



9th February 2023

<p>Listing Department National Stock Exchange of India Limited Exchange Plaza, 5th Floor, Plot No. C/1, G-Block Bandra Kurla Complex, Bandra (East), Mumbai - 400051</p> <p>Symbol: CENTENKA</p>	<p>Listing Department BSE Limited 25th Floor, Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai - 400001</p> <p>Scrip Code: 500280</p>
---	--

Sub: Earnings Presentation of Century Enka Limited ('the Company')

Ref: Regulation 30 of the Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015 ('Listing Regulations')

As informed vide our communication dated 7th February 2023 regarding Earnings Conference Call to be held on Friday, 10th February 2023 at 12:00 Noon (IST) to discuss Q3-FY23 earnings, please find attached herewith the Earnings Presentation Q3-FY23 of the Company pursuant to regulation 30 of the Listing Regulations.

This is for the information of the investors and for your records.

Thanking You,

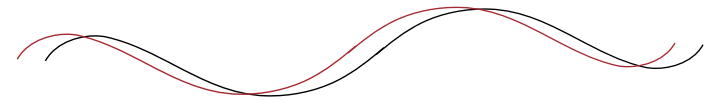
Yours faithfully,
For **Century Enka Limited**

(Rahul Dubey)
Company Secretary
Membership No: FCS 8145



Century Enka Limited

Earnings Presentation – Q3/9M-FY23



Company Overview

- Century Enka Limited was established in 1965 by Late Shri B. K. Birla in collaboration with AKZO Nobel of Netherlands.
- The company has grown to become one of the largest producers of Nylon Filament Yarn (NFY) and Nylon Tyre Cord Fabric (NTCF) in India.
- It also produces a wide range of High-Quality Nylon Yarns used for varied applications including fish-twines, conveyor belts, sports and active wear, sarees, intimate and foundation wear, etc.
- The company makes customised Nylon tyre cord fabric for reinforcement of tyres which are used in motorcycles, scooters, light commercial vehicles (LCVs), medium & heavy commercial vehicles (MHCVs) and off the road (OTR) vehicles.
- The Company's two state-of-the-art manufacturing facilities are located in Pune, Maharashtra and Bharuch, Gujarat, with a capacity of ~78,000 MTPA.
- The company's brand 'Enkalon' stands a testimony to the high quality of material which gives a soft, lustrous and elegant feel to the finished fabric.

