



REDINGTON (INDIA) LIMITED

Q3FY22 Earnings Presentation

Dec 2021

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

★ “Record quarter in the history of Redington – Highest PAT ever” ★

- **Q3FY22** – On a Global basis, Revenue# degrew by **2%** while EBITDA grew by **22%** and PAT grew by **103%***
 - **India** – Revenue# degrew by **7%**, EBITDA grew by **10%** and PAT grew by **261%***
 - **Overseas** – Revenue# grew by **2%**, EBITDA grew by **30%** and PAT grew by **62%**
- **9MFY22** – On a Global basis, Revenue# grew by **9%**, while EBITDA grew by **38%** and PAT grew by **104%***
 - **India** – Revenue# grew by **18%**, EBITDA grew by **44%** and PAT grew by **186%***
 - **Overseas** – Revenue# grew by **4%**, EBITDA grew by **35%** and PAT grew by **72%**
- **Key Metrics**
 - **Positive FCF** generation of **Rs. 2,961mn** for 9MFY22
 - On a Global basis, **WC days** for Q3FY22 is **12 days** and 9MFY22 is **13 days**
 - On a Global basis, for the quarter, **ROCE** is **93.6%** and **ROE** is **29.7%**
 - **Gross Debt to Equity** is at **0.11x** and **Net Debt to Equity** is at **(0.53x)**

Note: #Q3 Revenues growth as per Gross a/c – India: (3%) ; Overseas: 5% ; Global:2%

Note: #9M Revenues growth as per Gross a/c – India: 20% ; Overseas: 5% ; Global:11%

Note: *Base qtr/Base 9M PAT in India contains one-off VSV tax provision of Rs 890mn (Mainly Gift of shares case)

Financial Highlights

INDIA BUSINESS

- During the quarter,
 - India Distribution – Revenue degrew by **7%**, EBITDA grew by **12%** and PAT grew by **307%***
 - Revenue performance largely led by IT segment
 - **WC days** stood at **8 days** in Q3FY22 as against 11 days in Q3FY21
 - **ROCE** is strong at **103.3%** and **ROE** at **31.2%**

ProConnect India (PCS)

- PCS degrew revenues by **6% YoY** on account of Covid related slowdown and PAT by **41% YoY** on the back of RCS merger impact in the base quarter (excluding the same, PAT would have grown by **4% YoY**)
- PCS registered **EBITDA margin of 9.4%** for the quarter

Note: *Base qtr PAT in India contains one-off VSV tax provision of Rs 890mn (Mainly Gift of shares case)

Financial Highlights

OVERSEAS BUSINESS

- During the quarter,
 - Revenue grew by **2%** but grew strong double digit at EBITDA and PAT level
 - META revenue performance largely led by IT Enterprise segment
 - SSA revenues impacted by degrowth in SSA on account of shift of few biz (at vendor end) to India
 - **WC days** stood at **15 days** in Q3FY22 as against 12 days in Q3FY21
 - **ROCE** is strong at **88.6%** and **ROE** at **28.9%**

Turkey Update

- During the quarter, Arena grew revenues at **2% YoY** but degrew PAT by **13% YoY**, driven by unfavourable tax rate of 39%
- Arena successfully completed the acquisition of Brightstar Turkey for \$26.5mn



