share Capital	129	129	129
Other Equity	2,043	2,234	2,365
<b>Non Current Liabilities</b>	<b>294</b>	<b>284</b>	<b>251</b>
(a) Financial Liabilities			-
(i) Borrowings	238	197	155
(ii) Other Financial Liabilities	-	2	-
(iii) Lease Liabilities	-	24	33
Government Grants	20	16	15
Net non-current employee defined benefit liabilities	37	45	48
<b>Current Liabilities</b>	<b>4,128</b>	<b>3,714</b>	<b>3,427</b>
(a) Financial Liabilities			
(i) Borrowings	1,626	1,494	1,570
(ii) Trade Payables	1,063	1,139	898
(iii) Other Financial Liabilities	313	271	249
(iv) Lease Liabilities	-	6	12
(b) Government Grants	5	4	4
(c) Other current Liabilities	959	683	534
(d) Net current employee defined benefit liabilities	6	6	6
Provisions	16	35	39
Liabilities for current tax (net)	142	77	115
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>6,595</b>	<b>6,362</b>	<b>6,172</b>

# Q3-FY21 – Consolidated Income Statement



Particulars (INR Mn)	Q3-FY21	Q3-FY20	Y-o-Y	Q2-FY21	Q-o-Q
<b>Operational Revenue</b>	<b>2,162</b>	<b>2,274</b>	<b>(4.9)%</b>	<b>2,051</b>	<b>5.4%</b>
Total Expenses	1,876	1,990	(5.7)%	1,833	2.3%
<b>EBITDA</b>	<b>286</b>	<b>284</b>	<b>0.7%</b>	<b>218</b>	<b>31.2%</b>
<b>EBITDA Margin (%)</b>	<b>13.23%</b>	<b>12.49%</b>	<b>74 Bps</b>	<b>10.63%</b>	<b>260 Bps</b>
Other Income	16	12	33.3%	10	60.0%
Depreciation	127	105	21.0%	103	23.3%
Finance Cost	76	79	(3.8)%	66	15.2%
Share of profit / (losses) of associates and JV from continuing operation	-	-	NA	(3)	NA
<b>PBT</b>	<b>99</b>	<b>112</b>	<b>(11.6)%</b>	<b>56</b>	<b>76.8%</b>
Tax	20	33	(39.4)%	14	42.9%
<b>PAT from continuing operations</b>	<b>79</b>	<b>79</b>	<b>NA</b>	<b>42</b>	<b>88.1%</b>
<b>PAT Margin (%)</b>	<b>3.65%</b>	<b>3.47%</b>	<b>18 Bps</b>	<b>2.05%</b>	<b>160 Bps</b>
Diluted EPS from continuing operations (INR)	5.93	7.08	(16.2)%	5.38	10.2%

# 9M-FY21 – Consolidated Income Statement



Particulars (INR Mn)	9M-FY21	9M-FY20	Y-o-Y
<b>Operational Revenue</b>	<b>6,109</b>	<b>6,547</b>	<b>(6.7)%</b>
Total Expenses	5,423	5,843	(7.2)%
<b>EBITDA</b>	<b>686</b>	<b>704</b>	<b>(2.6)%</b>
<b>EBITDA Margin (%)</b>	<b>11.23%</b>	<b>10.76%</b>	<b>47 Bps</b>
Other Income	53	111	(52.3)%
Depreciation	338	306	10.5%
Finance Cost	221	249	(11.2)%
Share of profit / (losses) of associates and JV from continuing operation	(3)	-	NA
<b>PBT</b>	<b>177</b>	<b>260</b>	<b>(31.9)%</b>
Tax	66	69	(4.3)%
<b>PAT from continuing operations</b>	<b>111</b>	<b>191</b>	<b>(41.9)%</b>
<b>PAT Margin (%)</b>	<b>1.82%</b>	<b>2.91%</b>	<b>(109) Bps</b>
Diluted EPS from continuing operations (INR)	12.82	15.40	(16.8)%



