



Ref: CEL/NSEBSE/EP/17082021

17<sup>th</sup> August, 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 Q1-FY22. 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

Q1-FY22

# 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 30<sup>th</sup> June 2021, Not including client forecasts of EMS division & signed LOIs for Transportation products

# Company Overview

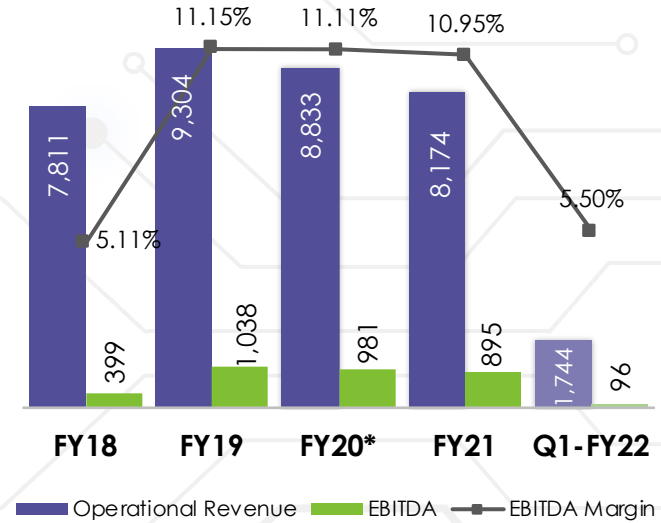


- Founded in 1993, Centum Electronics Limited (Centum) is one of the largest Electronics System Design and Manufacturing (ESDM) companies in India.
- Competencies across product design and manufacturing of complex and critical products and supplying to marquee customers in the most advanced economies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

