



REDINGTON (INDIA) LIMITED

Q2FY21 Earnings Presentation

Sept 2020

Disclaimer

This presentation contains “forward looking statements” including, but without limitation, statements relating to the implementation of strategic initiatives, and other statements relating to Redington India Limited’s future business developments and economic performance.

While these forward looking statements indicate our assessment and future expectations concerning the development of our business, a number of risks, uncertainties and other unknown factors could cause actual developments and results to differ materially from our expectations.

These factors include, but are not limited to, general market, macro-economic, governmental and regulatory trends, movements in currency exchange and interest rates, competitive pressures, technological developments, changes in the financial conditions of third parties dealing with us, legislative developments, and other key factors that could affect our business and financial performance.

Redington India Limited undertakes no obligation to periodically revise any forward looking statements to reflect future / likely events or circumstances.

Financial Highlights

- **Q2FY21** – On a Global basis, Revenue grew by **12%** while EBITDA grew by **18%** and PAT grew by **35%**
 - **Global Distribution** – Revenue grew by **12%**, EBITDA grew by **26%** and PAT grew by **37%**
 - **India** – Revenue grew by **8%**, EBITDA degrew by **7%** and PAT grew by **37%**
 - **Overseas** – Revenue grew by **14%**, EBITDA grew by **42%** and PAT grew by **34%**
- **H1FY21** – On a Global basis, Revenue grew by **2%** while EBITDA grew by **7%** and PAT grew by **10%**
 - **Global Distribution** – Revenue grew by **2%**, EBITDA grew by **14%** and PAT grew by **18%**
 - **India** – Revenue degrew by **3%**, EBITDA degrew by **19%** and PAT degrew by **1%**
 - **Overseas** – Revenue grew by **5%**, EBITDA grew by **29%** and PAT grew by **17%**
- **Key Metrics**
 - Strong **positive FCF** generation of **Rs. 1,823mn** for Q2FY21 and **Rs.25,147mn** for H1FY21
 - On a Global basis, **WC days** for Q2FY21 is **14 days** and H1FY21 is **15 days**
 - On a Global basis, for the quarter, **ROCE** is **42.6%** and **ROE** is **15.8%**
 - **Gross Debt to Equity** is at **0.17x** and **Net Debt to Equity** is at **(0.47x)**

Financial Highlights

INDIA BUSINESS

- During the quarter,
 - India Distribution – Revenue grew by **9%**, EBITDA grew by **3%** and PAT grew by **33%**
 - **IT segment** grew by **14% YoY** led by growth in IT Consumer segment
 - **Interest expenses** declined by **64%** and **Opex** declined by **5%** on an YoY basis
 - **WC days** stood at **14 days** in Q2FY21 as against 29 days in Q2FY20
 - **ROCE** is strong at **45.0%**

ProConnect India (PCS)

- Though PCS degrew revenues by **6% YoY**, it grew PAT by **25% YoY** on the back of sharp decline of interest expenses
- PCS registered **EBITDA margin of 13%** for the quarter

Financial Highlights

OVERSEAS BUSINESS

- During the quarter,
 - Overseas Distribution – Revenue grew by **14%**, EBITDA grew by **44%** and PAT grew by **39%**
 - Growth was led by strong performance of **Mobility segment** at **36% YoY**
 - **Interest expenses** declined by **18%** and **Opex** declined by **12%** on an YoY basis
 - **WC days** stood at **14 days** in Q2FY21 as against 32 days in Q2FY20
 - Strong **FCF** generation at **Rs. 4,986 mn**
 - **ROCE** is strong at **41.4%**

Turkey Update

- During the quarter, Arena biz had a good quarter with exceptional growth in revenues and PAT