# Consolidated Balance Sheet



Particulars (INR Mn)	FY19	FY20	H1-FY21
<b>ASSETS</b>			
<b>(1) Non-current assets</b>	<b>2,981</b>	<b>3,759</b>	<b>3,753</b>
(a) Property, Plant and Equipment	1,130	1,253	1,200
(b) Capital work-in-progress	81	14	28
(c) Goodwill on consolidation	376	376	376
(d) Other Intangible assets	541	479	427
(e) Right of use asset	-	457	618
(f) Intangible assets under development	57	101	139
(g) Financial assets			
(i) Investment in joint ventures and associates	100	387	401
(ii) Other Investments	21	14	17
(iii) Loans	50	61	45
(iv) Other non current financial assets	479	527	423
(g) Deferred tax assets (net)	51	30	19
(h) Non-current tax assets (net)	34	34	35
(i) Other non-current assets	60	27	25
<b>(2) Current assets</b>	<b>7,980</b>	<b>7,013</b>	<b>7,235</b>
Inventories	2,369	2,358	2,221
(b) Financial assets			
(i) Trade receivables	2,743	2,489	2,757
(ii) Cash and cash equivalents	173	136	404
(iii) Bank balances other than cash and cash equivalents	119	97	105
(iv) Loans	-	0.3	0.4
(v) Other current financial assets	979	1,609	1,342
(c) Other current assets	335	323	406
(3) Assets classified as held for disposal	1,262	-	-
<b>Total assets (1+2+3)</b>	<b>10,961</b>	<b>10,772</b>	<b>10,988</b>

Particulars (INR Mn)	FY19	FY20	H1-FY21
<b>EQUITY AND LIABILITIES</b>			
<b>(1) Equity</b>	<b>2,437</b>	<b>2,300</b>	<b>2,302</b>
(a) Equity share capital	129	129	129
(b) Other equity	2,061	1,923	1,984
Equity attributable to equity holders of the parent	2,190	2,051	2,113
Non-controlling interests	247	248	189
<b>(2) Non-current liabilities</b>	<b>1,137</b>	<b>1,281</b>	<b>1,631</b>
(a) Financial liabilities			
(i) Borrowings	862	696	949
(ii) Other non-current financial liabilities	-	2	8
(iii) Lease Liabilities	-	374	499
(b) Deferred tax liabilities (net)	114	92	81
(c) Net non-current employee defined benefit liabilities	37	46	50
(d) Provisions	104	54	29
(e) Government Grants	20	16	15
<b>(3) Current liabilities</b>	<b>7,387</b>	<b>7,191</b>	<b>7,055</b>
(a) Financial liabilities			
(i) Borrowings	2,285	2,025	2,079
(ii) Trade payables	1,447	1,783	1,455
(iii) Other current financial liabilities	1,153	1,666	1,860
(iv) Lease Liabilities	-	103	140
(b) Other current liabilities	1,676	1,468	1,320
(c) Government Grants	4	4	4
(c) Net employee defined benefit liabilities	6	6	6
(d) Provisions	16	58	73
(e) Liabilities for current tax (net)	142	77	118
(4) Liabilities directly associated with assets classified as held for disposal	658	-	-
<b>Total equity and liabilities (1+2+3+4)</b>	<b>10,961</b>	<b>10,772</b>	<b>10,988</b>

# Historical Standalone Income Statement



Particulars (INR Mn)	FY18	FY19	FY20	9M-FY21
<b>Operational Income</b>	<b>3,587</b>	<b>4,987</b>	<b>4,824</b>	<b>3,290</b>
Total Expenses	3,585	4,290	4,111	2,746
<b>EBITDA</b>	<b>2</b>	<b>697</b>	<b>713</b>	<b>544</b>
<b>EBITDA Margins (%)</b>	<b>0.06%</b>	<b>13.98%</b>	<b>14.78%</b>	<b>16.53%</b>
Other Income	76	38	43	25
Depreciation	120	121	132	116
Finance Cost	150	268	277	138
Exceptional Items	-	329	-	-
<b>PBT</b>	<b>(192)</b>	<b>675</b>	<b>347</b>	<b>315</b>
Tax	26	95	97	80
<b>PAT</b>	<b>(218)</b>	<b>580</b>	<b>250</b>	<b>235</b>
<b>PAT Margins (%)</b>	<b>NA</b>	<b>11.63%</b>	<b>5.18%</b>	<b>7.14%</b>
Diluted EPS (INR)	(17.02)	45.00	19.42	18.21

