



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)

Email:cs@dcxindia.com

Tel: 080-67119555

Web:www.dcxindia.com

August 03, 2023

BSE Limited P J Towers Dalal Street, Fort Mumbai – 400001 Scrip Code – 543650	National Stock Exchange of India Ltd Exchange Plaza, C-1, Block G Bandra Kurla Complex, Bandra (E) Mumbai – 400051 Symbol – DCXINDIA
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Dear Sir/Madam,

Sub: Press Release for the Unaudited financial results for the Quarter ended June 30, 2023.

Pursuant to Regulation 30 read with Schedule III of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, Please find enclosed a Press Release dated August 03, 2023, with respect to un-audited Financial Results of Company for the first quarter ended June 30, 2023.

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: F12503



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MEDIA RELEASE

KEY HIGHLIGHTS

Q1 FY24 Business vertical operations fully risk mitigated with revenue at Rs. 170.10 crores

Quarterly EBIT at Rs. 18.71 crores, YoY growth of 60.74%

Q1 FY24 PAT at Rs. 9.85 crores, YoY Growth of 71.01%

Order Book (as on 30th-June-2023) at Rs. 1,535 crores

Bengaluru, August 3rd, 2023: DCX Systems Limited, among one of the leading Indian Defence Manufacturing Players offering end to end service and manufacturing of Electronic Sub-Systems and cable & Wire harness Assemblies for both International and Domestic reputed customers, released the unaudited financial results for the first quarter ended June 30th, 2023.

Standalone (Rs Crore)	Q1 FY24	Q1 FY23	% Change
Operational Revenue	170.10	213.25	(20.24%)
EBIT	18.71	11.64	60.74%
EBIT %	11.00%	5.45%	555 bps
PAT	9.85	5.76	71.01%
PAT %	5.79%	2.70%	309 bps

For the quarter comparative from April to June FY24 viz. FY23:

- Revenue for the quarter stood at Rs. 170.10 crore in Q1 FY24, as compared to Rs. 213.25 crore in the previous corresponding period, a dip of 20.24% on YoY basis, as prioritized by project specific demand from our customers.
- EBIT stood at Rs 18.71 crore in Q1 FY24, vis-à-vis Rs 11.64 crore in Q1 FY23, registering an improvement of 60.74% YoY.
- EBIT margin for the quarter increased 555 bps to 11.00% as compared to 5.45% in Q1 FY23. A higher share of system integration projects executed during this quarter had a bearing on the overall blended margins, which was offset by the risk mitigation measures undertaken by the company eliminating forex loss and improving operational efficiency and supply chain measures.
- Profit After Tax (PAT) for the quarter is Rs 9.85 crore compared to Rs 5.76 crore, YoY growth of 71.01% and margins improving by 309 bps.
- Focus and theme of the financial year FY 24 would be on improvement in margins at EBIT and PAT levels.



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Management Comment:

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

"Our Q1 FY24 performance has been in line with the policy of improvement of margins at various levels of operating efficiency and strong supply chain management. On a quarter comparative analysis despite revenue dip of 20.24%, the company has shown strong PAT from Rs.5.77 crores in Q1FY23 to Rs. 9.85 crores in Q1FY24, improving margins at PAT level by 309 bps and registering a percentage growth of 71.01%.

The historical data would suggest that the major portion of business targets are achieved in the 3rd and 4th quarter of the financial year and FY 24 first quarter has been no exception to this. The first quarter witnessed stability in business, stabilized supply chain management and results of risk management strategy fully executed. In Q1 FY24, our revenues stood at Rs. 170.10 crore, while EBIT was Rs.18.71 crores, significantly improving the margins by 60.74% whereas PAT grew 71.01% YoY to Rs. 9.85 crore. Top line growth witnessed a dip of 20.24% specifically based on priority being accorded on selective projects by our customers. However, the order book position continues to be strong at Rs. 1,535 crores as of 30th June, 2023, which is considered healthy.

Our ongoing backward integration through our Wholly owned subsidiary Raneal Advanced Systems Private Limited (EMS) facility have been successfully completed during the first quarter of this fiscal year and the company is on the verge of completing all the licensing formalities to commence commercial operations soon.

On the System Integration front, our relationship with existing foreign OEMs continues to grow stronger with incremental orders in the pipeline. Based on the positive feedback, we are also executing non-offset based projects in this line of business. The company is further focused further to make geographical penetration into larger markets in the world in the space of aerospace and defence.

While company is in advanced stage of discussions with foreign OEMs to acquire product technology in Aerospace and Defence, Civil Applications and MRO (Maintenance, Repairs and Overhauling), potential inorganic growth opportunities under Make-In-India and Aatmanirbhar Bharat programs would fuel future growth plans of the company.

We have a healthy pipeline of orders, based on which we are optimistic for the near and medium-term future, while consistently striving to maintain and improve operational efficiencies and thereby margins in operations.

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



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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

Note: *Certain statements in this document may be forward-looking statements. Such forward-looking statements are subject to certain risks and uncertainties like regulatory changes, local political or economic developments, and many other factors that could cause our actual results to differ materially from those contemplated by the relevant forward-looking statements. Further, past performance is not necessarily indicative of future results. Given these risks, uncertainties and other risk factors, viewers are cautioned not to place undue reliance on these forward-looking statements. The Company will not be in any way responsible for any action taken based on such statements and undertakes no obligation to publicly update these forward-looking statements to reflect subsequent events or circumstances.*

For Further information, please contact:

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