Q2FY21 Highlights

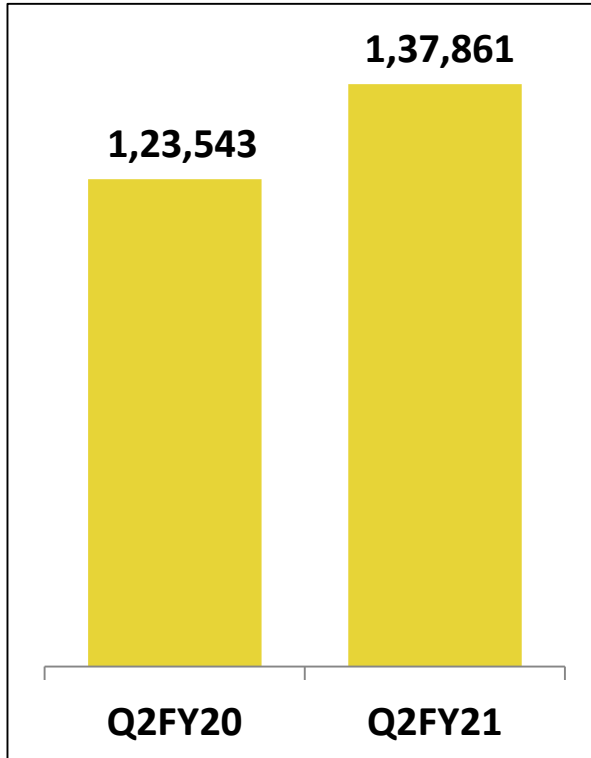


Q2FY21 Redington Global Performance

₹ in million

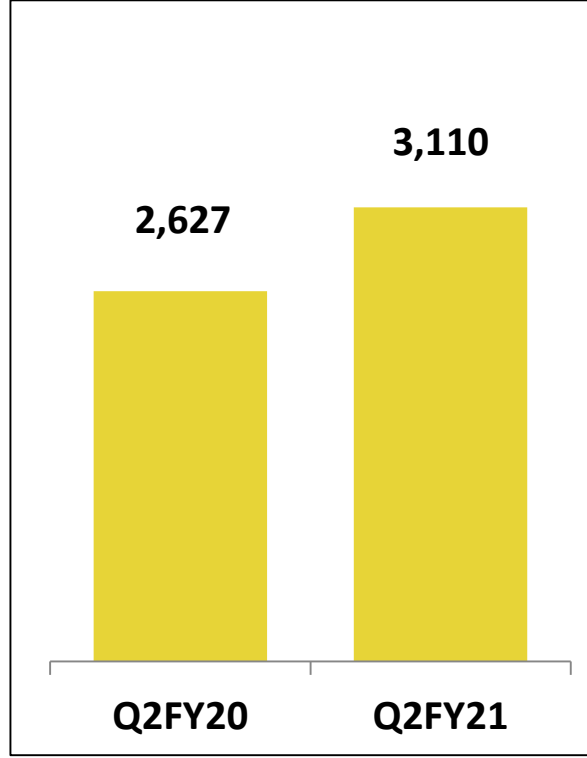
REVENUE

12% ▲



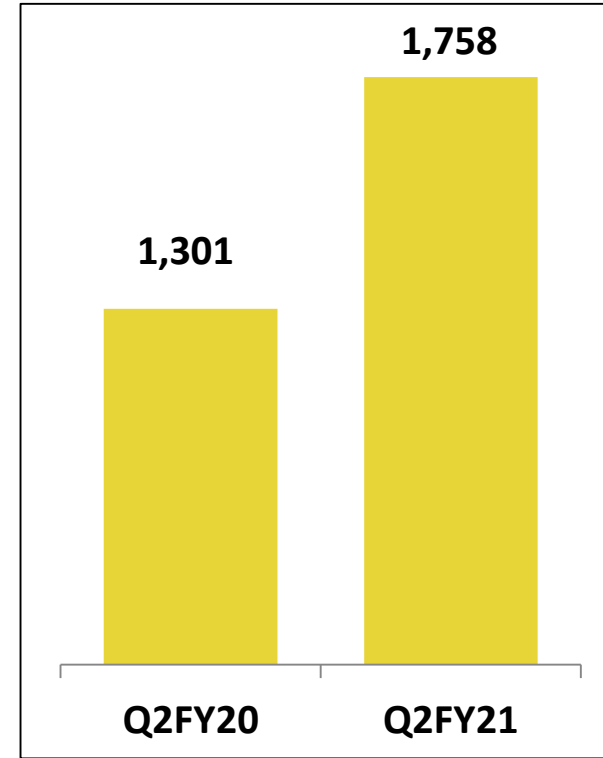
EBITDA

18% ▲



PAT

35% ▲

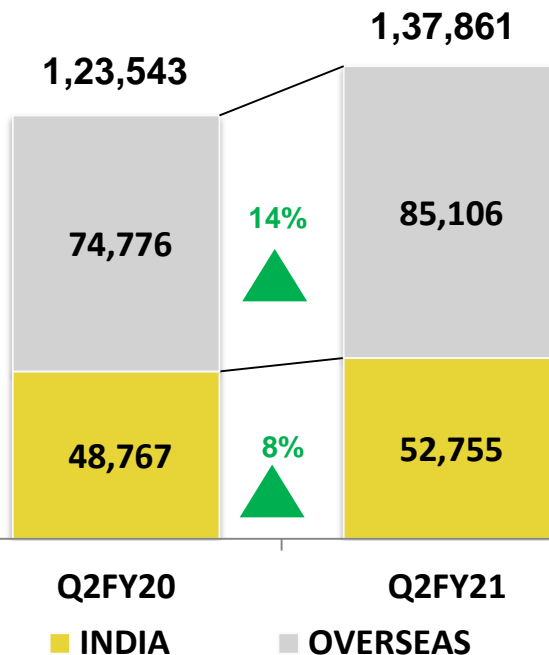


Q2FY21 Performance by Market

₹ in million

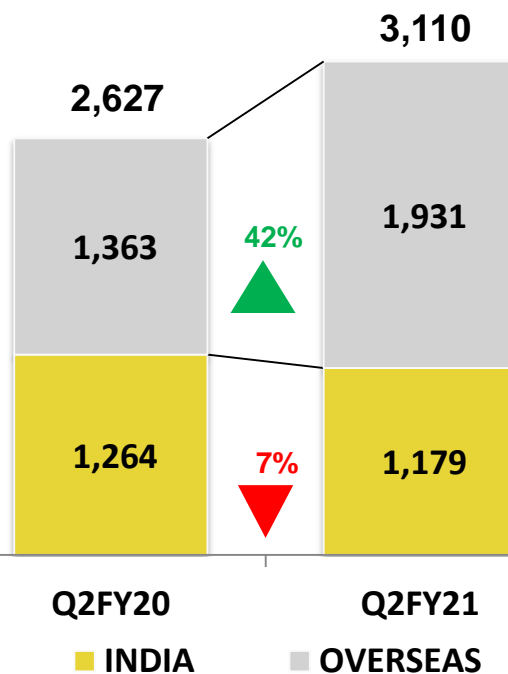
REVENUE

12% ▲



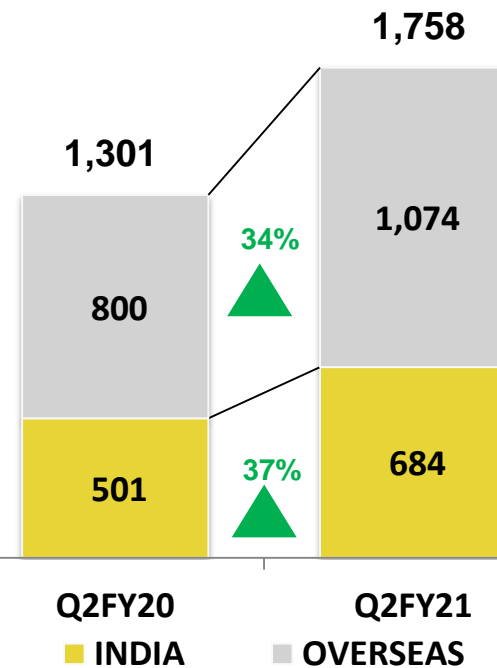
EBITDA

18% ▲



PAT

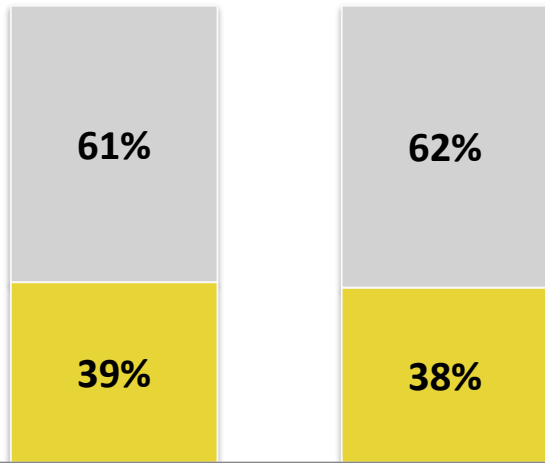
35% ▲



Q2FY21 Contribution by Market