2

Plants

5

Locations

33⁺

Dealers

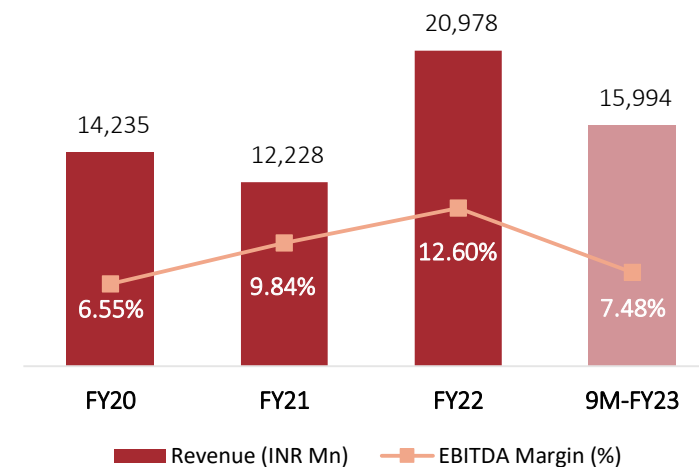
25%

NFY Domestic Market Share

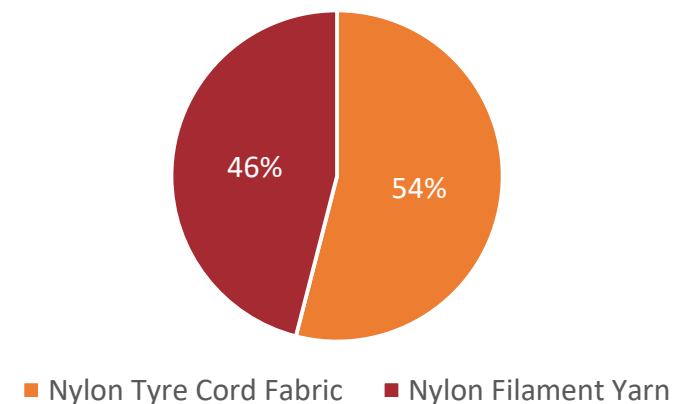
23%

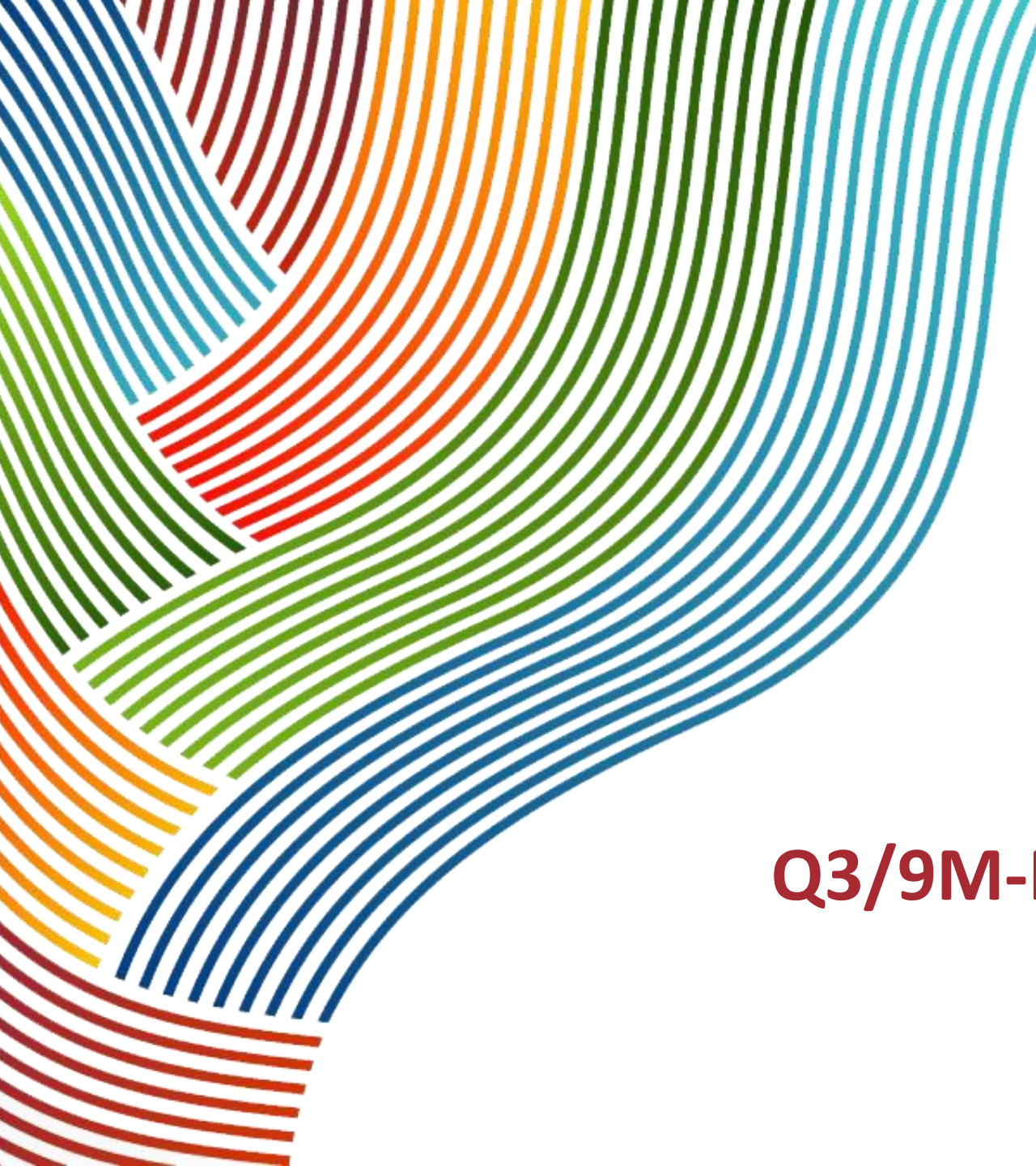
NTCF Domestic Market Share

Operational Revenue (INR Mn) & EBITDA Margins (%)