# Historical Consolidated Income Statement

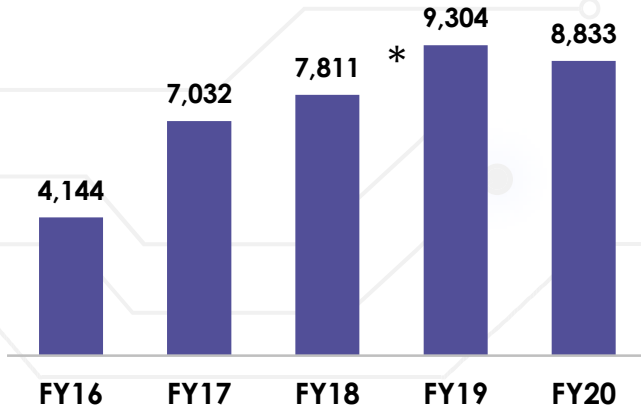


Particulars (INR Mn)	FY18	FY19	FY20	9M-FY21
<b>Operational Revenue</b>	<b>7,811</b>	<b>9,304</b>	<b>8,833</b>	<b>6,109</b>
Total Expenses	7,412	8,267	7,852	5,423
<b>EBITDA</b>	<b>399</b>	<b>1,037</b>	<b>981</b>	<b>686</b>
<b>EBITDA Margin (%)</b>	<b>5.11%</b>	<b>11.15%</b>	<b>11.11%</b>	<b>11.23%</b>
Other Income	130	71	153	53
Depreciation	282	278	414	338
Finance Cost	218	349	368	221
Share of profit / (losses) of associates and JV from continuing operation	(10)	(13)	(5)	(3)
Exceptional Item	-	-	(105)	-
<b>PBT</b>	<b>19</b>	<b>468</b>	<b>242</b>	<b>177</b>
Tax	10	(3)	74	66
<b>PAT from continuing operations</b>	<b>9</b>	<b>471</b>	<b>168</b>	<b>111</b>
<b>PAT Margin (%)</b>	<b>0.12%</b>	<b>5.06%</b>	<b>1.90%</b>	<b>1.82%</b>
Diluted EPS from continuing operations (INR)	(7.32)	30.51	15.74	12.82