₹ in million

REVENUE



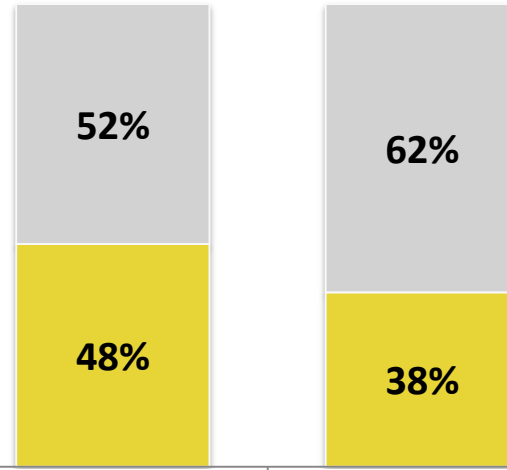
Q2FY20

INDIA

Q2FY21

OVERSEAS

EBITDA



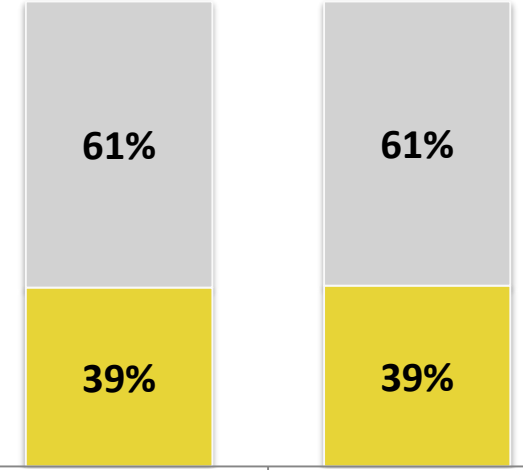
Q2FY20

INDIA

Q2FY21

OVERSEAS

PAT



Q2FY20

INDIA

Q2FY21

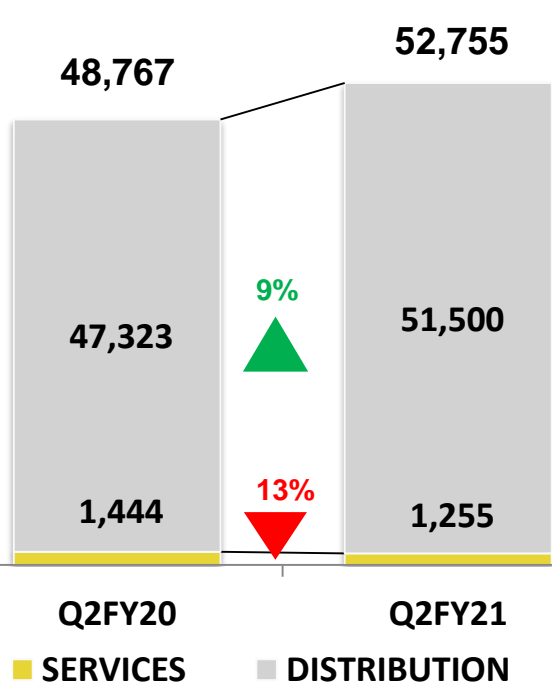
OVERSEAS

Q2FY21 India Performance

₹ in million

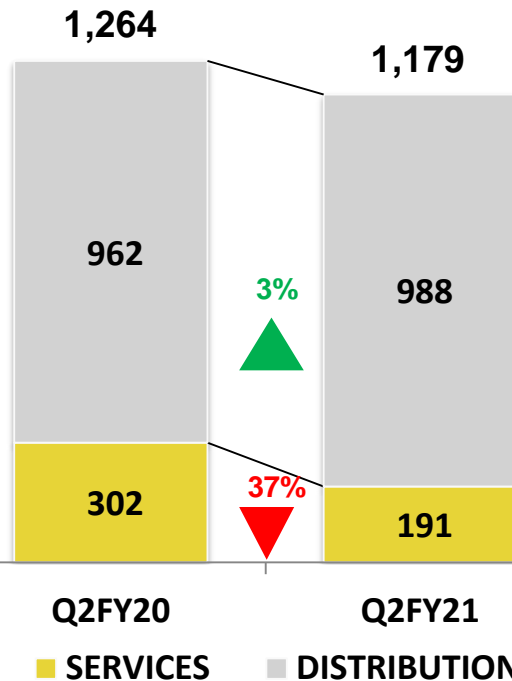
REVENUE

8% ▲



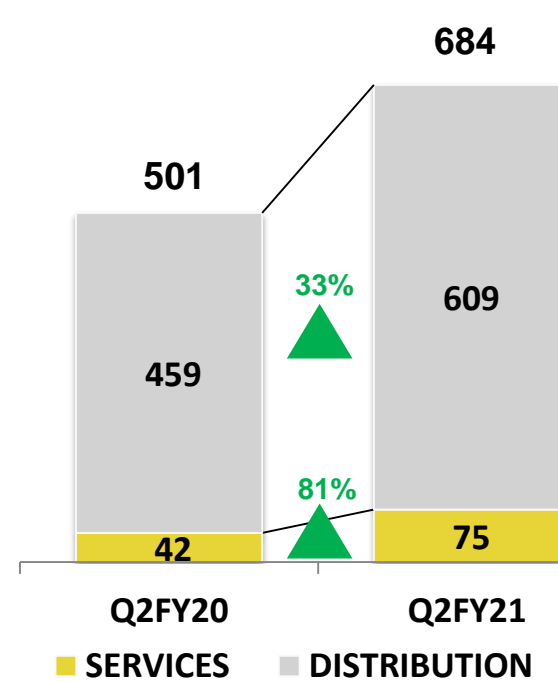
EBITDA

7% ▼



PAT

37% ▲



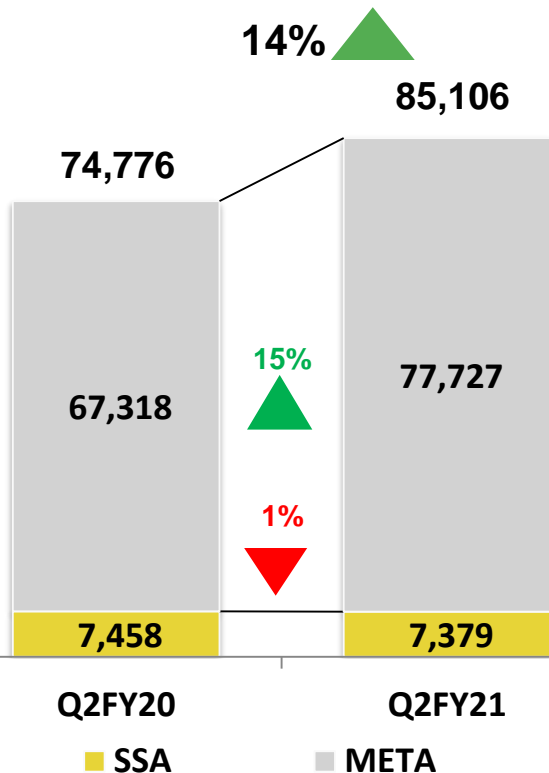
Note: Services represents ProConnect & Ensure