9M FY23 Product-wise Sales (%)





Q3/9M-FY23 FINANCIAL OVERVIEW

Q3/9M-FY23 Financial Highlights

Q3-FY23 Financial Performance

INR 4,683 Mn

Revenue from
Operations

INR 207 Mn

EBITDA

4.42%

EBITDA Margin

INR 100 Mn

Net Profit

2.13%

PAT Margin

INR 4.56

Basic/Diluted EPS
(On FV of INR 10)

9M-FY23 Financial Performance

INR 15,994 Mn

Revenue from
Operations

INR 1,197 Mn

EBITDA

7.48%

EBITDA Margin

INR 758 Mn

Net Profit

4.74 %

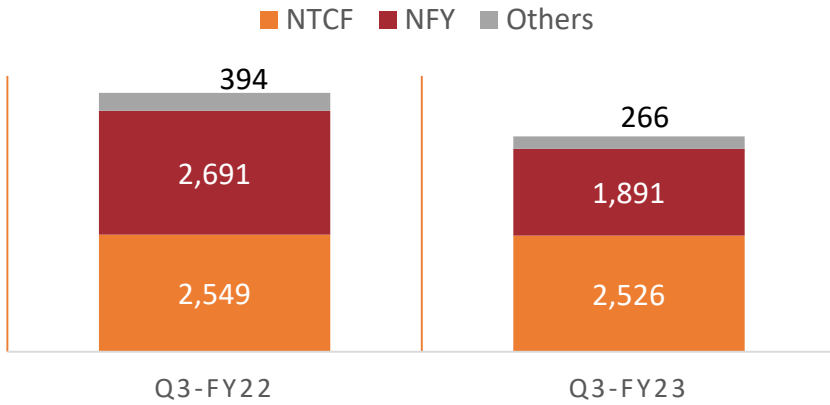
PAT Margin

INR 34.70

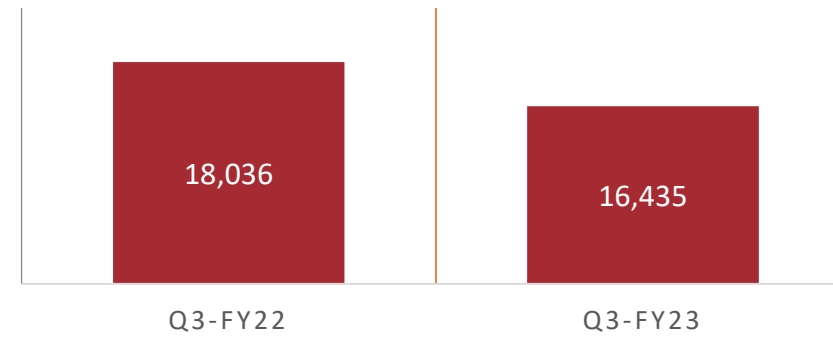
Basic/Diluted EPS
(On FV of INR 10)