Q3FY22 Highlights

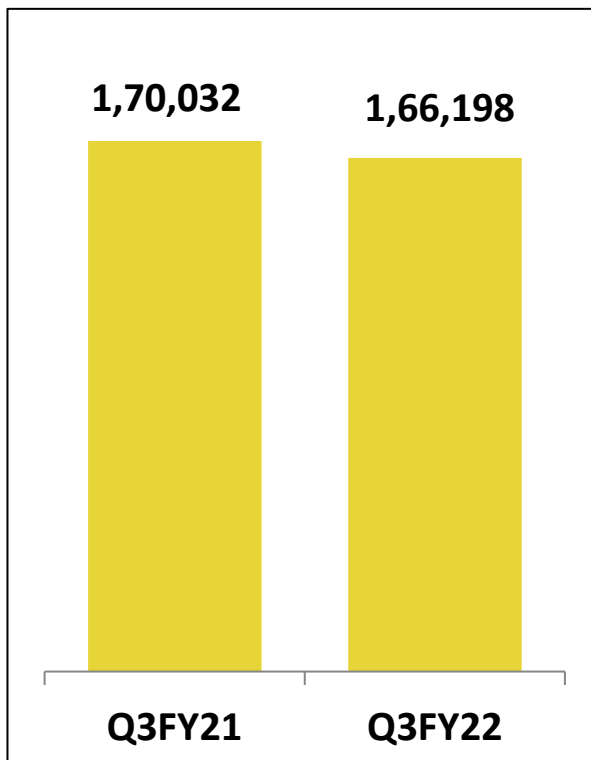


Q3FY22 Redington Global Performance

₹ in mn

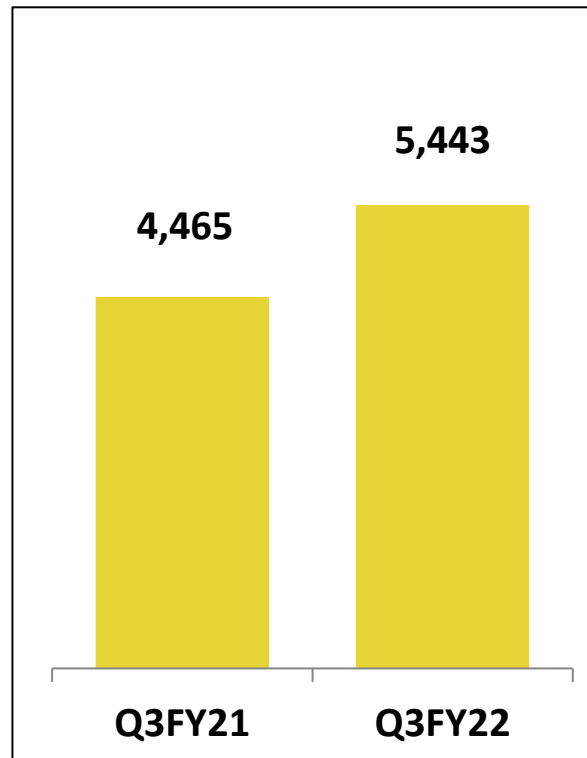
REVENUE#

2%



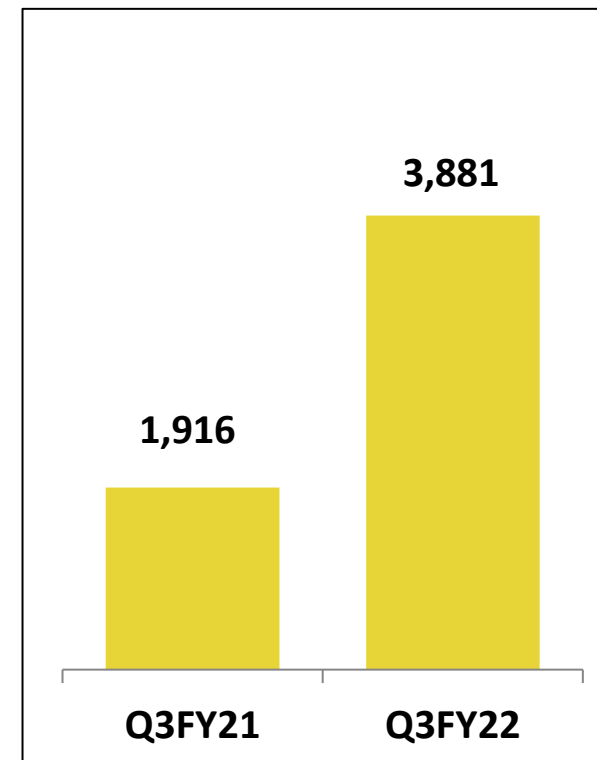
EBITDA