Note: Services includes capital profits of Rs.4.4 crs on sale of Ensure India

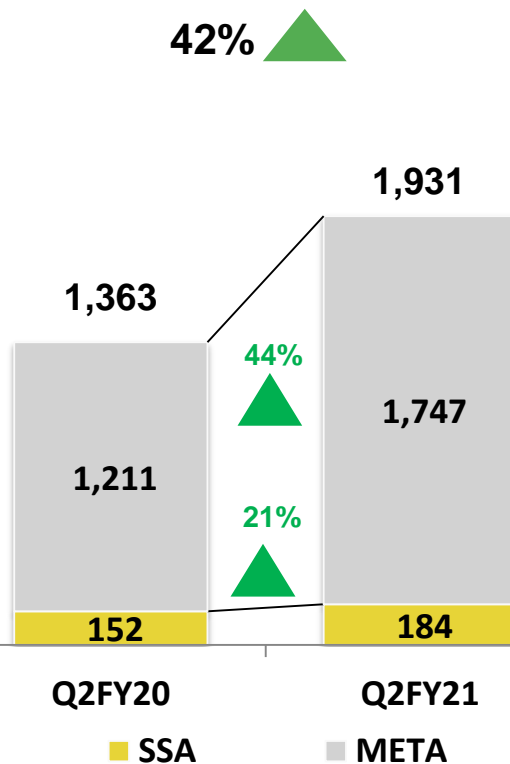
Q2FY21 Overseas Performance

₹ in million

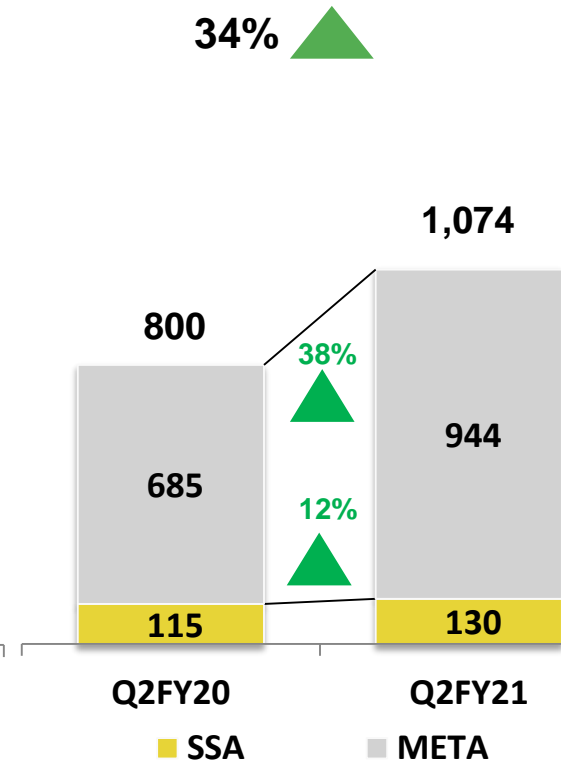
REVENUE



EBITDA



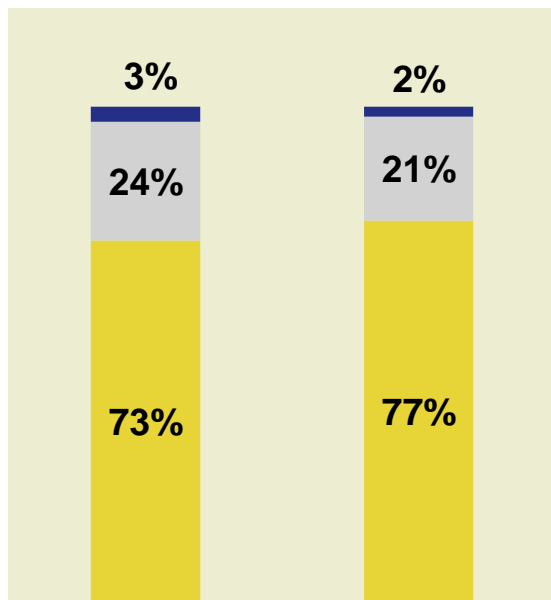
PAT



Note: Overseas performance in c/c terms – Revenue 7%; EBITDA 33% ; PAT 26%

Q2FY21 Revenue Performance by Verticals

INDIA

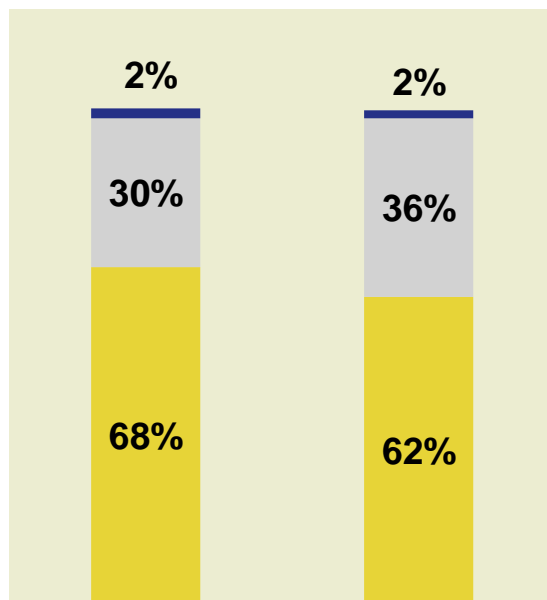


Q2FY20

Q2FY21

■ IT ■ Mobility ■ Services

OVERSEAS

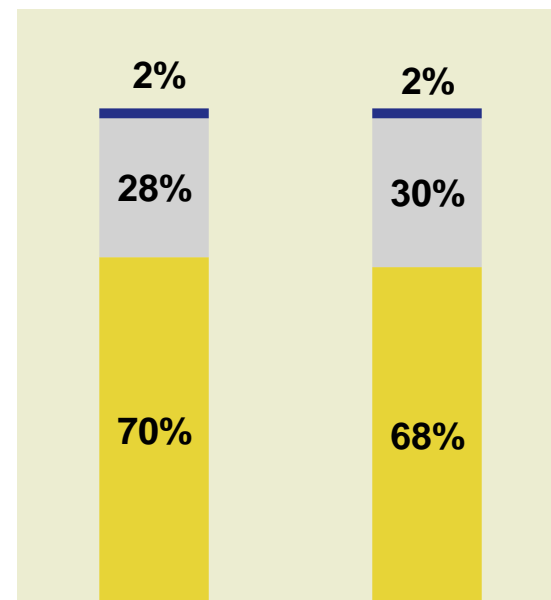


Q2FY20

Q2FY21

■ IT ■ Mobility ■ Services

GLOBAL



Q2FY20

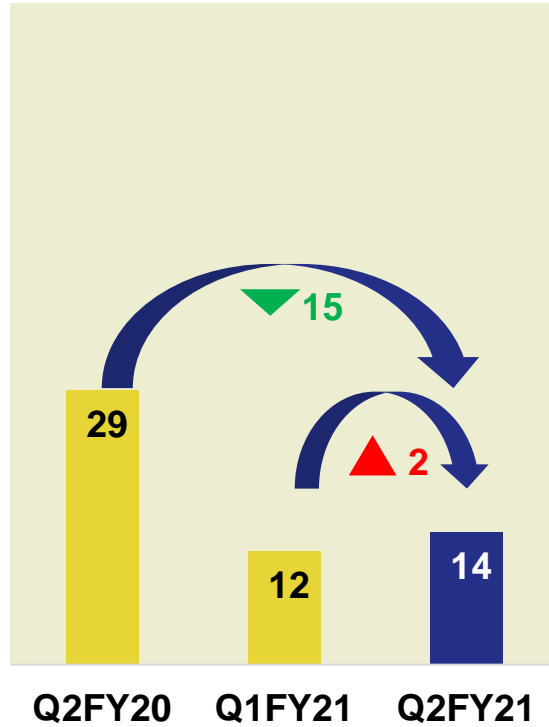
Q2FY21

■ IT ■ Mobility ■ Services

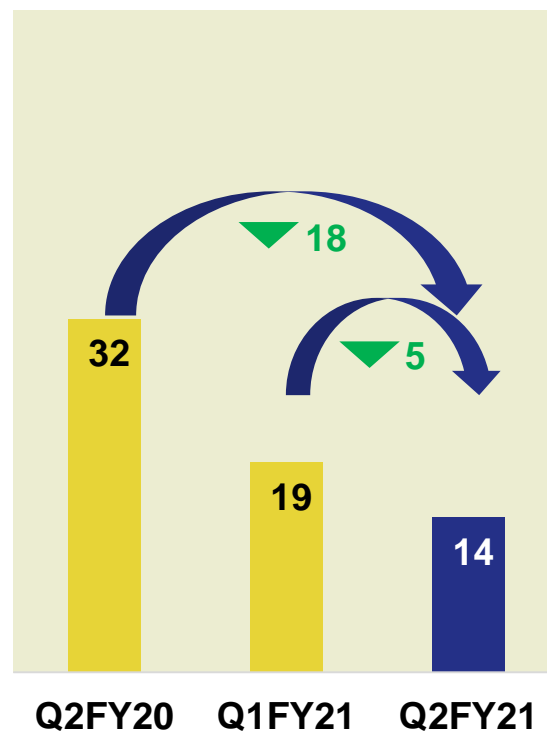
Note: Services represents ProConnect & Ensure

