

Redington (India) Limited

Notes to the Statement of Unaudited Standalone / Consolidated Financial Results for the Quarter Ended June 30, 2021

1. The above financial results have been reviewed by the Audit Committee and approved by the Board of Directors of Redington (India) Limited (“the Company”) at their respective meetings held on August 11, 2021, and August 12, 2021.
2. The above financial results comprise the unaudited results of the Company and its subsidiaries (collectively referred to as ‘the Group’) and the Group’s interest in its associates.
3. A limited review of the unaudited standalone and consolidated financial results of the Company has been carried out by the statutory auditors. A similar review of the financial results of the Subsidiaries / Associate has been conducted by the respective statutory auditors, as applicable.
4. a. The above financial results have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 “Interim Financial Reporting” (“Ind AS 34”), prescribed under Section 133 of the Companies Act, 2013 and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”).

b. The figures for the quarter ended March 31, 2021, as reported in these financial results are the balancing figures between the audited figures in respect of the full previous financial year ended March 31, 2021, and the published unaudited year to date figures up to the end of the third quarter ended December 31, 2020.
5. The Group is engaged primarily in the business of Distribution of Information Technology & Mobility products besides supply chain solutions and after sales service. As per Ind AS 108 “Operating Segments”, the disclosure of reportable segments, “India” and “Overseas” have been made in a manner consistent with internal reporting made to the Managing Director who is the Chief Operating Decision Maker for the Group.
6. Impact of COVID-19

The Group/Company has considered the possible effects of known events arising from COVID-19 pandemic in the preparation of the financial results including but not limited to its assessment of Group/Company’s liquidity and going concern, recoverable values of its financial and non-financial assets. The Group/Company will continue to monitor any material changes to future economic conditions and consequential impact on its financial results.

7. During the quarter,
 - a. The Board of Directors of the Company at its meeting held on April 1, 2021, approved the elevation of Mr. Raj Shankar to the position of "Vice Chairman and Managing Director" with immediate effect. Also, the Board appointed Mr. Rajiv Srivastava as an Additional Director on the Board and as Joint Managing Director of the Company effective April 2, 2021. Appointment of Mr. Rajiv Srivastava has been subsequently ratified in the Annual General Meeting held on August 11, 2021.

- b.** The SAR Share Allotment Committee of Directors of the Company has considered and approved allotment of 50,095 equity shares and 10,72,400 equity shares of ₹ 2/- each on May 8, 2021, and June 21, 2021, respectively, pursuant to exercise of Stock Appreciation Rights granted under Redington Stock Appreciation Rights Scheme, 2017.
- c.** The Board of Directors of Arena Bilgisayar Sinayi Ve Ticaret A.S. (Arena), step-down subsidiary of Redington International Mauritius Limited has authorised its Chief Executive Officer, Mr. Serkan Çelik, to approach Brightstar Telekomünikasyon Dağıtım Ltd. Şti. (Brightstar Turkey) and commence preliminary discussions regarding the potential acquisition of upto 100% of Brightstar Turkey from Brightstar Corp. and its affiliates.

Currently, Brightstar Turkey's operations primarily consist of value-added distribution of leading brands of smartphones, devices, consumer electronics and accessories to telecom operator(s). Arena believes that the potential acquisition of Brightstar Turkey could deliver significant strategic value to Arena.

- d.** The Board of Directors at its meeting held on May 27, 2021, had recommended a dividend of ₹ 11.60/- per equity share of ₹ 2/- each (i.e., 580% of face value) for the financial year ended March 31, 2021. The same was approved by the shareholders in the Annual General Meeting held on August 11, 2021.
- e.** Redington Gulf FZE ('RGF'), a wholly owned subsidiary of Redington International Mauritius Limited ('RIML'), has acquired the balance 51% shareholding stake without any purchase consideration in its step-down subsidiaries namely Redington Saudi Arabia Distribution Company, Redington Middle East LLC, Proconnect Supply Chain Logistics LLC, and Cadensworth United Arab Emirates LLC ("Subsidiaries").

Earlier, these 51% shares were held by Individuals due to regulatory requirements and RGF was 100% beneficial owner. The recent amendment to the local regulations in the jurisdictions where the subsidiaries operate allow 100% ownership to be held by a single shareholder. Pursuant to the same and after obtaining necessary approvals, RGF, has entered into Share Transfer Agreements for transfer of 51% shareholding stake in its own name in the Subsidiaries. Pursuant to this transfer, RGF is a sole shareholder holding 100% shareholding in all these entities.

8. Subsequent to this quarter,

- a.** Mr. Udai Dhawan (DIN: 03048040), Non-executive Nominee Director of the Company, has resigned with effect from close of business hours on July 5, 2021, due to other professional commitments.
- b.** Ensure IT Services (Pty) Ltd., South Africa, a wholly owned subsidiary of Redington Gulf FZE (RGF), has changed its name after the approval of the appropriate authorities to "Redington South Africa (Pty) Ltd" with effect from July 28, 2021.
- c.** The shareholders of the Company approved the following recommendations of the Board of Directors, in the Annual General Meeting (AGM) held on August 11, 2021:
 - i)** Increase the Authorized Share Capital of the Company from ₹ 85 crores (divided into 42.50 crores equity shares of ₹ 2/- each) to ₹ 170 crores (divided into 85 crores equity shares of ₹ 2/- each).

- ii) Amendment to Memorandum of Association of the Company in relation to the above Increase in Authorized Share Capital.
 - iii) Issue of bonus equity shares of ₹ 2/- each credited as fully paid-up equity shares to the holders of the existing equity shares of the Company in the proportion of 1 equity share for every 1 existing equity share held by Members with a record date of August 20, 2021.
 - iv) Authorized the Board/ Compensation Committee to make appropriate adjustments for issue of bonus equity shares as aforesaid, to the stock appreciation rights which have been granted (whether vested or not) to employees under Redington Stock Appreciation Right Scheme 2017, such that the number of stock appreciation rights which are available for granting and those already granted but not exercised as on the record date shall be appropriately adjusted.
- d. The SAR Share Allotment Committee of Directors of the Company has considered and approved allotment of 2,36,713 equity shares of ₹ 2/- each on July 13, 2021, pursuant to exercise of Stock Appreciation Rights granted under Redington Stock Appreciation Rights Scheme, 2017.
- e. The Board of Directors of RGF, a wholly owned subsidiary of Redington International Mauritius Limited (RIML), at its meeting held on August 3, 2021, resolved to liquidate its wholly owned subsidiary Redington Cote d'Ivoire incorporated in Abidjan, Cote d'Ivoire. The operations of this entity will be transferred to RGF. Consequently, this is not likely to have any material impact on the consolidated results.
9. The Standalone and Consolidated financial results of the Company for the Quarter ended June 30, 2021, have been filed with the National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) and are available in Company's website www.redingtongroup.com.

For Redington (India) Limited

**Sd/-
S V Krishnan
Whole-time Director and
Chief Financial Officer**

**Place : Chennai
Date : August 12, 2021**