



Centum Electronics Limited

COMPANY BACKGROUND.....

- 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 Defense, Space, Aerospace, Industrial, Transportation and Healthcare 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.

BUSINESS MIX (FY23).....

- **Engineering R&D (ER&D) Services (32%)** : Involves conceptualizing and designing of Electronic Hardware, Embedded Software, FPGA, Analog, Radio Frequency products, etc.
- **Electronic Manufacturing Services (EMS) (39%)** : Services include manufacturing services solutions focused on a high complexity products in the high technology segment
- **Build to Specification (BTS) (29%)** : Services include turn-key solutions to take the project from conception to mass production quickly and efficiently.

KEY STRENGTHS.....

- 25+ years of domain expertise in Electronics Design & Manufacturing Solutions
- Global Operations with a 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
- Strong Pipeline & Healthy Order Book of INR 15,380 Mn*
- Single Source Supplier for ~80% of manufactured products
- 75% Revenues from Overseas Customers in Advanced Economies
- Strong Corporate Governance

* Not including client forecasts of EMS division & signed LOIs for Transportation products

FINANCIAL HIGHLIGHTS.....

(INR Mn)	Op. Income	EBITDA	EBITDA%	PAT*	PAT%	EPS*
FY20	8,833	981	11.11%	168	1.90%	15.45
FY21	8,174	895	10.95%	120	1.47%	13.30
FY22	7,799	743	9.53%	(535)	NA	(23.70)
FY23	9,230	761	8.24%	67	0.73%	7.55

*PAT and EPS are for continuing operations

Key Data

BSE Code	517544
NSE Code	CENTUM
Reuters	CENT.NS
Bloomberg	CTE:IN

Market Data (INR) as on 31st March, 2023

Face Value	10.0
CMP	705.3
52 Week H/L	791.2/392.0
MCAP (Mn)	9108.9
Shares O/S (Mn)	12.88
1 Yr Avg. Vol. ('000)	27.9

Performance as on 31st March, 2023

	3M	6M	12M
Centum	-2.3%	47.3%	55.0%
SENSEX	(3.1)%	2.8%	0.8%
BSE Midcap	(7.0)%	(5.2)%	(4.8)%

Shareholding Pattern as on 31st March, 2023

Promoters	58.8%
DII	6.4%
Public	34.8%

BUSINESS SEGMENTS

Engineering R&D (ER&D) Services

- Centum's engineers work together in multidisciplinary teams to realize customized products for mission-critical applications in high technology segments.
- Centum Group has a global design strength of over 650 design engineers and for the last 25 years the company has been helping customers turn their ideas into products.

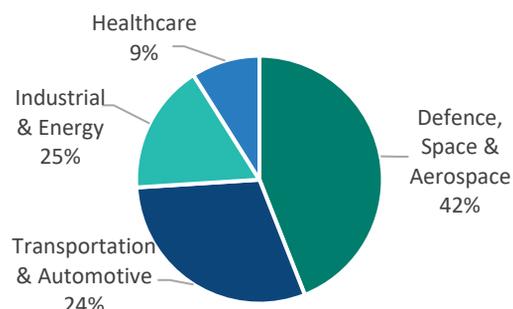
Electronic Manufacturing Services (EMS)

- The company helps its customers realize challenging products by having customer-focused teams that leverage their streamlined processes and systems and adapt them to the specific requirements of the customer and product where necessary.
- Centum offers a wide range of manufacturing solutions from Printed Circuit Board assemblies to Complex box builds, Line Replaceable Units (LRU) and full system integration.

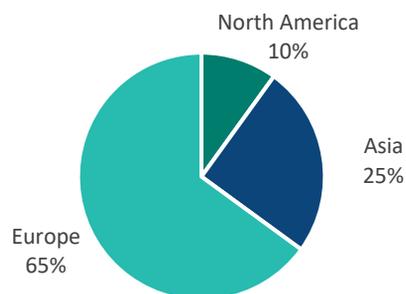
Built to Specification (BTS)

- The Built to Specification services include taking a project from conceptualization to mass production quickly and efficiently. Centum's unique positioning with a full range of integrated capabilities makes it the ideal product realization partner.
- Clients choose turn-key build to spec offering due to the convenience of a Single Point of contact for Design/Engineering, Industrialization and manufacturing which reduces the need for multiple interfaces and also fastens the products time-to-market and facilitating a Design-To-Cost approach and reducing the total cost of Ownership.

Revenue Breakup – Industry-wise (FY23)



Revenue Breakup – Geography-wise (FY23)



CONCEPTUALIZE
SPECIFY



DESIGN



PROTOTYPE &
VERIFY



PILOT
PRODUCTION



MASS
PRODUCTION



AFTERMARKET /
LIFE CYCLE SUPPORT

ER&D Services - 32%

EMS - 39%

BTS - 29%

GROWTH DRIVERS.....