Q2FY21 Working Capital Days

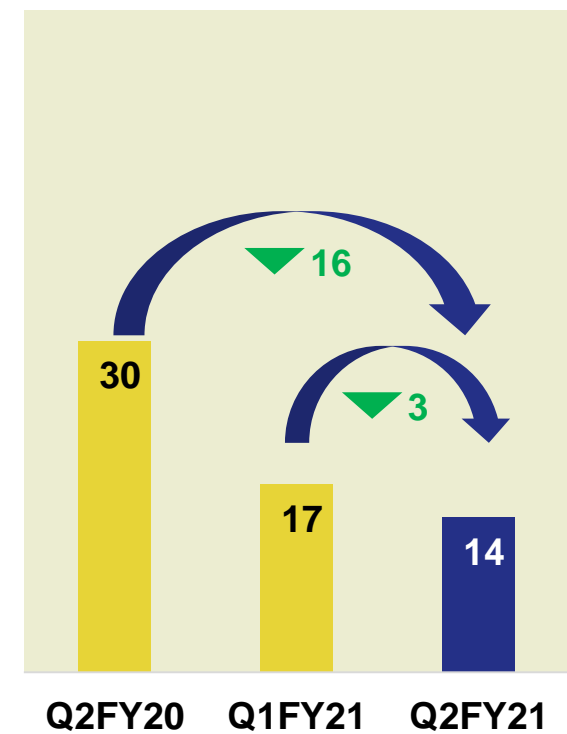
INDIA



OVERSEAS



GLOBAL

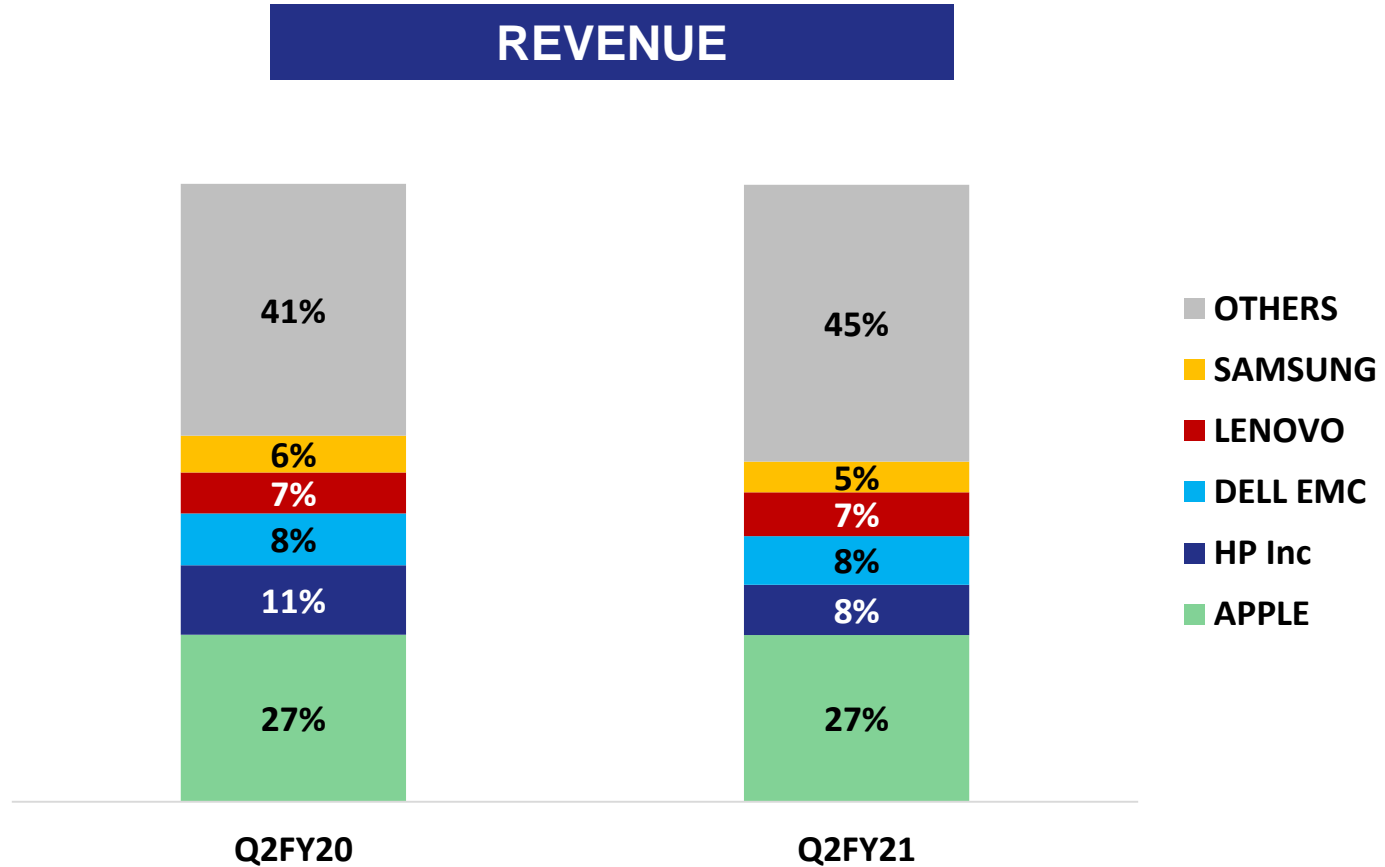


Q2FY21 Free Cash Flow Statement

₹ in million

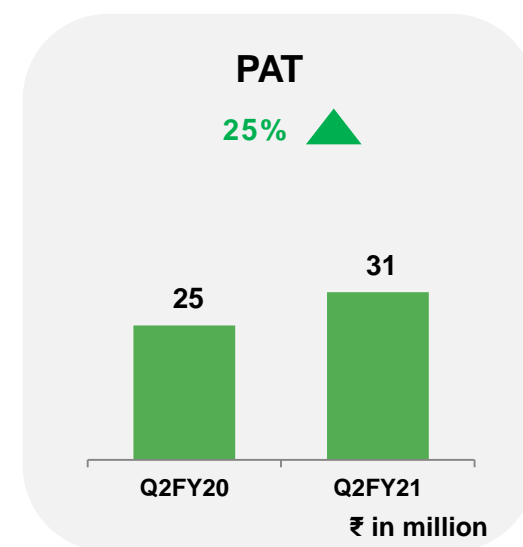
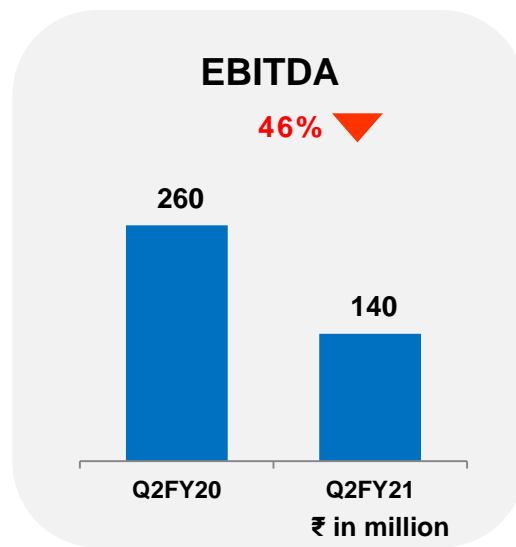
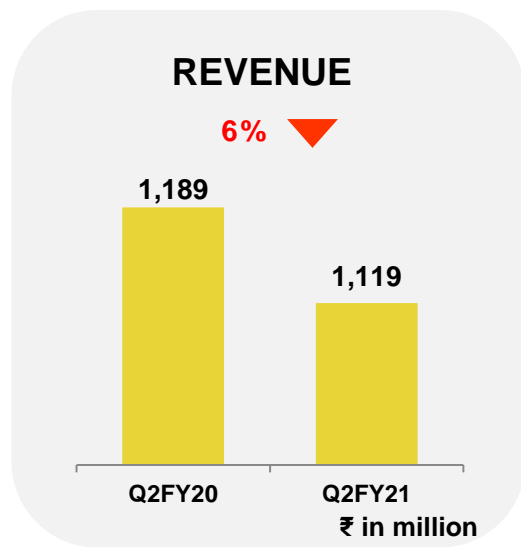
Particulars	Q2FY20	Q1 FY21	Q2FY21
Profit Before Taxation	1,512	1,305	2,412
Non-cash items	630	426	465
Outflow of Finance Cost	526	424	171
Changes in Working Capital	15,854	22,058	(224)
Direct Tax Paid	(628)	(288)	(645)
Net Cash Flow from Operations	17,894	23,925	2,179
Capex	(35)	(138)	(118)
Dividend	(1,287)	-	-
Outflow of Finance Cost	(499)	(463)	(238)
Free Cashflow	16,073	23,324	1,823

Q2FY21 Top 5 Vendors



Q2FY21 ProConnect India

- Though PCS degrew revenues by 6% YoY, it grew PAT by 25% YoY on the back of sharp decline of interest expenses
- PCS registered EBITDA margin of 13% for the quarter