## FY22 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



\* 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



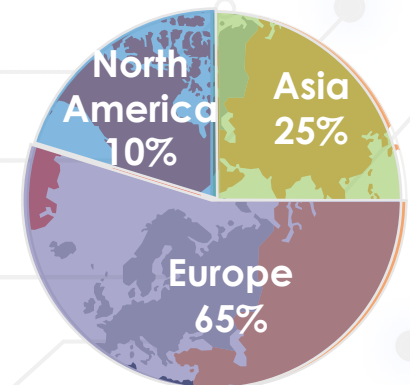
17%

Healthcare



9%

## FY21 Geographical Breakup





# Q1-FY22 FINANCIAL OVERVIEW

# Q1-FY22 Financial Highlights



## Q1-FY22 Standalone Performance

**INR 602 Mn**  
Operational Income

**INR (19) Mn**  
Operational EBITDA

**(3.16)%**  
Operational EBITDA Margin

**INR (82) Mn**  
Net Profit

**(13.62)%**  
PAT Margin

**INR (6.38)/share**  
Diluted EPS

## Q1-FY22 Consolidated Performance

**INR 1,744 Mn**  
Operational Income

**INR 96 Mn**  
Operational EBITDA

**5.50%**  
Operational EBITDA Margin

**INR (485) Mn**  
Net Profit

**(27.81)%**  
PAT Margin

**INR (26.59)/share**  
Diluted EPS

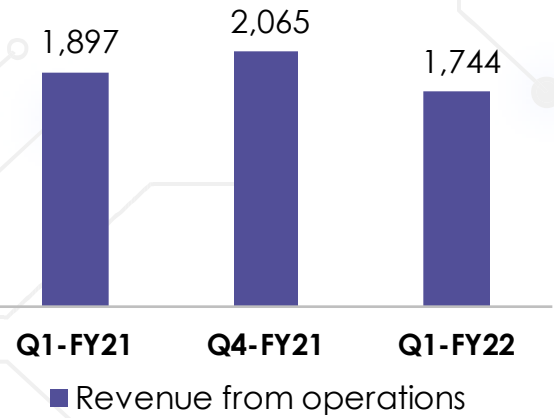


# Q1-FY22 Consolidated Financial Performance



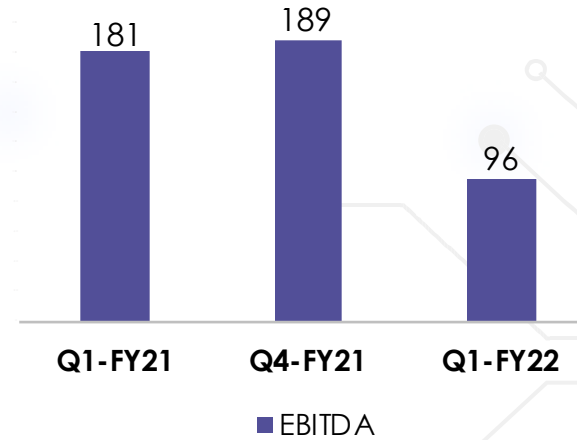
Revenue from Operations (INR Mn)

Revenues in Q1FY22 declined over Q4FY21 due to the impact of lockdown (second wave) affecting the domestic business and shortage in semiconductor components which resulted in lower billing in exports business.

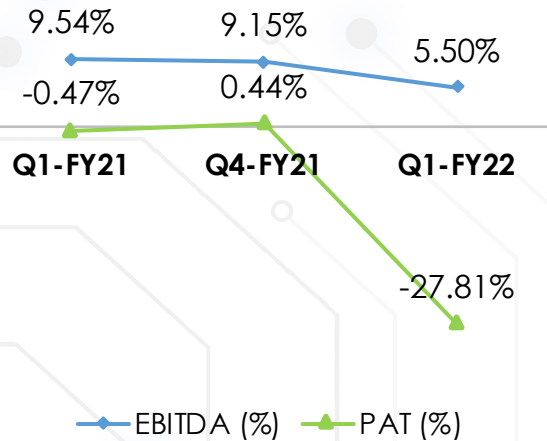


EBITDA (INR Mn)

EBITDA declined in Q1FY22 due to reduction in revenue and high margin business arising out of supply chain challenges.

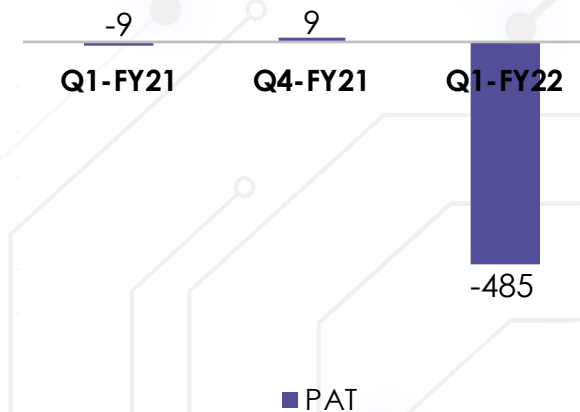


EBITDA Margin (%) and PAT Margin (%)



PAT (INR Mn)

Profit After Tax largely impacted due to one time exceptional loss on back of provision of investment and receivables in Holiwatt which is undergoing insolvency.



# Q1-FY22 Operational Highlights



- Standalone performance was affected due to:
  - Lockdown (impact of second wave) affecting the domestic BTS business
  - Supply chain challenges due to global semiconductor shortages.
- Centum Adetel Group (Continuing Operations) improved performance marginally due to improvement in capacity utilization.
- Major impact amounting to INR 447 M due to impairment of investment in Holiwatt and provisioning of Receivables since Holiwatt is under liquidation.
- Company received the Silver award at the SEEM National Energy Management Awards 2020 for work done on Energy Conservation & Management activities.
- Significant supply chain challenges expected to continue due to shortage of semiconductor components and increase in lead times, which are expected to impact revenues in Q2-FY22, however we are working with our customers and suppliers to minimise the impact as much as possible.
- Expect to see improvement in Q3FY22 onwards.