- Offer one-stop-shop solution with vertically integrated capabilities and value-added services – Design, DfX and test development
- Leverage “Make in India” policy boosters to support Customer India procurement strategy for global customers
- Ongoing capacity expansion in India
- Growth of BTS project pipeline leveraging group capabilities
- Identify opportunities in “New space” global supply chain
- Journey towards Industry 4.0 & increased digitization/automation

PEER COMPARISON (TRAILING 12 MONTHS) INR MN.....

Company (INR Mn)	Operational Income	EBITDA	EBITDA%	PAT	PAT%	Market Cap
Centum Electronics	9,230	761	8.24%	67	0.73%	9,108.9
Astra Microwave	8,155	1,476	18.01%	698	8.56%	19,457.3
Bharat Electronics	1,76,908	40,644	22.97%	30,381	17.17%	7,13068.9
Cyient	60,159	10,031	16.67%	5,144	8.55%	1,09,689.8
Apollo Micro	2,975	644	21.64%	187	6.30%	5,749.5

INCOME STATEMENT (CONSOLIDATED)

PARTICULARS (INR Mn)	FY20	FY21	FY22	FY23
Operational Income	8,833	8,174	7,799	9,230
Total Expenses	7,852	7,279	7,056	8,469
EBITDA	981	895	743	761
EBITDA Margins (%)	11.11%	10.95%	9.53%	8.24%
Other Income	153	58	80	59
Depreciation	414	453	432	438
Finance costs	368	295	263	273
Share of profit / (losses) of associates and JV from continuing operation	(5)	(11)	(46)	12
Exceptional Item	(105)	-	(604)	-
PBT	242	194	(522)	121
Tax Expense	74	74	13	54
PAT from continuing operations	168	120	(535)	67
PAT from discontinuing operations	(7)			
PAT	161			
PAT Margins (%)	1.90%	1.47%	NA	0.73%
Diluted EPS from continuing operations	15.74	13.30	(23.70)	7.55

BALANCE SHEET (CONSOLIDATED)

Particulars (INR Mn)	FY21	FY22	FY23	Particulars (INR Mn)	FY21	FY22	FY23
ASSETS				EQUITY AND LIABILITIES			
(1) Non-current assets	3,611	3,356	3,319	(1) Equity	2,401	1,985	2,040
(a) Property, Plant and Equipment	1,184	1,120	1,071	(a) Equity share capital	129	129	129
(b) Capital work-in-progress	21	-	54	(b) Other equity	2,102	1,911	1,978
(c) Goodwill on consolidation	376	376	376	Equity attributable to equity holders of the parent	2,231	2,040	2,107
(d) Other Intangible assets	409	416	286	Non-controlling interests	170	(55)	(67)
(e) Right of use asset	556	481	465	(2) Non-current liabilities	1,702	1,453	1,246
(f) Intangible assets under development	171	120	228	(a) Financial liabilities			
(g) Financial assets				(i) Borrowings	1,089	816	580
(i) Investment in joint ventures and associates	465	59	82	(iii) Lease Liabilities	419	356	362
(ii) Other Investments	23	14	14	(b) Deferred tax liabilities (net)	71	49	27
(iii) Loans	46	-		(c) Net non-current employee defined benefit liabilities	57	58	62
(iv) Other non current financial assets	290	378	322		-	77	167
(v) Trade Receivable	-	269	287	(d) Other non-current liabilities			
(h) Deferred tax assets (net)	22	32	70	(e) Provisions	32	70	24
(i) Non-current tax assets (net)	34	49	9	(f) Government Grants	34	27	24
(j) Other non-current assets	14	42	55	(3) Current liabilities	5,702	5,792	7,441
(2) Current assets	6,194	5,874	7,408	(a) Financial liabilities			
(a) Inventories	1,942	2,248	2,611	(i) Borrowings	2,095	1,910	2,048
(b) Financial assets				(ii) Trade payables	1,086	1,141	2,110
(i) Trade receivables	2,161	2,499	3,828	(iii) Other current financial liabilities	733	599	517
(ii) Cash and cash equivalents	412	481	353	(iv) Lease Liabilities	140	120	92
(iii) Bank balances other than cash and cash equivalents	187	94	69	(b) Other current liabilities	1,323	1,701	2,255
(v) Other current financial assets	1106	226	162	(c) Government Grants	8	8	8
(c) Other current assets	386	326	385	(c) Net employee defined benefit liabilities	7	6	7
Total assets (1+2)	9,805	9,230	10,727	(d) Provisions	228	275	287
				(e) Liabilities for current tax (net)	82	32	117
				Total equity and liabilities (1+2+3)	9,805	9,230	10,727

INVESTOR RELATIONS TEAM AT VALOREM ADVISORS

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