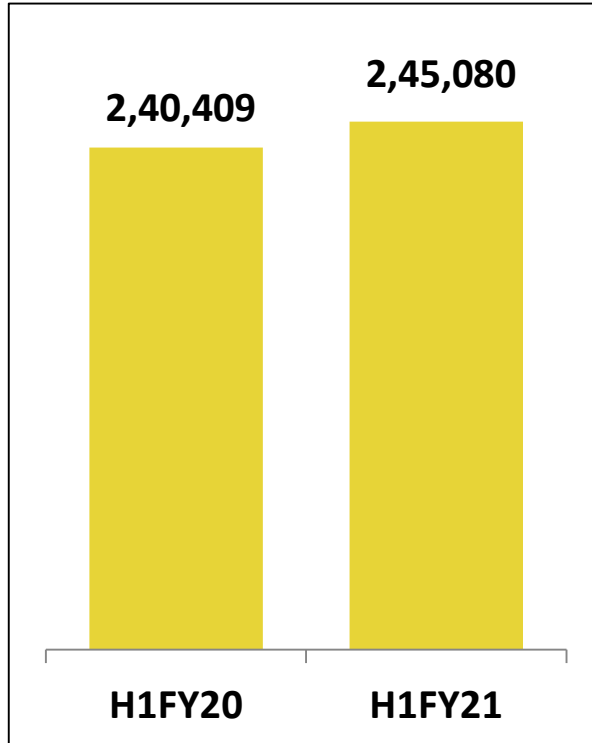
H1FY21 Performance

H1FY21 Redington Global Performance

₹ in million

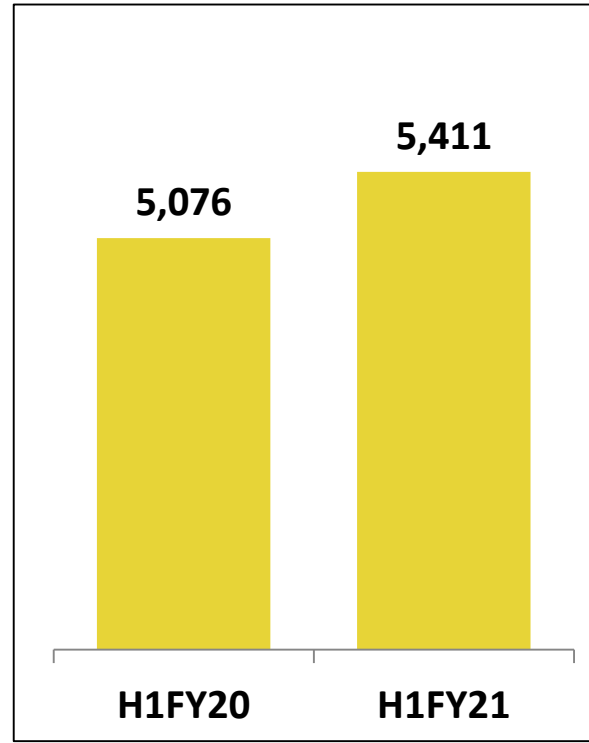
REVENUE

2% ▲



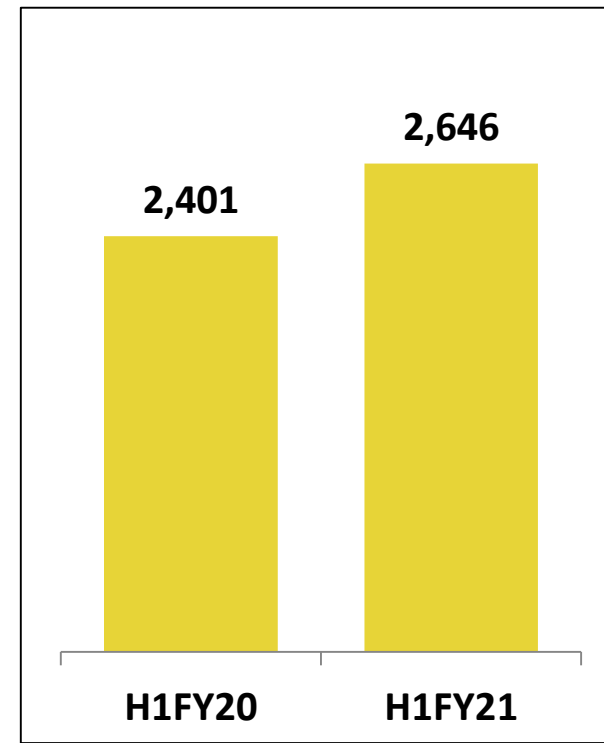
EBITDA

7% ▲



PAT

10% ▲



H1FY21 Performance by Market

₹ in million

REVENUE

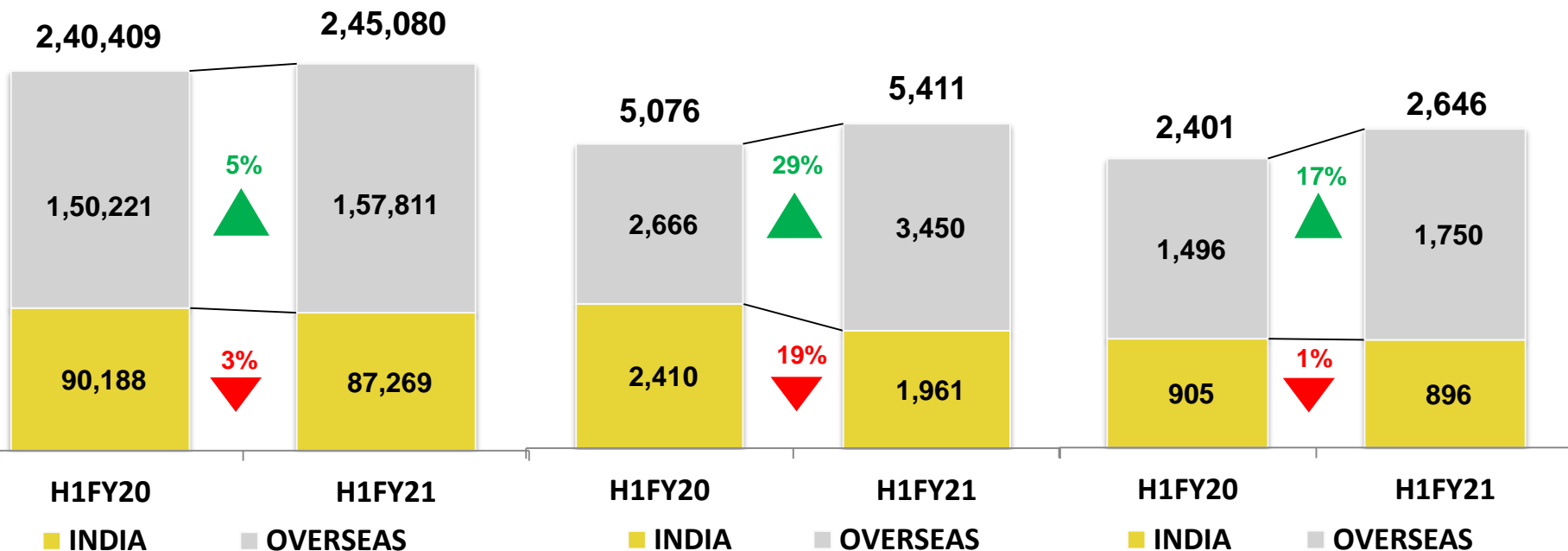
2% ▲

EBITDA

7% ▲

PAT

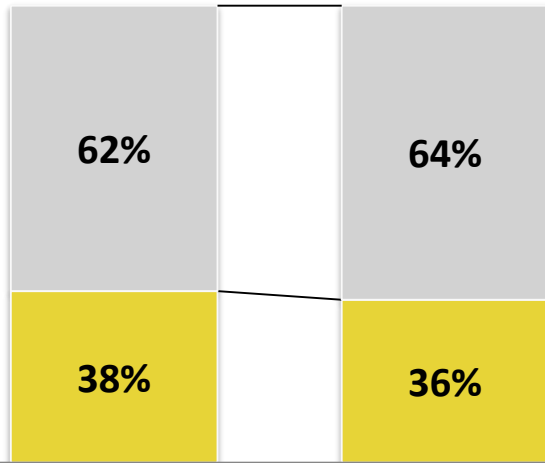
10% ▲



H1FY21 Contribution by Market

₹ in million

REVENUE



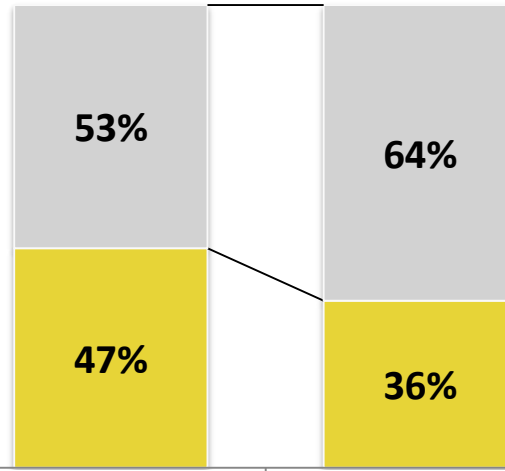
H1FY20

H1FY21

INDIA

OVERSEAS

EBITDA



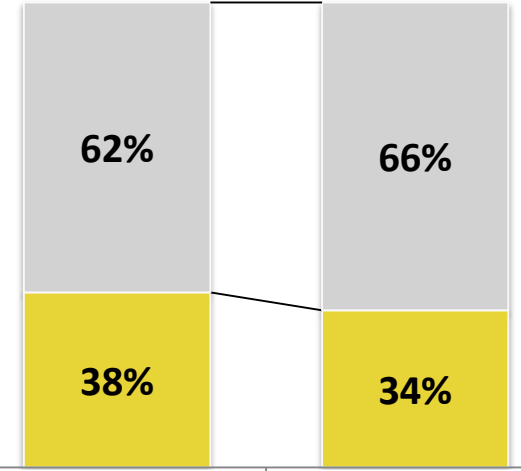
H1FY20

H1FY21

INDIA

OVERSEAS

PAT



H1FY20

H1FY21

INDIA

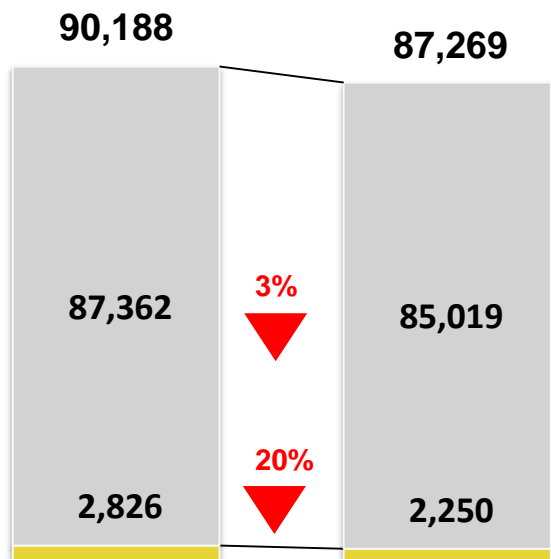
OVERSEAS

H1FY21 India Performance

₹ in million

REVENUE

3% ▼



H1FY20

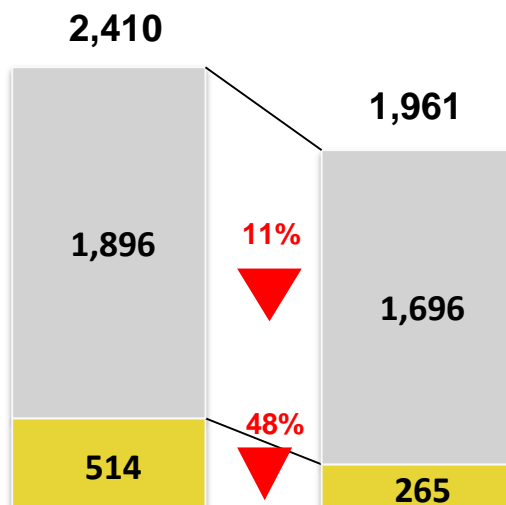
H1FY21

■ SERVICES

■ DISTRIBUTION

EBITDA

19% ▼



H1FY20

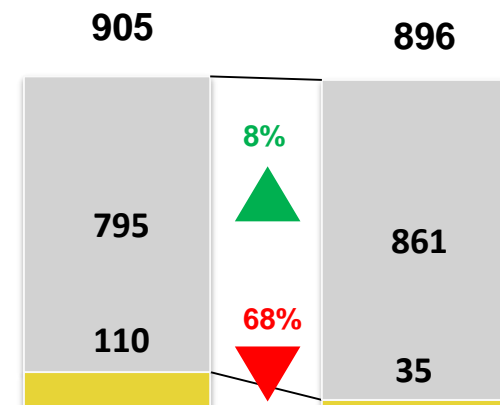
H1FY21

■ SERVICES

■ DISTRIBUTION

PAT

1% ▼



H1FY20

H1FY21

■ SERVICES

■ DISTRIBUTION

Note: Services represents ProConnect & Ensure

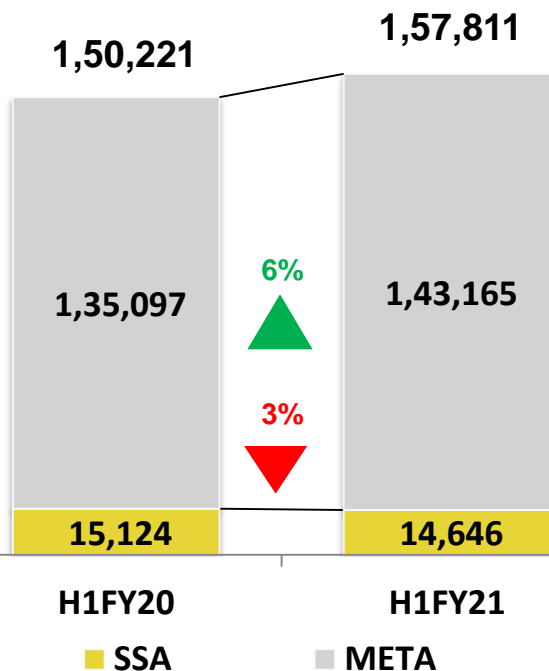
Note: Services includes capital profits of Rs.4.4 crs on sale of Ensure India