# Q1-FY22 – Standalone Income Statement



Particulars (INR Mn)	Q1-FY22	Q1-FY21	Y-o-Y	Q4-FY21	Q-o-Q
<b>Operational Income</b>	<b>602</b>	<b>1,053</b>	<b>(42.8)%</b>	<b>955</b>	<b>(37.0)%</b>
Total Expenses	621	895	(30.6)%	877	(29.2)%
<b>EBITDA</b>	<b>(19)</b>	<b>158</b>	<b>NA</b>	<b>78</b>	<b>NA</b>
<b>EBITDA Margins (%)</b>	<b>NA</b>	<b>15.00%</b>	<b>NA</b>	<b>8.17%</b>	<b>NA</b>
Other Income	12	8	50.0%	16	(25.0)%
Depreciation	41	38	7.9%	42	(2.4)%
Finance Cost	44	55	(20.0)%	36	22.2%
Exceptional Items	(18)	-	-	-	-
<b>PBT</b>	<b>(110)</b>	<b>73</b>	<b>NA</b>	<b>16</b>	<b>NA</b>
Tax	(28)	19	NA	11	NA
<b>PAT</b>	<b>(82)</b>	<b>54</b>	<b>NA</b>	<b>5</b>	<b>NA</b>
<b>PAT Margins (%)</b>	<b>NA</b>	<b>5.13%</b>	<b>NA</b>	<b>0.52%</b>	<b>NA</b>
Diluted EPS (INR)	(6.38)	4.21	NA	0.39	NA

# Standalone Balance Sheet



Particulars (INR Mn)	FY20	FY21
<b>ASSETS</b>		
<b>Non-Current Assets</b>	<b>2,118</b>	<b>2,110</b>
(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
<b>Current Assets</b>	<b>4,244</b>	<b>3,233</b>
(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
<b>TOTAL ASSETS</b>	<b>6,362</b>	<b>5,343</b>

Particulars (INR Mn)	FY20	FY21
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>	<b>2,363</b>	<b>2,547</b>
Share Capital	129	129
Other Equity	2,234	2,418
<b>Non Current Liabilities</b>	<b>285</b>	<b>216</b>
(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
<b>Current Liabilities</b>	<b>3,714</b>	<b>2,580</b>
(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
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>6,362</b>	<b>5,343</b>

# Q1-FY22 – Consolidated Income Statement



Particulars (INR Mn)	Q1-FY22	Q1-FY21	Y-o-Y	Q4-FY21	Q-o-Q
<b>Operational Revenue</b>	<b>1,744</b>	<b>1,897</b>	<b>(8.1)%</b>	<b>2,065</b>	<b>(15.5)%</b>
Total Expenses	1,648	1,716	(4.0)%	1,876	(12.2)%
<b>EBITDA</b>	<b>96</b>	<b>181</b>	<b>(47.0)%</b>	<b>189</b>	<b>(49.2)%</b>
<b>EBITDA Margin (%)</b>	<b>5.50%</b>	<b>9.54%</b>	<b>(404) Bps</b>	<b>9.15%</b>	<b>(365) Bps</b>
Other Income	17	27	(37.0)%	26	(34.6)%
Depreciation	111	108	2.8%	114	(2.6)%
Finance Cost	73	79	(7.6)%	75	(2.7)%
Share of profit / (losses) of associates and JV from continuing operation	-	-	-	(8)	-
Exceptional Items	(447)	-	-	-	-
<b>PBT</b>	<b>(518)</b>	<b>21</b>	<b>NA</b>	<b>18</b>	<b>NA</b>
Tax	(33)	30	NA	9	NA
<b>PAT from continuing operations</b>	<b>(485)</b>	<b>(9)</b>	<b>NA</b>	<b>9</b>	<b>NA</b>
<b>PAT Margin (%)</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>0.44%</b>	<b>NA</b>
Diluted EPS from continuing operations (INR)	(26.59)	1.51	NA	0.49	NA

# Consolidated Balance Sheet



Particulars (INR Mn)	FY20	FY21
<b>ASSETS</b>		
<b>(1) Non-current assets</b>	<b>3,759</b>	<b>3,611</b>
(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
<b>(2) Current assets</b>	<b>7,013</b>	<b>6,194</b>
(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
<b>(3) Assets classified as held for disposal</b>	<b>-</b>	<b>-</b>
<b>Total assets (1+2+3)</b>	<b>10,772</b>	<b>9,805</b>