# Consolidated Financial Highlights

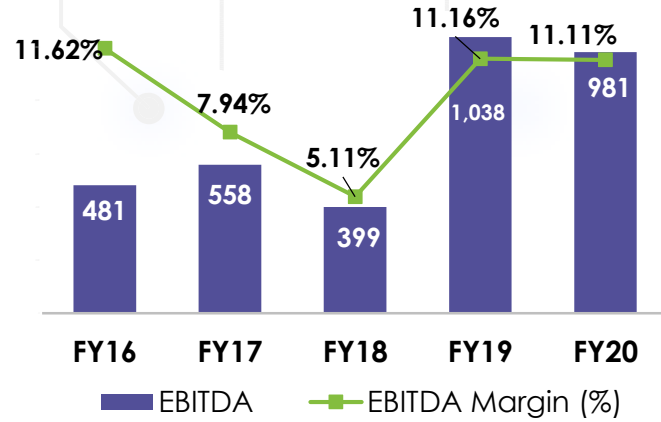


### Operational Revenue

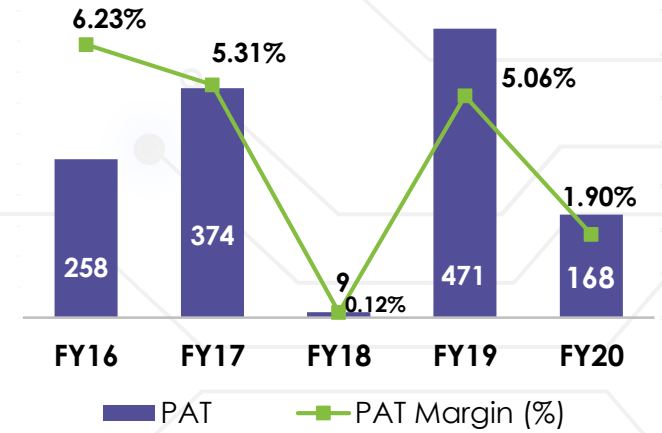


\* YOY absolute growth not applicable due to sale of subsidiary

### EBITDA & EBITDA Margin (%)

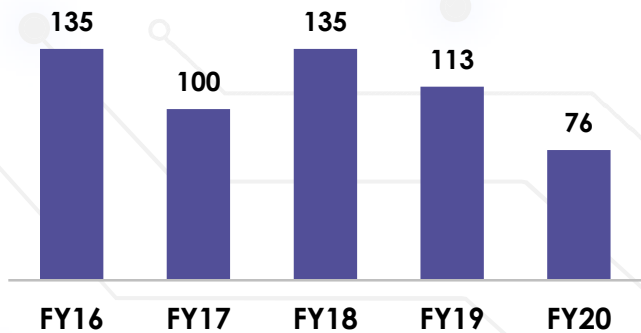


### PAT & PAT Margin (%)\*

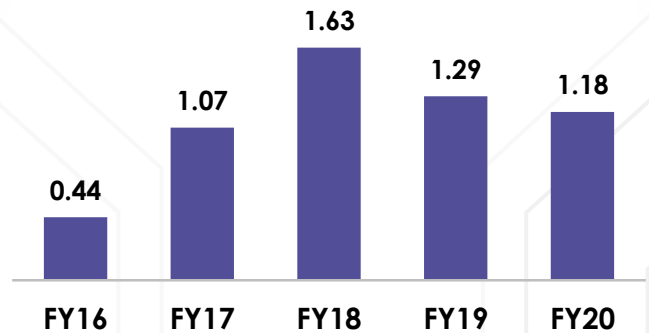


\*PAT from continuing operations

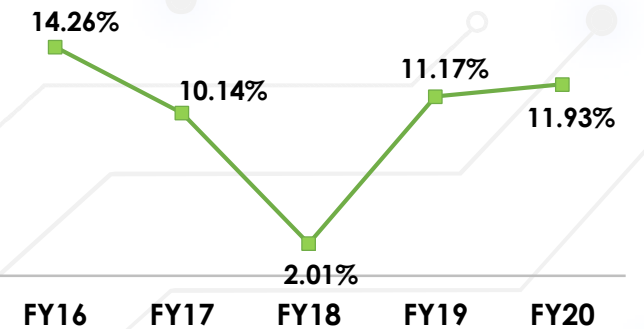
### Net Working Capital Days



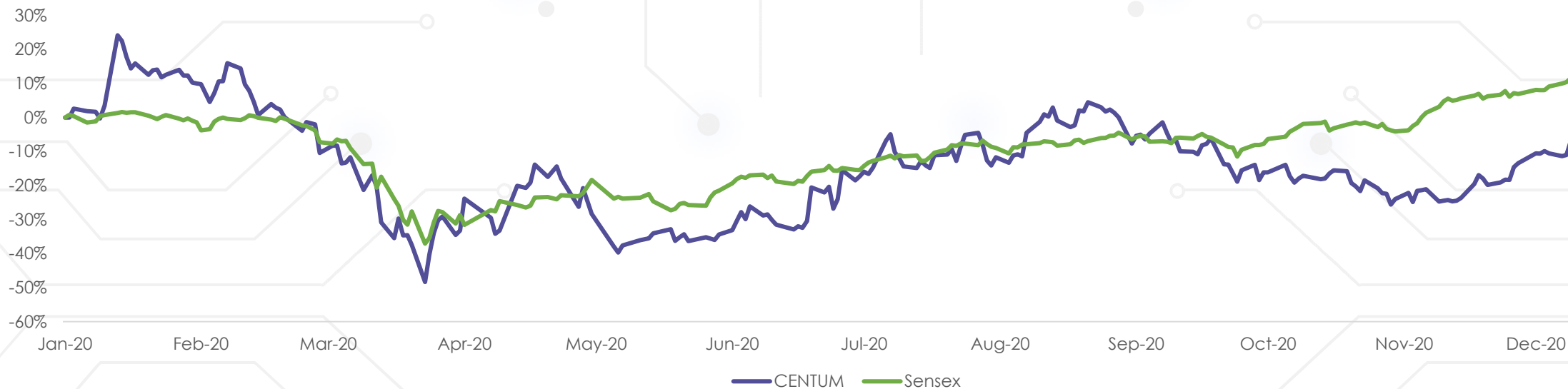
### Debt to Equity



### ROCE



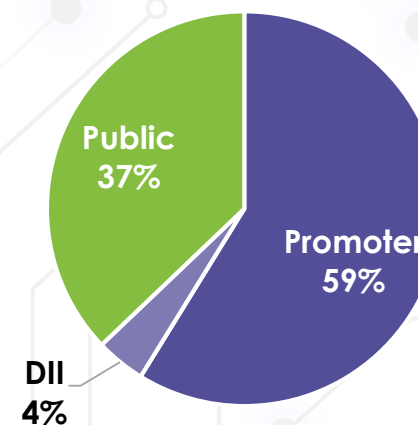
## Stock Market Performance (as on 31st December, 2020)



### Price Data (As on 31<sup>st</sup> December 2020)

CMP	440.3
52 Week H/L	496.05/180.00
Avg Vol ('000)	17.88
Avg turnover (Mn)	6.25
Market Capital (INR Mn)	5673.2
Total outstanding shares (Mn)	12.88

### Shareholding Pattern (as on 31st December, 2020)





## **Centum Electronics Limited**

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