H1FY21 Overseas Performance

₹ in million

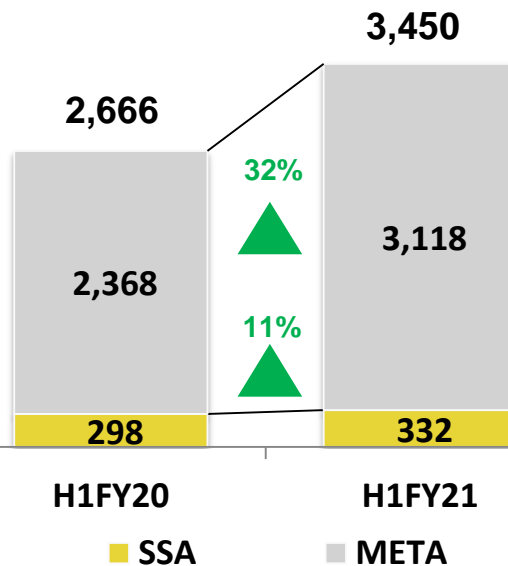
REVENUE

5% 



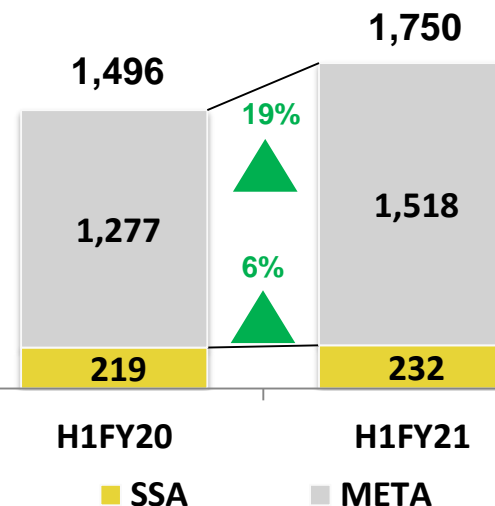
EBITDA

29% 



PAT

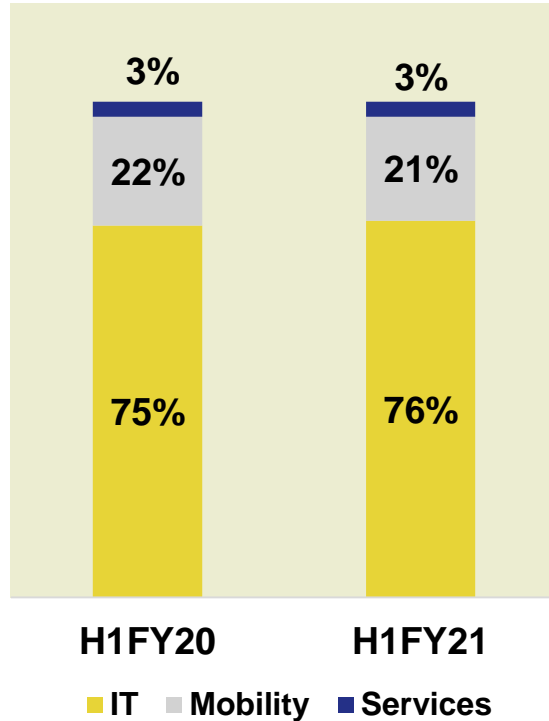
17% 



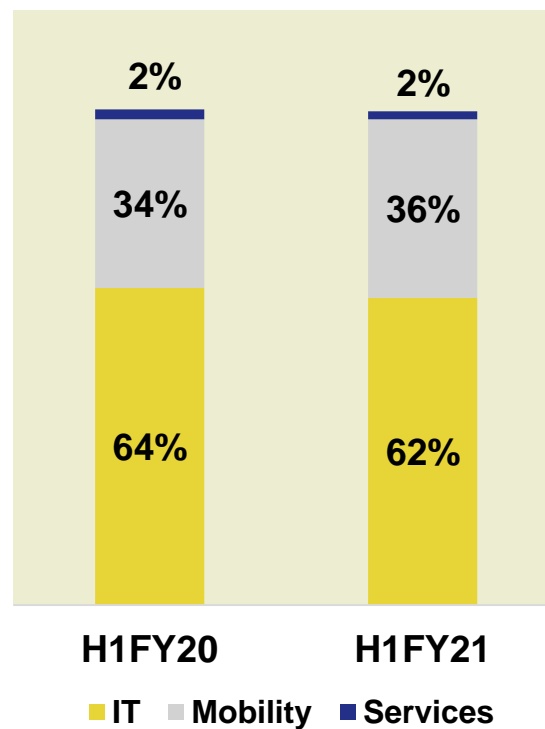
Note: Overseas performance in c/c terms – Revenue (2%); EBITDA 20% ; PAT 9%

H1FY21 Revenue Performance by Verticals

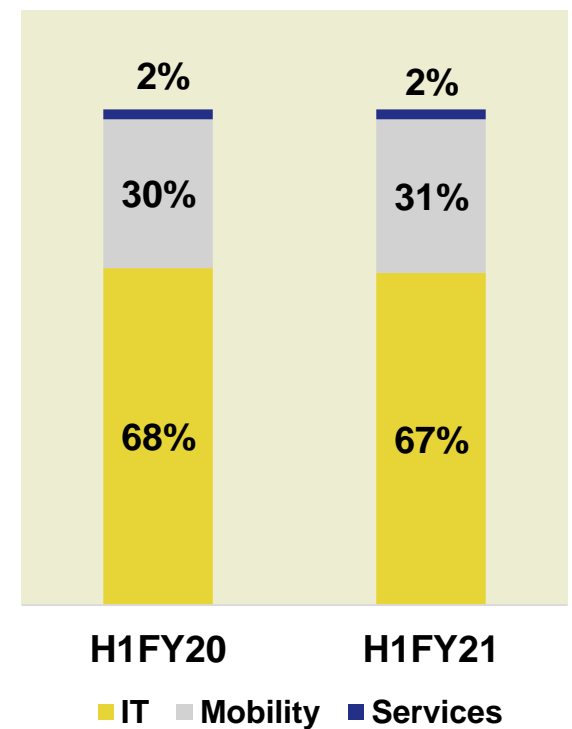
INDIA



OVERSEAS



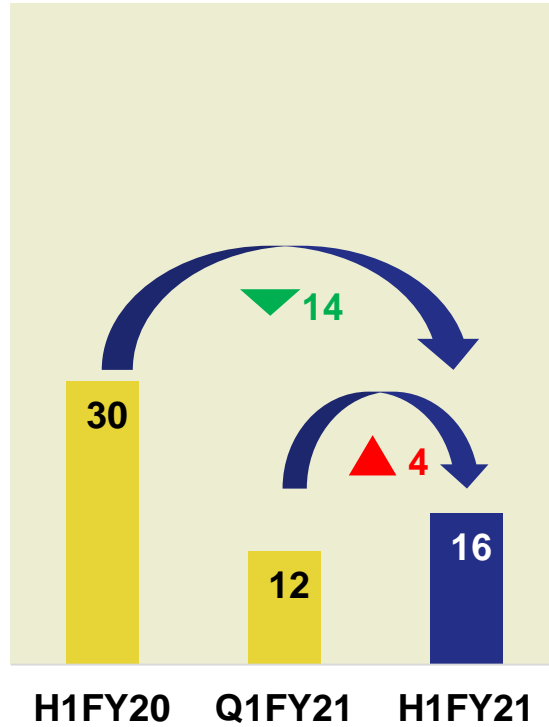
GLOBAL



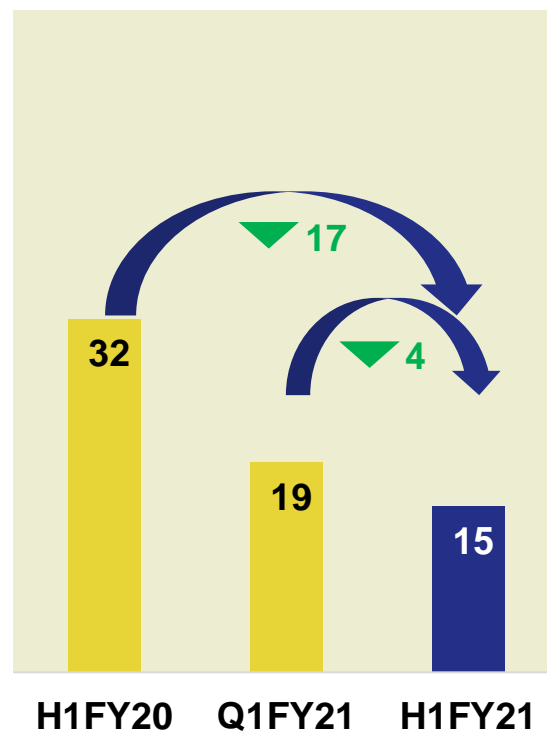
Note: Services represents ProConnect & Ensure