Business Performance

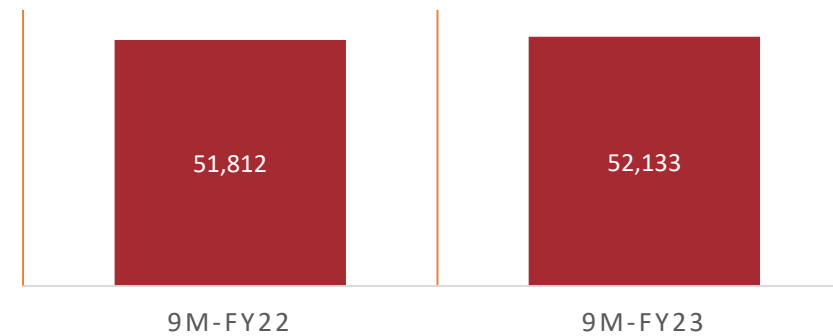
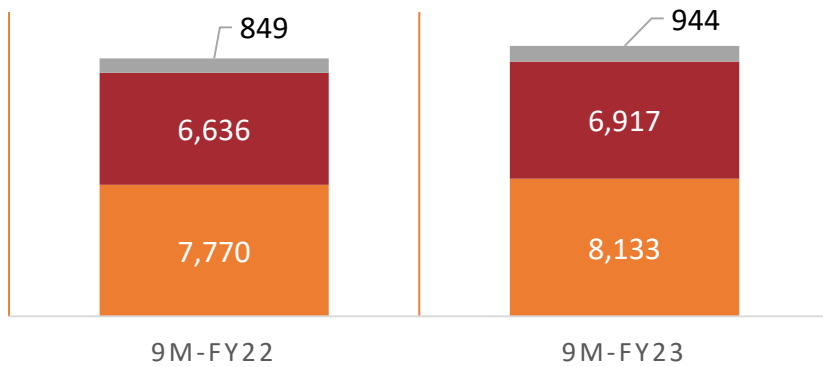
Product wise Revenue (INR Mn)



Volume Performance (MT)



Legend: NTCF (Orange), NFY (Dark Red), Others (Grey)



Q3-FY23 Operational Highlights

Nylon Tyre Cord Fabric (NTCF)

- Moderation in replacement demand and lower exports of tyres due to global slowdown, impacted demand for NTCF
- Steep correction in Chinese NTCF prices and elevated levels of power and fuel prices has impacted NTCF margin
- Improvement in OEM demand for tyres but demand for two wheeler tyres still trails pre-pandemic levels
- While near-term outlook will depend on geo-political developments and recovery in Chinese demand, medium to long term prospects remain stable based on India's plans on infrastructure development and overall growth prospects of India

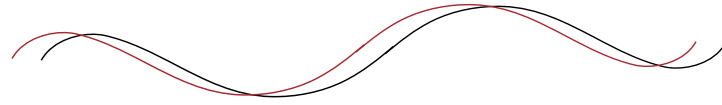
Nylon Filament Yarn (NFY)

- Lower demand as weavers in wait-and-watch mode in falling price scenario
- NFY margin impacted by:
 - Sharp correction in prices in line with correction in Caprolactam prices while our cost remained at elevated levels due to stock-in-trade.
 - Dumping by China at cheaper prices due to slow down there. Imports from China in 9M-FY23 higher by 51% compared to last year.
 - Sharp increase in power and fuel cost
- Dumping by China is hindering our ability to pass through of cost increases

Caprolactam

- Fall in Caprolactam prices continued in Q3-FY24
- Caprolactam prices corrected by 26% in Q2 & Q3-FY23
- Expect stability and recovery in Caprolactam prices as economic activities resumes in China post holidays

CAPEX Update



- All Capex approved by the Board are broadly on schedule
- Cash outflow of INR 2,190 Mn in 9M-FY23
- Target commissioning for NTCF expansion by Q4-FY23.
- Target commissioning of full capacity of Polyester Tyre Cord Fabric (PTCF) by Q4-FY24
- Expansion in NFY capacity to be completed by Q4-FY24

Consolidated Quarterly Financial Performance

PARTICULARS (INR Mn)	Q3-FY23	Q3-FY22	Y-o-Y	Q2-FY23	Q-o-Q
Revenue from Operations	4,683	5,634	(16.9)%	5,634	(16.9)%
Total Expenses	4,476	4,876	(8.2)%	5,255	(14.8)%
EBITDA	207	758	(72.7)%	379	(45.3)%
EBITDA Margins (%)	4.42%	13.45%	(903) Bps	6.73%	(231) Bps
Other Income	39	46	(15.2)%	47	(17.0)%
Depreciation	101	98	3.1%	94	(7.4)%
Finance Cost	4	4	NA	4	NA
Share in profit / loss of associate	-	-	NA	(1)	NA
PBT	141	702	(79.9)%	327	(56.9)%
Tax	41	196	(79.1)%	71	(42.3)%
PAT	100	506	(80.2)%	256	(60.9)%
PAT Margins (%)	2.13%	8.98%	(685) Bps	4.54%	(241) Bps
Other Comprehensive Income	73	(14)	NA	26	NA
Total Comprehensive Income	173	492	(64.8)%	282	(38.7)%
Basic/Diluted EPS (INR)	4.56	23.15	(80.3)%	11.70	(61.0)%