Particulars (INR Mn)	FY20	FY21
<b>EQUITY AND LIABILITIES</b>		
<b>(1) Equity</b>	<b>2,300</b>	<b>2,401</b>
(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
<b>(2) Non-current liabilities</b>	<b>1,281</b>	<b>1,702</b>
(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
<b>(3) Current liabilities</b>	<b>7,191</b>	<b>5,702</b>
(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
<b>(4) Liabilities directly associated with assets classified as held for disposal</b>	<b>-</b>	<b>-</b>
<b>Total equity and liabilities (1+2+3+4)</b>	<b>10,772</b>	<b>9,805</b>

# Historical Standalone Income Statement



Particulars (INR Mn)	FY19	FY20	FY21	Q1-FY22
<b>Operational Income</b>	<b>4,987</b>	<b>4,824</b>	<b>4,245</b>	<b>602</b>
Total Expenses	4,290	4,111	3,621	621
<b>EBITDA</b>	<b>697</b>	<b>713</b>	<b>624</b>	<b>(19)</b>
<b>EBITDA Margins (%)</b>	<b>13.98%</b>	<b>14.78%</b>	<b>14.70%</b>	<b>NA</b>
Other Income	38	43	39	12
Depreciation	121	132	158	41
Finance Cost	268	277	174	44
Exceptional Items	329	-	-	(18)
<b>PBT</b>	<b>675</b>	<b>347</b>	<b>331</b>	<b>(110)</b>
Tax	95	97	91	(28)
<b>PAT</b>	<b>580</b>	<b>250</b>	<b>240</b>	<b>(82)</b>
<b>PAT Margins (%)</b>	<b>11.63%</b>	<b>5.18%</b>	<b>5.65%</b>	<b>NA</b>
Diluted EPS (INR)	45.00	19.42	18.60	(6.38)

# Historical Consolidated Income Statement



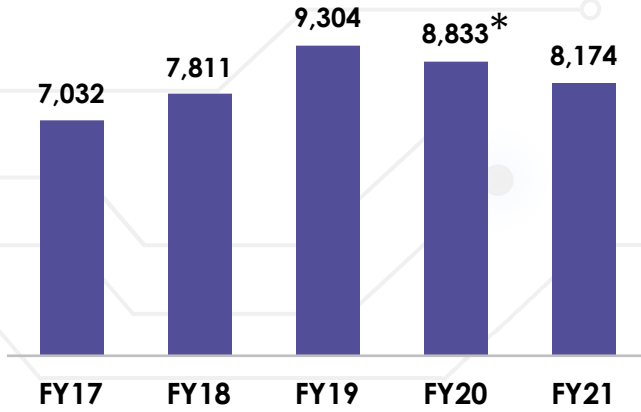
Particulars (INR Mn)	FY19	FY20	FY21	Q1-FY22
<b>Operational Revenue</b>	<b>9,304</b>	<b>8,833</b>	<b>8,174</b>	<b>1,744</b>
Total Expenses	8,267	7,852	7,279	1,648
<b>EBITDA</b>	<b>1,037</b>	<b>981</b>	<b>895</b>	<b>96</b>
<b>EBITDA Margin (%)</b>	<b>11.15%</b>	<b>11.11%</b>	<b>10.95%</b>	<b>5.50%</b>
Other Income	71	153	58	17
Depreciation	278	414	453	111
Finance Cost	349	368	295	73
Share of profit / (losses) of associates and JV from continuing operation	(13)	(5)	(11)	-
Exceptional Item	-	(105)	-	(447)
<b>PBT</b>	<b>468</b>	<b>242</b>	<b>194</b>	<b>(518)</b>
Tax	(3)	74	74	(33)
<b>PAT from continuing operations</b>	<b>471</b>	<b>168</b>	<b>120</b>	<b>(485)</b>
<b>PAT Margin (%)</b>	<b>5.06%</b>	<b>1.90%</b>	<b>1.47%</b>	<b>NA</b>
Diluted EPS from continuing operations (INR)	30.51	15.74	13.30	(26.59)



