



**An AS 9100D Certified**

**Regd. Office:** Aerospace SEZ Sector, Plot Nos. 29,30 and 107,  
Hitech Defence and Aerospace Park, Kavadasanahalli,  
Bengaluru Rural – 562110, Karnataka, India

**DCX SYSTEMS LIMITED**  
**CIN: L31908KA2011PLC061686**

*(Formerly known as DCX Cable Assemblies Pvt Ltd)*

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**Tel:** 080-67119555

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**January 23, 2023**

**The Department of Corporate Services**  
**BSE Limited**  
P J Towers, Dalal Street, Fort  
Mumbai – 400001  
**Scrip Code - 543650**

**The National Stock Exchange of India Ltd**  
Exchange Plaza, C-1, Block G  
Bandra Kurla Complex, Bandra (E)  
Mumbai – 400 051  
**Symbol-DCXINDIA**

Dear Sir/Madam,

**Subject: Press Release**

Pursuant to Regulation 30 read with Schedule III of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015, please find enclosed a Press Release dated January 23, 2023 with respect to un-audited financial performance of DCX Systems Limited for the third quarter and nine months ended December 31, 2022.

You are requested to take the same on your records.

Thanking you,

Yours Sincerely,

For **DCX Systems Limited**

**Nagaraj R Dhavaskar**  
**Company Secretary, Legal & Compliance Officer**  
**M. No: A53230**

Encl: As above



## **MEDIA RELEASE**

### **KEY HIGHLIGHTS**

**Successfully completed IPO in Nov-2022**

**Substantial reduction in short-term borrowings from Rs. 486 Cr as on 30-Sep-2022 to Rs. 163 Cr in 31-Dec-2022, significantly saving the future interest payable**

**Strong bank balance of Rs. 607 Cr in Fixed Deposits as on 31-Dec-2022**

**Order Book (as on 31-Dec-2022) at over Rs. 2,154 crores**

**Substantial progress in efforts for penetration into large opportunity markets of Aerospace and Defence**

**Bengaluru, January 23, 2023:** DCX Systems Limited, among one of the leading Indian Defence Manufacturing Players offering a full service and manufacturing of Electronic Sub-Systems and cable & Wire harness Assemblies for both International and Domestic reputed customers, released the un-audited financial results for the third quarter and 9 months ended December 31, 2022.

Standalone (Rs Crore)	Q3 FY23	Q3 FY22	% Change	Consol. Q3 FY23	9M FY23	9M FY22	% Change	Consol. 9M FY23
Operational Revenue	355.95	417.18	(14.68%)	355.95	743.08	728.24	2.04%	743.09
EBITDA	27.94	23.70	17.89%	27.91	63.21	38.77	63.04%	62.97
EBITDA %	7.85%	5.68%	217 bps	7.84%	8.51%	5.32%	319 bps	8.47%
PAT	17.29	18.21	(5.05%)	17.11	30.92	33.20	(6.87%)	30.56
PAT %	4.77%	4.27%	50 bps	4.72%	4.05%	4.43%	(38 bps)	4.01%

#### **For the quarter comparative from October to December FY23 viz. FY22:**

- Revenue for the quarter was Rs. 355.95 crore in Q3 FY23, compared with Rs. 417.18 crore in the previous corresponding period
- EBITDA (excluding other income & forex loss) stood at Rs 27.94 crore in Q3 FY23, up from Rs 23.70 crore in Q2 FY22, Y-o-Y growth of 17.89%
- EBITDA Margin for the quarter stood at 7.85%, increase of 217 bps as compared to 5.68% in Q2 FY22. Rise in share of high-margin projects executed during this quarter helped reduce raw material expenses, benefiting overall EBITDA margins
- Profit After Tax (PAT) for the quarter is Rs 17.29 crore compared to Rs 18.21 crore in the same period of last financial year

#### **For the 9 months comparative from April to December FY23 viz. FY22:**

- 9 Months ended 31-Dec-2022 of FY23 Revenue stood at Rs 743.08 crore, compared with Rs 728.24 crore in the previous corresponding period.



- 9 Months ended 31-Dec-2022 of FY23 EBIDTA at Rs 63.21 crore YoY growth of 63.04%
- EBIDTA margin at 8.51% - YoY improvement of 319 bps
- PAT for the period stood at Rs. 30.92 crore in 9M FY23, compared with Rs. 33.20 crore in 9M FY22. The decrease in PAT was due to increase in finance cost and depreciation of rupee against USD.