YTD Consolidated Financial Performance

PARTICULARS (INR Mn)	9M-FY23	9M-FY22	Y-o-Y
Revenue from Operations	15,994	15,254	4.9%
Total Expenses	14,797	13,291	11.3%
EBITDA	1,197	1,963	(39.0)%
EBITDA Margins (%)	7.48%	12.87%	(539) Bps
Other Income	119	158	(24.7)%
Depreciation	296	292	1.4%
Finance Cost	11	10	10%
Share in profit / loss of associate	(1)	-	NA
PBT	1,008	1,819	(44.6)%
Tax	250	474	(47.3)%
PAT	758	1,345	(43.6)%
PAT Margins (%)	4.74%	8.82%	(408) Bps
Other Comprehensive Income	68	(31)	NA
Total Comprehensive Income	826	1,314	(37.1)%
Basic/Diluted EPS (INR)	34.70	61.56	(43.6)%



Historical Financial Overview

Consolidated Income Statement

PARTICULARS (INR Mn)	FY20	FY21	FY22	9M-FY23
Operational Revenue	14,235	12,228	20,978	15,994
Total Expenses	13,303	11,025	18,335	14,797
EBITDA	932	1,203	2,643	1,197
EBITDA Margins (%)	6.55%	9.84%	12.60%	7.48%
Other Income	422	220	206	119
Depreciation	455	409	396	296
Finance Cost	35	15	12	11
Share in profit / loss of associate	-	-	-	(1)
Exceptional Items	-	(82)	-	-
PBT	864	917	2,441	1,008
Tax	(91)	208	599	250
PAT	955	709	1,842	758
PAT Margins (%)	6.71%	5.80%	8.78%	4.74%
Other Comprehensive Income	(72)	107	(49)	68
Total Comprehensive Income	883	816	1,793	826
Basic/Diluted EPS (INR)	43.72	32.46	84.28	34.70

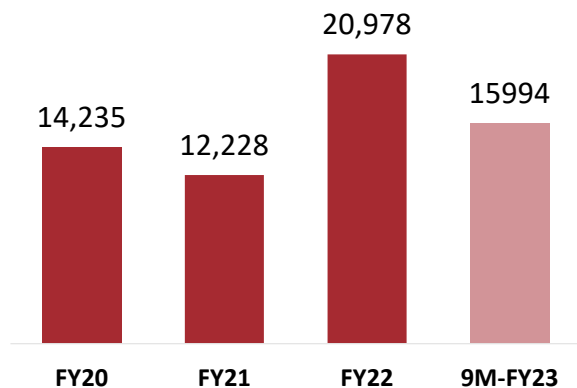
Consolidated Balance Sheet

PARTICULARS (INR MN)	FY21	FY22	H1-FY23
ASSETS			
Non-current Assets	5,197	5,968	7,050
(A) Property, Plant & Equipment	4,810	4,669	4,624
(B) Capital Work In Progress	18	683	1,936
(C) Right Of Use Assets	74	72	70
(D) Intangible Assets	32	21	15
(E) Financial Assets			
(i) Investments	132	260	146
(ii) Others	21	23	24
(F) Other Non Current Assets	110	240	235
Assets Held for Sale	110	90	-
Current Assets	8,095	9,167	8,911
Inventories	1,910	3,080	3,310
Financial Assets			
(a) Investments	2,889	2,338	2,408
(b) Trade Receivable	2,324	2,393	2,247
(c) Cash And Cash Equivalent	83	56	23
(d) Other Bank Balances	516	665	452
(e) Others	62	37	52
Current Tax Assets Net	30	-	-
Other Current Assets	282	598	420
GRAND TOTAL – ASSETS	13,402	15,226	15,961