22%



PAT*

103%

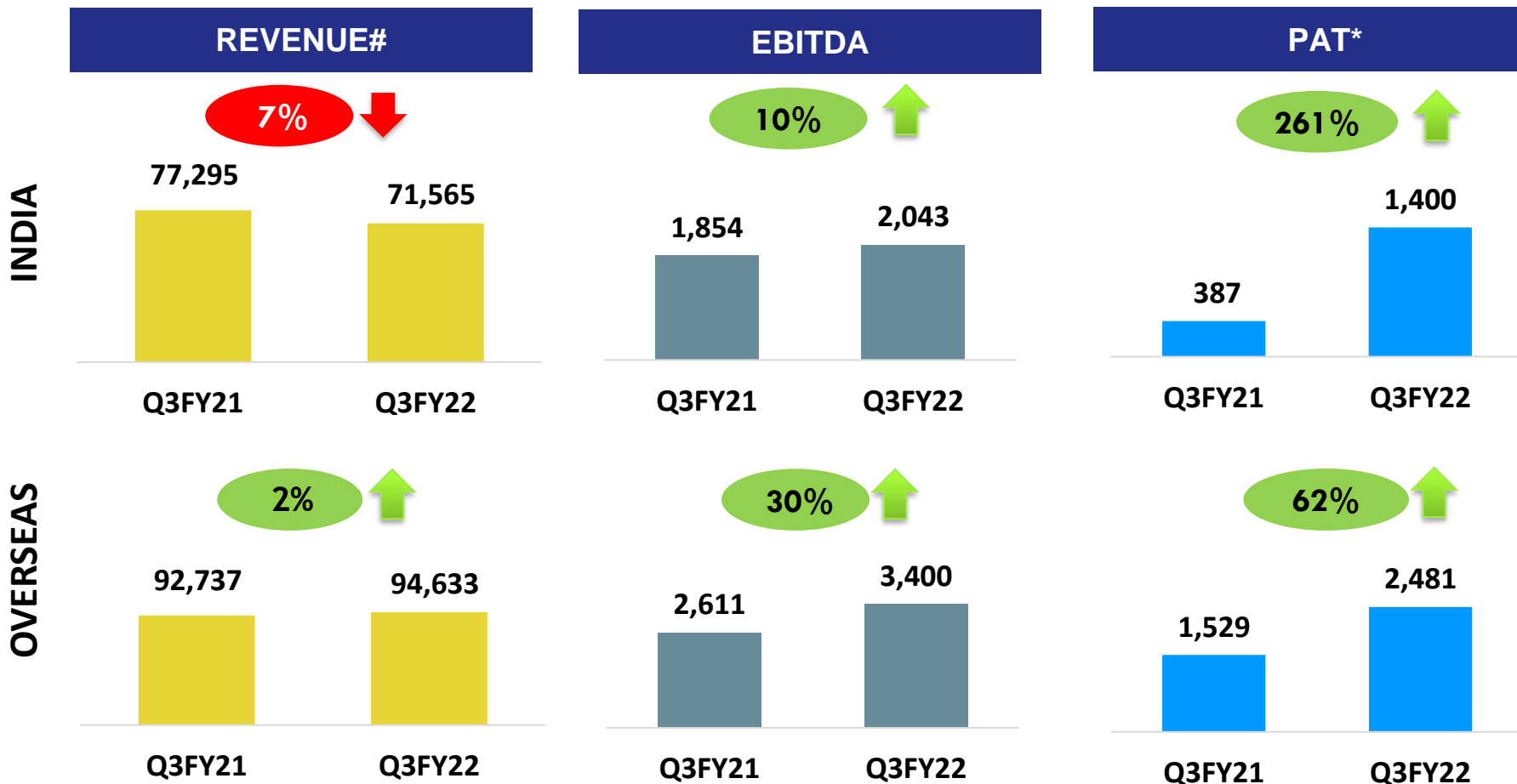


Note: #Q3 Revenues growth as per Gross a/c – Global:2%

Note: *Base qtr PAT contains one-off VSV tax provision of Rs 890mn (Mainly Gift of shares case)

