



DCX SYSTEMS LIMITED
CIN: L31908KA2011PLC061686

(Formerly known as DCX Cable Assemblies Pvt Ltd)

An AS 9100D Certified

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

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February 08, 2024

BSE Limited
P J Towers
Dalal Street, Fort
Mumbai – 400001

National Stock Exchange of India Ltd
Exchange Plaza, C-1, Block G
Bandra Kurla Complex, Bandra (E)
Mumbai – 400051

Scrip Code – 543650

Symbol – DCXINDIA

Dear Sir/Madam,

Sub: Press/Media Release for the Un-Audited Financial Results for the quarter and nine months ended December 31, 2023

Pursuant to Regulation 30 read with Schedule III of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, please find enclosed a Press/Media Release dated February 08, 2024, with respect to Un-Audited Financial Results of the Company for the quarter and nine months ended December 31, 2023.

You are requested to take the same on your records.

Thanking you,

Yours faithfully,

For **DCX Systems Limited**

Raghavendra Rao Hosakote Shamarao
Chairman & Managing Director
DIN: 00379249



MEDIA RELEASE

9M FY24 Revenue at Rs 677.20 crore

9M FY24 EBIT at Rs 70.63 crore – YoY growth of 25.05%

9M FY24 PAT at Rs. 42.16 crore - YoY improvement of 36.33%

Order Book (as on 31st December 2023) at over Rs. 1,095 crores

Bengaluru, February 08th, 2024: 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 harnesses for both International and Domestic reputed customers, released the un-audited financial results for the third quarter and nine months ended December 31st, 2023.

Standalone (Rs Cr)	Q3 FY24	Q3 FY23	YoY % Change	9M FY24	9M FY23	YoY % Change
Operational Revenue	197.98	355.95		677.20	743.08	
EBIT	21.28	28.99		70.63	56.48	
EBIT Margin %	10.75%	8.14%	261 bps	10.43%	7.60%	283 bps
PAT	11.89	17.29		42.16	30.92	
PAT Margin %	6.01%	4.86%	115 bps	6.22%	4.16%	206 bps

For the quarter comparative from October to December FY24 viz. FY23:

- Revenue for the quarter stood at Rs. 197.98 crore in Q3 FY24, as compared to Rs. 355.95 crore in the previous corresponding period
- EBIT stood at Rs 21.28 crore in Q3 FY24, vis-à-vis Rs 28.99 crore in Q3 FY23
- EBIT margin for the quarter increased to 10.75% as compared to 8.14% in Q3 FY23. Improvement in operational efficiency and supply chain measures helped improve the margins.
- Profit after Tax (PAT) for the quarter is Rs 11.89 crore compared to Rs 17.29 crore. PAT margin improved by 115 bps.

For the nine months comparative from April to December FY24 viz. FY23:

- Operational Revenue stood at Rs 677.20 crore in 9M FY24 from Rs 743.08 crore in 9M FY23.
- EBIT stood at Rs 70.63 crore in 9M FY24, up from Rs 56.48 crore in 9M FY23; YoY increase of 25.05%
- EBIT Margin for the nine months stood at 10.43%, a rise of 283 bps as compared to 7.60% in 9M FY23.
- Profit After Tax (PAT) for the nine months is Rs 42.16 crore compared to Rs 30.92 crore in the same period of last financial year; YoY increase of 36.33%. PAT Margin improved by 206 bps.
- Order Book as on 31st December 2023, is over Rs. 1,095 crores.

Recent Major Updates:

- DCX Systems successfully completed a Qualified Institutional Placement (QIP), raising ₹500 crores through the issuance of 1.46 crore shares.
- DCX Systems entered into a joint venture (JV) agreement with Israel-based ELTA Systems (part of IAI). Under this, a subsidiary has been incorporated, namely NIART Systems, which would offer obstacle detection solutions based on radar and optics technology for railway industry.
- Certificate of Recognitions – Four Star Export House
- Commencement of Commercial Production in WoS – Raneal Advanced Systems for Printed Circuit Board Assemblies



Management Comment:

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

"DCX Systems continued to navigate the turbulent global markets successfully during this quarter. Despite macro-economic headwinds and geo-political tensions, we were able to maintain healthy profit margins.

In Q3 FY24, our revenues stood at Rs. 197.98 crore, while EBIT and PAT were Rs. 21.28 crore and Rs. 11.89 crore, respectively. While lower orders executed under System Integration had a bearing on topline, our efforts to boost operational efficiency and supply chain measures helped improve EBIT margins.

We recently raised funds of approximately Rs. 500 crores through a successful QIP. The proceeds would be utilized towards investment in NIART Systems, Investment in JVs/Subsidiaries in Defence and Aerospace sector and General Corporate Purposes. DCX through its well laid out strategies and focus is marching ahead to become a technology driven Product manufacturing company in line with the initiatives of Make in India Policy through JVs / Subsidiaries.

Through NIART Systems, our JV agreement with ELTA Systems, we shall be developing and supplying obstacle detection solutions based on radar and optics technologies for the railway industry.

Our backward integration strategy through Raneal Advanced Systems is also gaining traction as operations at this EMS facility are in swing.

We continue to scout to acquire technology (TOT) from OEMs in the area of Aerospace and defence and Civil Applications.

We are striving to grow our order book and are optimistic about the future. Our focus remains on securing raw materials to support the anticipated growth and rationalizing expenses to improve operational efficiencies.

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 through Printed Circuit Board Assemblies (PCBAs) 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 company has set up a new facility of 40,000 sq. ft. dedicated to Printed Circuit Board Assemblies (PCBAs). The location of the facilities 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 Adeneo 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, South 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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