#### **Recent Major Updates:**

- Listed on the exchanges with a 100% book building;
  - Shares listed on both BSE and NSE
  - Initial public offering (IPO) of 2,53,80,710 Equity Shares
  - Face value of the share is Rs. 2 and is priced 98.50 times of its face value on the lower side and 103.50 times on the higher side at Rs. 197 – Rs. 207
  - Expansion of net worth from Rs.117 Cr in 31-Mar-2022 to Rs.548 Cr as on 31-Dec-2022
- Company invested Rs. 2.10 crore in its subsidiary Raneal Advanced Systems Pvt. Ltd, during January-December 2022, in the form of equity
- Steps already initiated to mitigate forex translation loss at the end of reporting period by availing export finance in INR
- Further, steps initiated to reduce finance cost by availing interest subvention benefit of 3%

#### **Management Comment:**

*Commenting on the company's performance, **Dr. H.S. Raghavendra Rao, Chairman & Managing Director, DCX Systems, said,***

*"Our Q3 & 9 Months FY2022-23 performance has been largely in line with the expectations. Despite supply chain constraints in the global eco-system, hardening interest rate regime in USD borrowings, sudden eruption of COVID-19 fears and steep depreciation of INR v/s USD between July-2022 to Dec-2022, the company has been able to sustain stability in revenue and execute projects of high EBIDTA margin bringing value to the Company and its stake holders.*

*The Q3 has witnessed stability in business, signs of improvement in supply chain, massive increase in net worth, sharp reduction in borrowings, very comfortable cash flow positions and efficiency in operating ratios like EBIDTA margins.*

*In Q3 FY23, our revenues stood at Rs. 355.95 crore, while EBITDA and PAT were at Rs. 27.94 crore and Rs.17.29 crore, respectively.*

*We have a healthy and strong order book which gives an optimistic outlook for the near future. Our focus remains on securing raw materials to support the anticipated growth and rationalizing expenses to improve operational efficiencies. Also through our recent successful IPO, we have been able to raise funds worth Rs. 400 crores.*

*We are implementing the forward and backward integration plans, which would include setting up of Electronic Manufacturing Services (EMS) plant in our wholly owned subsidiary Raneal Advanced Systems Pvt. Ltd. Additionally, we are scouting to acquire product technology in the area of Aerospace and Defence and Civil Applications. This would also be supported by potential inorganic growth opportunities under Make-In-India and Aatmanirbhar Bharat programs.*



*Overall, we strive to emerge as a one-stop-service provider for global and domestic customers, encompassing multiple verticals including Cable & Wire Harness, System Integration, EMS, Maintenance Repair and Overhauling (MRO) and Product segment through acquisition of Technology.*

*I thank the entire team of DCX and all our stakeholders for your faith and support which helps us set and achieve new benchmarks."*

**About DCX Systems:**

DCX Systems Limited ("DCX Systems"), one of the leading Indian Defence Manufacturing Player offering a full service and manufacturing of Electronic Sub-Systems and Cable & Wire harness Assemblies for both International and Domestic reputed customers. The Company commenced operations in 2011 and has been a preferred Indian Offset Partner ("IOP") for foreign original equipment manufacturers ("OEMs") for executing defence manufacturing projects. DCX is primarily engaged in system integration and manufacturing a comprehensive array of cables and wire harness assemblies and are also involved in kitting".

DCX is a rapidly growing company in the Indian defence space manufacturing and one of the largest Indian Offset Partner ("IOP") for ELTA Systems Limited and Israel Aerospace Industries Limited, System Missiles and Space Division (together, the "IAI Group"), Israel, for the Indian defence market. Over the years, the Company has expanded their manufacturing capabilities and grown their order book.

The Company operates through their manufacturing facility located at the Hi-Tech Defence and Aerospace Park SEZ in Bengaluru, Karnataka. This facility is spread over an area of 30,000 square feet and is set up for complete in-house environmental and electrical testing and wire processing. The location of the facility is in the same city as certain of DCX's key domestic customers like Bharat Electronics Limited, Alpha Design Technologies Private Limited, Alpha Elsec Defence and Aerospace Systems Private Limited and Centum Adeno India Private Limited which ensures shorter delivery time.

DCX's customers include certain Fortune 500 companies, multinational corporations and start-ups in Israel, United States, Korea and India, across different sectors, ranging from defence and aerospace to space ventures and railways.

BSE: 543650; NSE: DCXINDIA; Website: [www.dcxindia.com](http://www.dcxindia.com)

**For Further information, please contact:**

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