Q3FY22 Performance by Market

₹ in mn

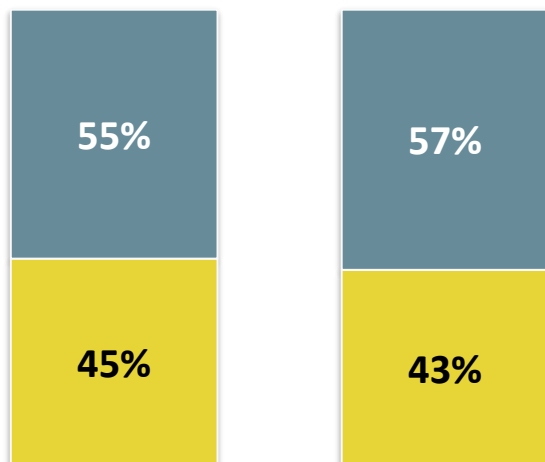


Note: #Q3 Revenues growth as per Gross a/c – India: (3%) ; Overseas: 5%

Note: *Base qtr PAT in India contains one-off VSV tax provision of Rs 890mn (Mainly Gift of shares case)

Q3FY22 Contribution by Market

REVENUE



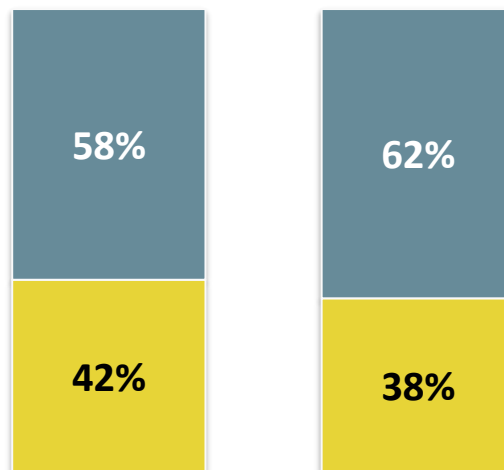
Q3FY21

INDIA

Q3FY22

OVERSEAS

EBITDA



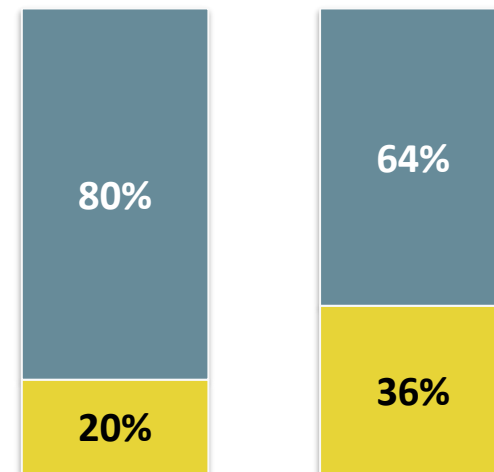
Q3FY21

INDIA

Q3FY22

OVERSEAS

PAT*



Q3FY21

INDIA

Q3FY22

OVERSEAS

Note: *Base qtr PAT in India contains one-off VSV tax provision of Rs 890mn (Mainly Gift of shares case)

Q3FY22 India Performance

₹ in mn

DISTRIBUTION

REVENUE

7%



75,926

70,281

Q3FY21

Q3FY22

EBITDA

12%



1,719

1,922

Q3FY21

Q3FY22

PAT*

307%



336

1,370

Q3FY21

Q3FY22

SERVICES

6%



1,369

1,284

Q3FY21

Q3FY22

10%



135

121

Q3FY21

Q3FY22

41%



51

30

Q3FY21

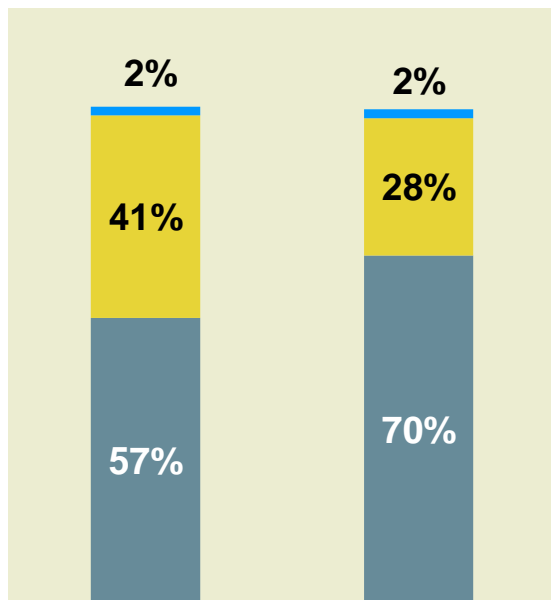
Q3FY22

Note: Services represents ProConnect India

Note: *Base qtr PAT in Distribution contains one-off VSV tax provision of Rs 890mn (Mainly Gift of shares case)