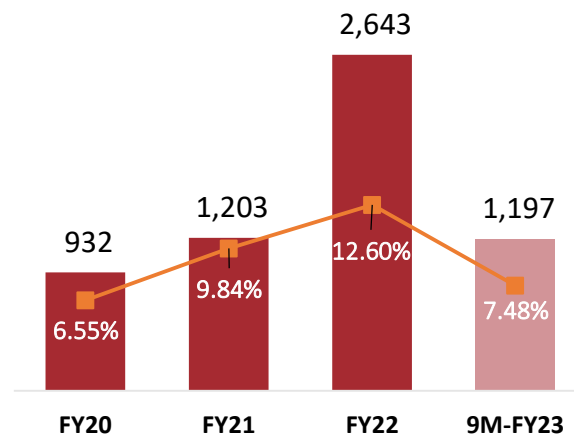
PARTICULARS (INR MN)	FY21	FY22	H1-FY23
EQUITY & LIABILITIES			
Equity	10,889	12,507	12,942
(A) Share Capital	219	219	219
(B) Other Equity	10,670	12,288	12,723
Non-current Liabilities	1,044	998	1,262
Financial Liabilities:			
(a) Borrowings	50	62	288
(b) Lease Liabilities	46	41	38
(c) Others	26	24	25
Provisions	115	113	112
Deferred Tax Liabilities (Net)	781	732	736
Other Non Current Liabilities	26	27	62
Current Liabilities	1,469	1,720	1,757
Financial Liabilities:			
(a) Borrowings	31	42	97
(b) Trade Payables:			
Total OS to Micro and Small Ent	63	64	54
Total OS to creditors	1,209	1,141	1,063
(c) Lease Liabilities	5	5	5
(d) Others	71	338	317
Other Current Liabilities	71	92	132
Provisions	19	25	29
Current Tax Liabilities	-	13	60
GRAND TOTAL - EQUITIES & LIABILITES	13,402	15,226	15,961

Financial Performance

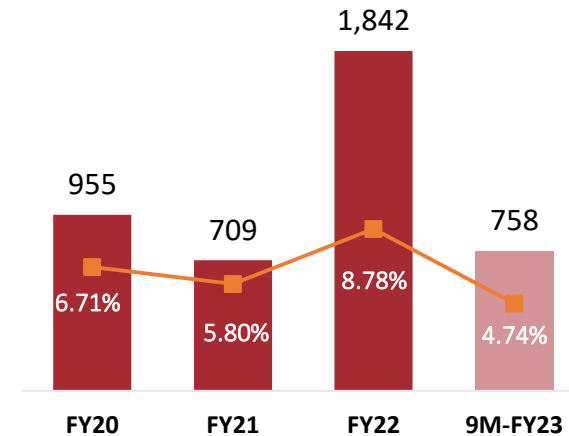
Operational Income (INR Mn)



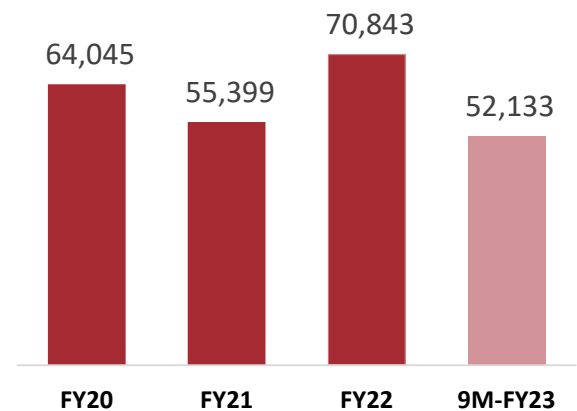
EBITDA (INR Mn) & EBITDA Margins (%)