# Consolidated Financial Highlights

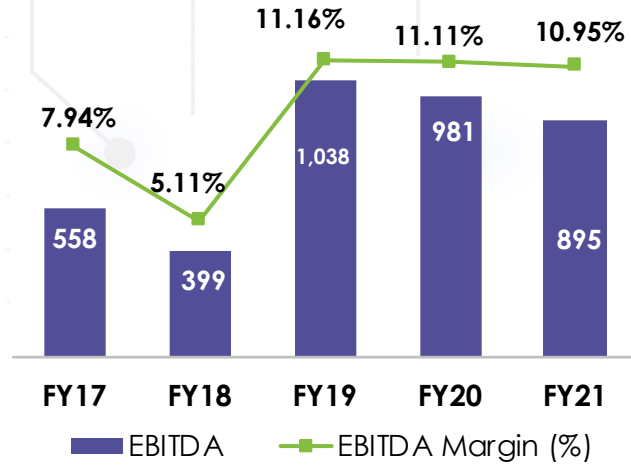


### Operational Revenue

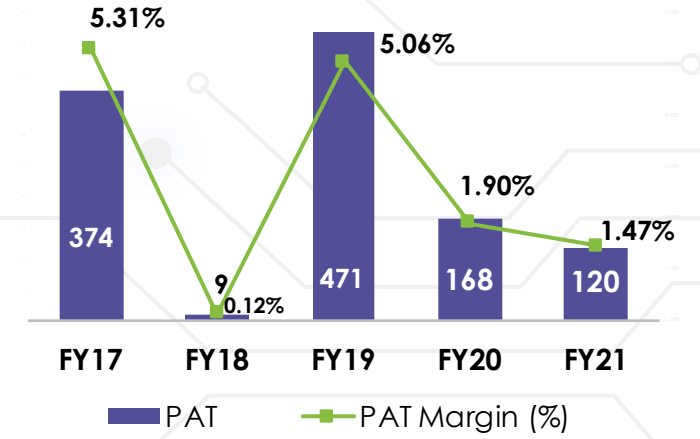


\* FY20 revenues not comparable due to sale of Energy division of Centum Adetel subsidiary.