Q3FY22 Revenue Performance by Verticals

INDIA

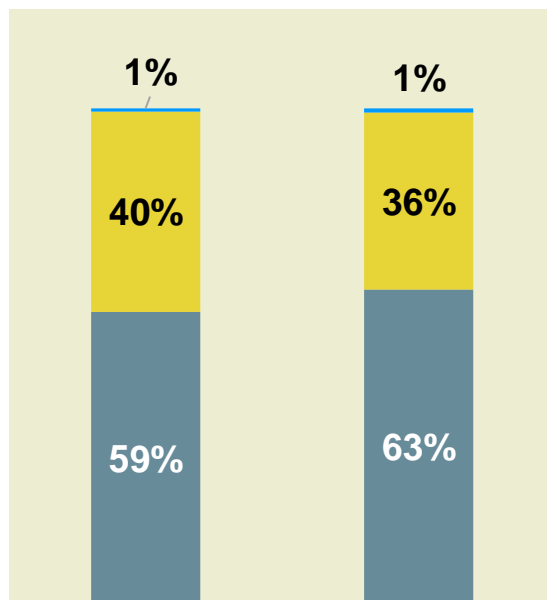


Q3FY21

Q3FY22

■ IT ■ Mobility ■ Services

OVERSEAS

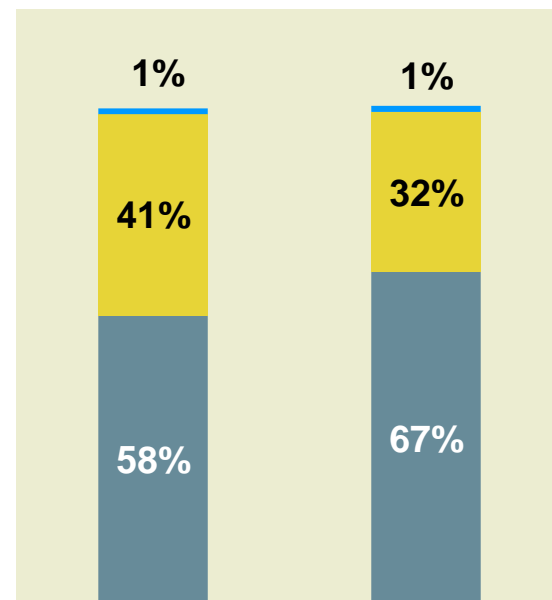


Q3FY21

Q3FY22

■ IT ■ Mobility ■ Services

GLOBAL



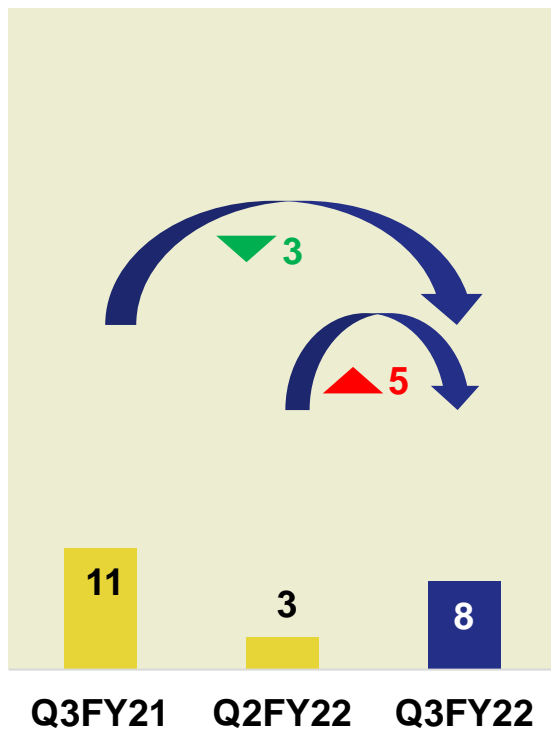
Q3FY21

Q3FY22