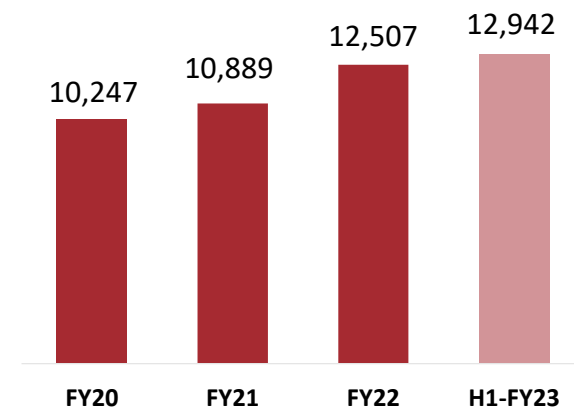
PAT (INR Mn) and PAT Margins (%)



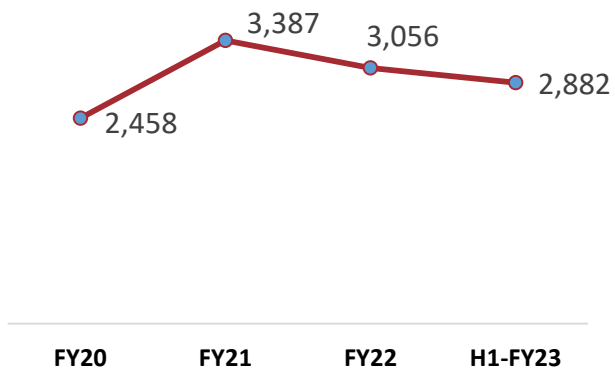
Sales Volume (MT)



Net Worth (INR Mn)

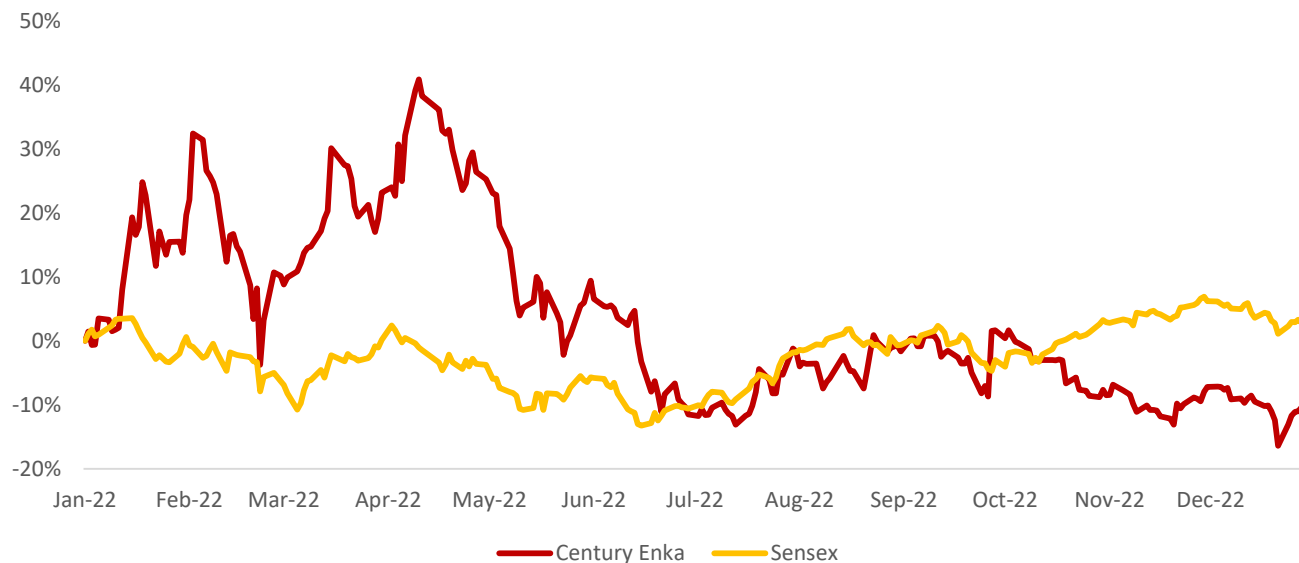


Net Surplus Cash on Balance Sheet (INR Mn)