H1FY21 Working Capital Days

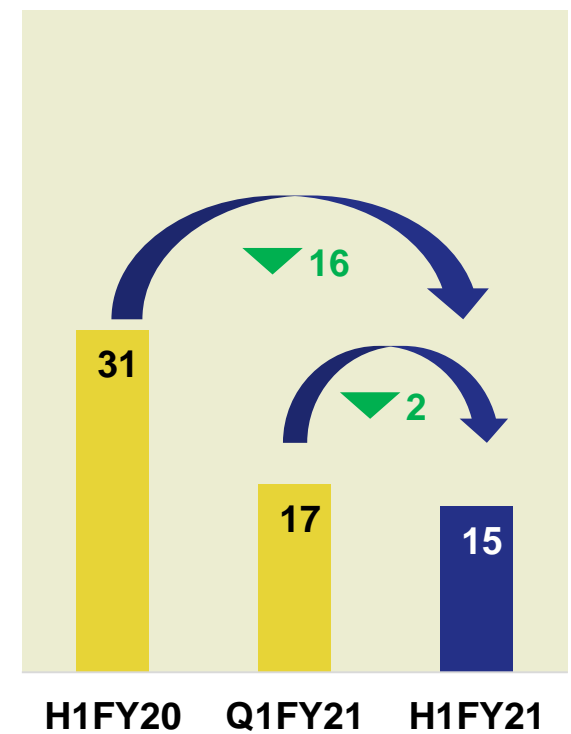
INDIA



OVERSEAS



GLOBAL



H1FY21 Free Cash Flow Statement

₹ in million

Particulars	H1FY20	Q1 FY21	H1FY21
Profit Before Taxation	2,982	1,305	3,717
Non-cash items	976	426	891
Outflow of Finance Cost	1,104	424	595
Changes in Working Capital	5,141	22,058	21,834
Direct Tax Paid	(783)	(288)	(932)
Net Cash Flow from Operations	9,420	23,925	26,105
Capex	(363)	(138)	(257)
Dividend	(1,287)	-	-
Outflow of Finance Cost	(1,039)	(463)	(701)
Free Cashflow	6,731	23,324	25,147

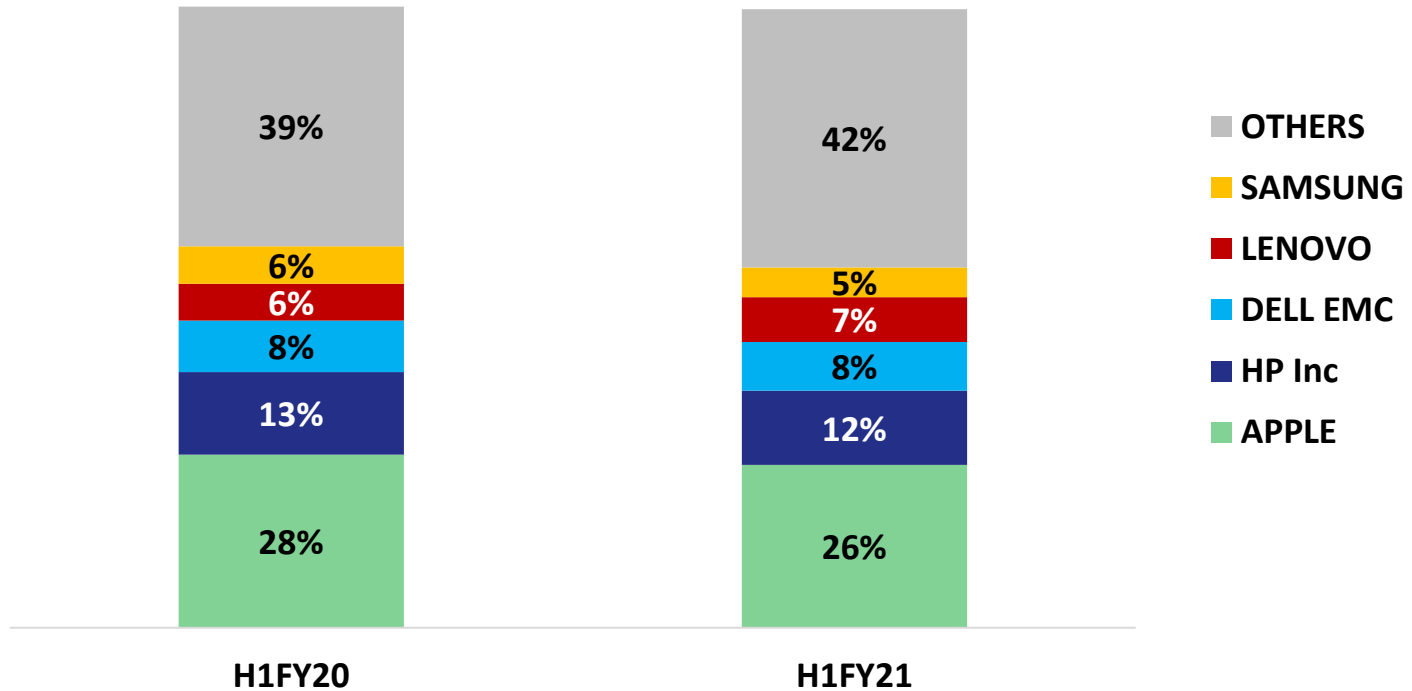
H1FY21 Balance Sheet

₹ in million

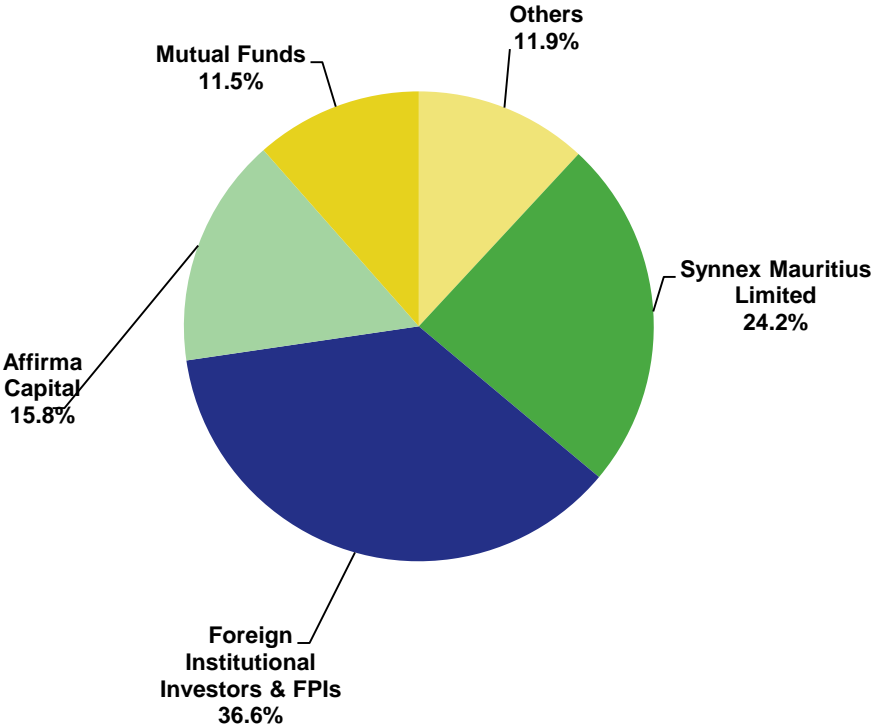
Particulars	30-SEP-19	30-SEP-20
Source:		
Networth	40,542	44,873
Net Debt	4,045	(22,912)
Minority Interest	3,558	3,727
Total	48,145	25,688
Application:		
Fixed Assets	4,558	4,610
Goodwill	218	183
Right to Use Assets	2,936	1,856
Net Assets	40,433	19,039
Total	48,145	25,688

H1FY21 Top 5 Vendors

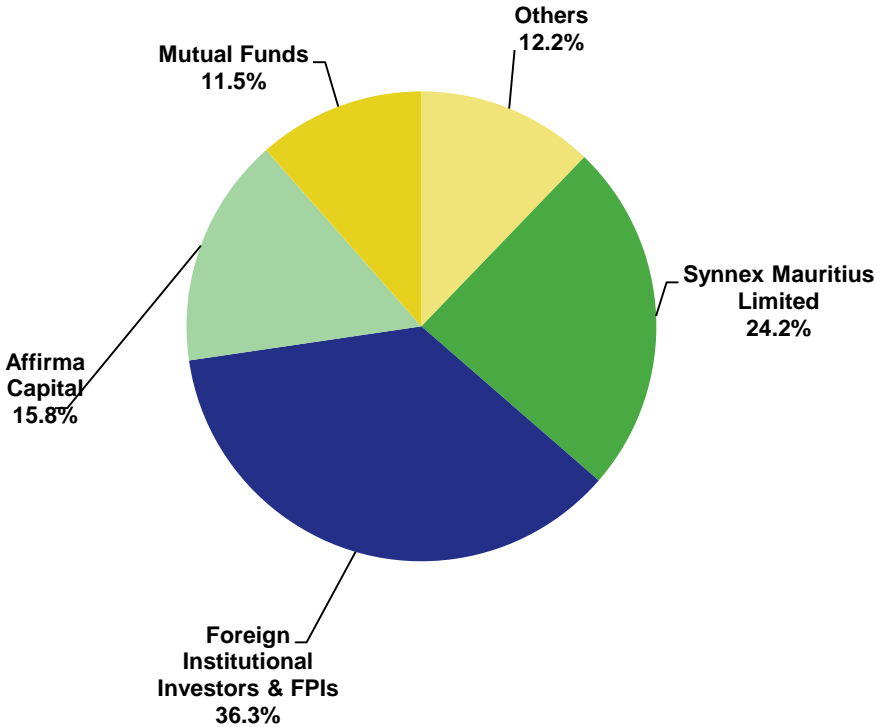
REVENUE



Shareholding Pattern



Jun-2020



Sep-2020



Investor Contacts

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Guindy, Chennai 600 032

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