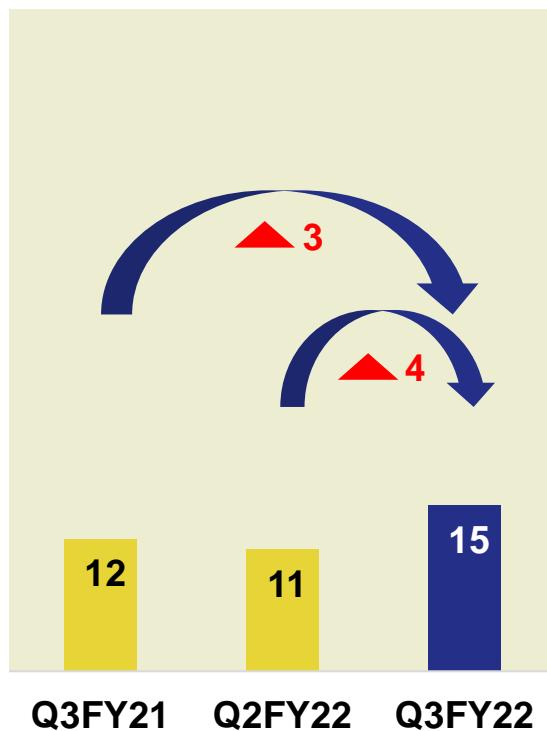
■ IT ■ Mobility ■ Services

Q3FY22 Working Capital Days

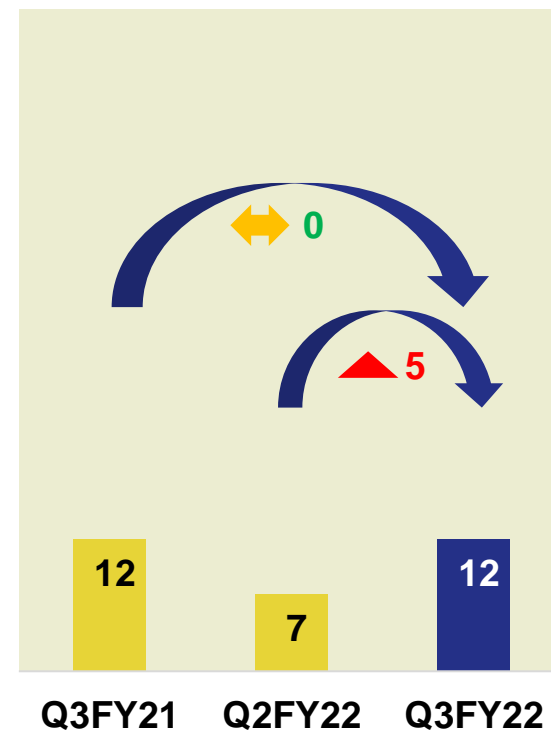
INDIA



OVERSEAS



GLOBAL



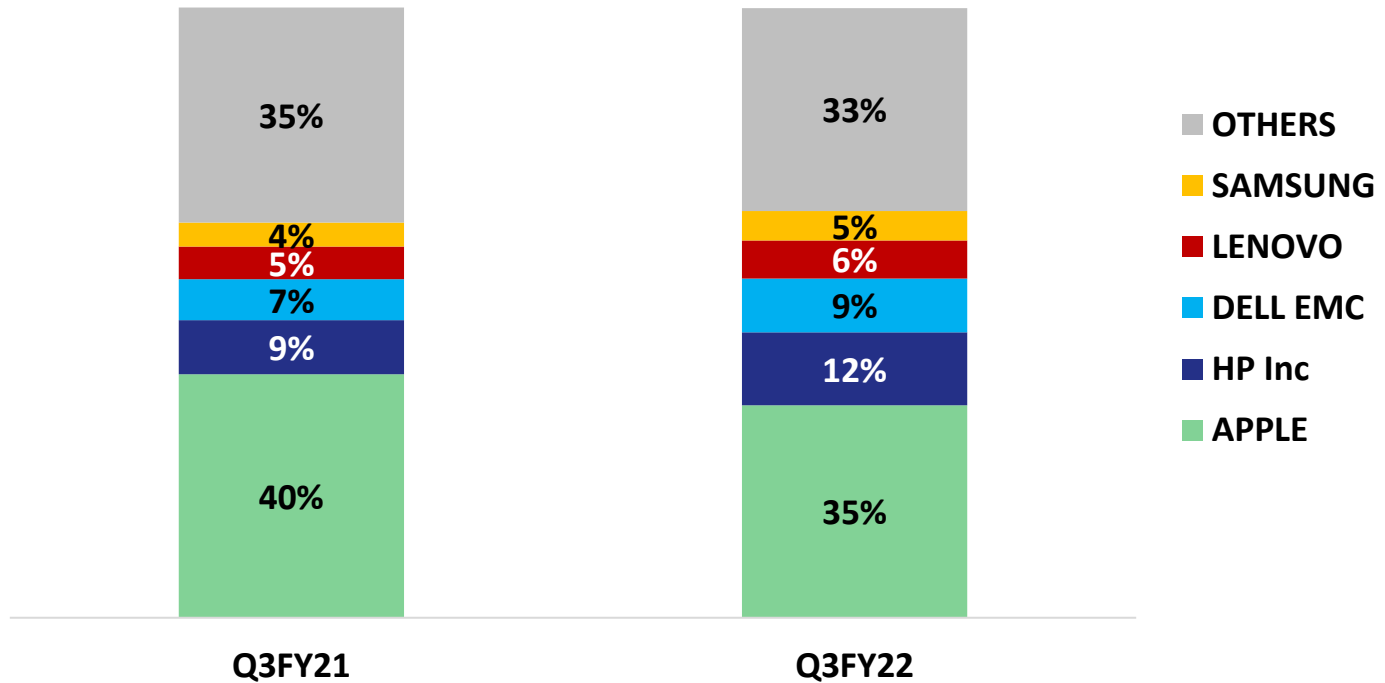
Q3FY22 Free Cash Flow Statement

₹ in mn

Particulars	Q3FY21	Q2FY22	Q3FY22
Profit Before Taxation	3,716	3,908	4,867
Non-cash items	573	372	594
Outflow of Finance Cost	173	217	128
Changes in Working Capital	(1,299)	12,563	(9,359)
Direct Tax Paid	(437)	(857)	(479)
Net Cash Flow from Operations	2,726	16,203	(4,249)
Capex	(100)	(916)	(143)
Dividend	-	(4,531)	-
Outflow of Finance Cost	(160)	(173)	(62)
Free Cashflow	2,466	10,583	(4,454)