### EBITDA & EBITDA Margin (%)

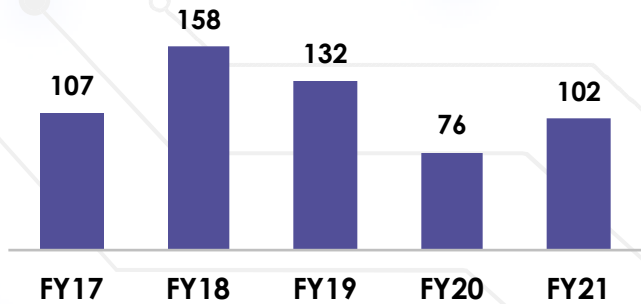


### PAT & PAT Margin (%)\*

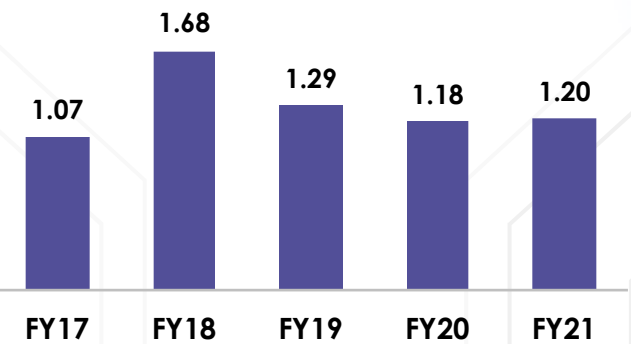


\*PAT from continuing operations

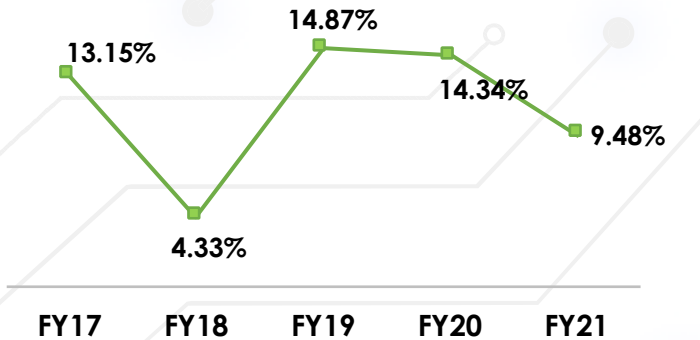
### Net Working Capital Days



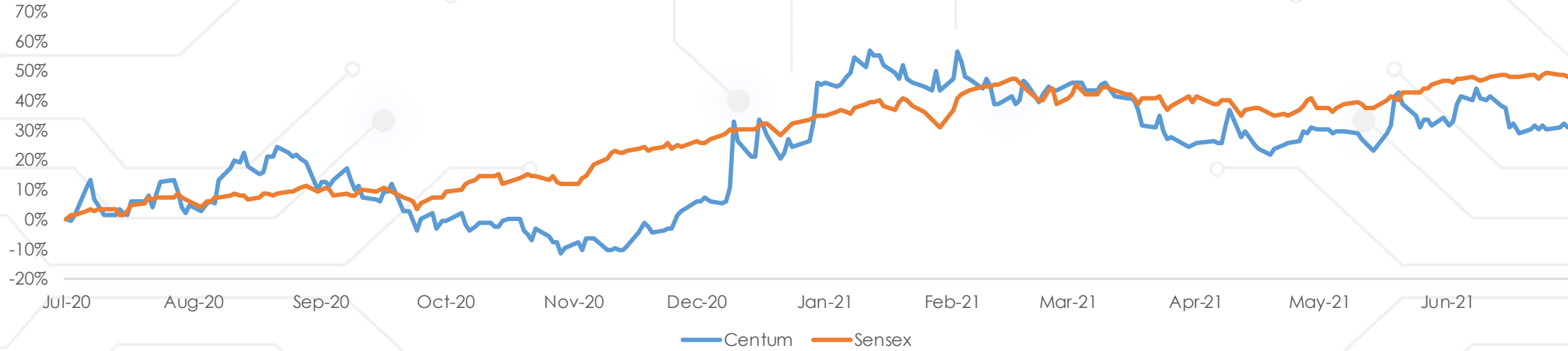
### Debt to Equity



### ROCE



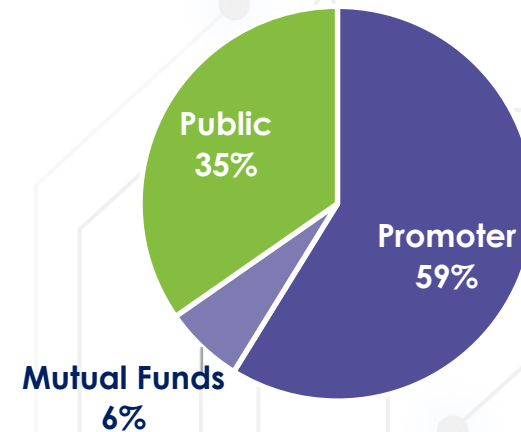
## Stock Market Performance (as on 30<sup>th</sup> June, 2021)



### Price Data (As on 30<sup>th</sup> June 2021)

CMP	396.9
52 Week H/L	490.0/258.6
Avg. Vol. ('000)	20.6
Avg. turnover (Mn)	7.9
Market Capital (INR Mn)	5113.3
Total outstanding shares (Mn)	12.9

### Shareholding Pattern (as on 30<sup>th</sup> June, 2021)



## **Centum Electronics Limited**

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**For further information please contact our Investor Relations Representative:**



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