Capital Market Information

Share Price Performance

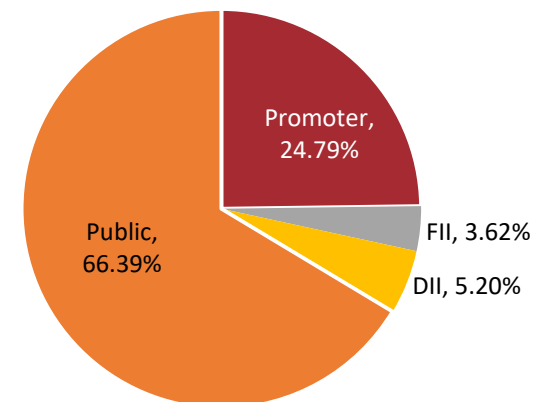


Dividend (INR/share)

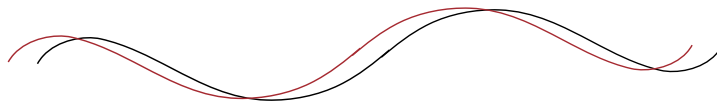


Price Data (As on 31 st December 2022)	INR
Face Value	10
CMP	418.9
52 Week H/L	671.9/389.0
Market Cap (INR Mn)	9,154.3
No. of Share outstanding (Mn)	21.8
1 Year Avg. Trading Volume ('000)	110.1

Shareholding Pattern (As on 31st December 2022)



Disclaimer



*No representation or warranty, express or implied, is made as to, and no reliance should be placed on, the fairness, accuracy, completeness or correctness of the information or opinions contained in this presentation. Such information and opinions are in all events not current after the date of this presentation. Certain statements made in this presentation may not be based on historical information or facts and may be "forward looking statements" based on the currently held beliefs and assumptions of the management of **Century Enka Ltd.**, which are expressed in good faith and in their opinion reasonable, including those relating to the Company's general business plans and strategy, its future financial condition and growth prospects and future developments in its industry and its competitive and regulatory environment.*

Forward-looking statements involve known and unknown risks, uncertainties and other factors, which may cause the actual results, financial condition, performance or achievements of the Company or industry results to differ materially from the results, financial condition, performance or achievements expressed or implied by such forward-looking statements, including future changes or developments in the Company's business, its competitive environment and political, economic, legal and social conditions. Further, past performance is not necessarily indicative of future results. Given these risks, uncertainties and other factors, viewers of this presentation are cautioned not to place undue reliance on these forward-looking statements. The Company disclaims any obligation to update these forward-looking statements to reflect future events or developments.

This presentation is for general information purposes only, without regard to any specific objectives, financial situations or informational needs of any particular person. This presentation does not constitute an offer or invitation to purchase or subscribe for any securities in any jurisdiction, including the United States. No part of it should form the basis of or be relied upon in connection with any investment decision or any contract or commitment to purchase or subscribe for any securities. None of our securities may be offered or sold in the United States, without registration under the U.S. Securities Act of 1933, as amended, or pursuant to an exemption from registration there from.

This presentation is confidential and may not be copied or disseminated, in whole or in part, and in any manner.

Valorem Advisors Disclaimer:

Valorem Advisors is an Independent Investor Relations Management Service company. This Presentation has been prepared by Valorem Advisors based on information and data which the Company considers reliable, but Valorem Advisors and the Company makes no representation or warranty, express or implied, whatsoever, and no reliance shall be placed on, the truth, accuracy, completeness, fairness and reasonableness of the contents of this Presentation. This Presentation may not be all inclusive and may not contain all of the information that you may consider material. Any liability in respect of the contents of, or any omission from, this Presentation is expressly excluded. Valorem Advisors also hereby certifies that the directors or employees of Valorem Advisors do not own any stock in personal or company capacity of the Company under review.

For further information please contact our Investor Relations Representatives:



Valorem Advisors
Mr. Anuj Sonpal, CEO
Tel: +91-22-49039500
Email: enka@valoremadvisors.com



Thank You