Q3FY22 Top 5 Vendors

REVENUE





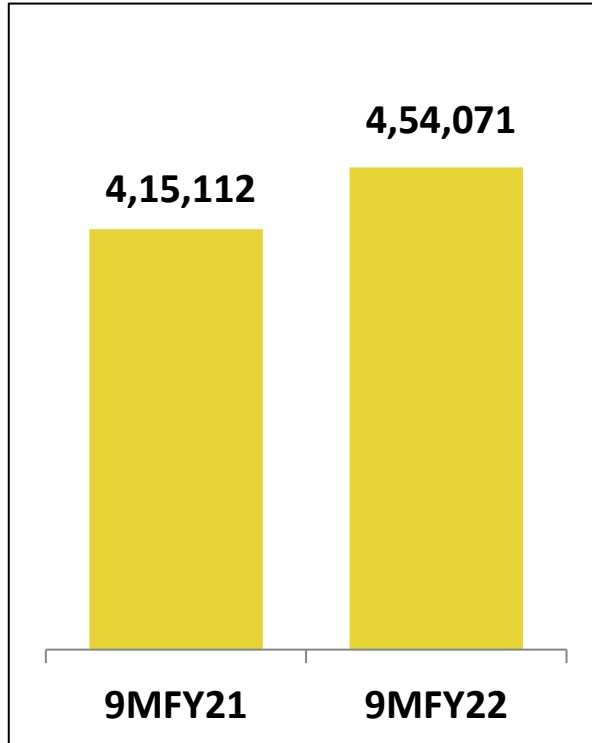
9MFY22 Performance

9MFY22 Redington Global Performance

₹ in million

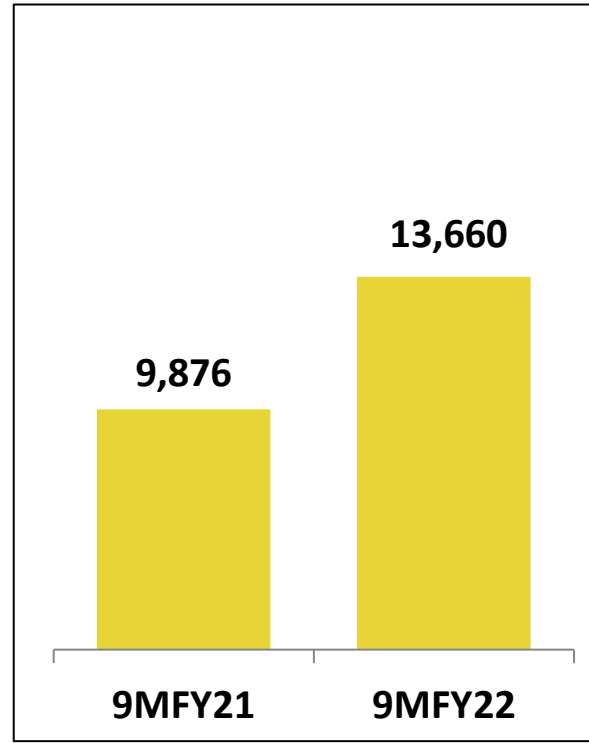
REVENUE#

9% ▲



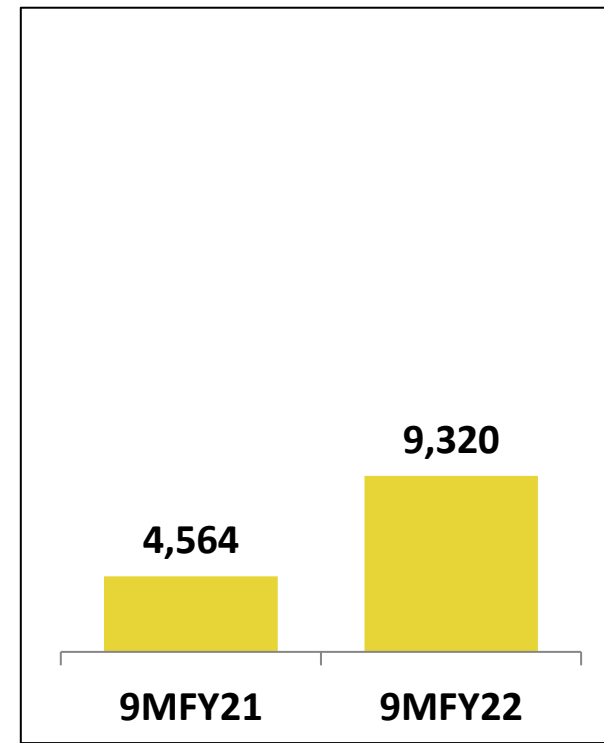
EBITDA

38% ▲



PAT*

104% ▲



Note: #9M Revenues growth as per Gross a/c – Global:11%

Note: *Base 9M PAT contains one-off VSV tax provision of Rs 890mn (Mainly Gift of shares case)

9MFY22 Performance by Market

₹ in mn

REVENUE#

EBITDA

PAT*

18%

44%

186%

INDIA

1,64,564

1,94,416

3,815

5,500

1,285

3,677

9MFY21

9MFY22

9MFY21

9MFY22

9MFY21

9MFY22

OVERSEAS

4%

35%

72%

2,50,548

2,59,655

6,061

8,160

3,279

5,643

9MFY21

9MFY22

9MFY21

9MFY22

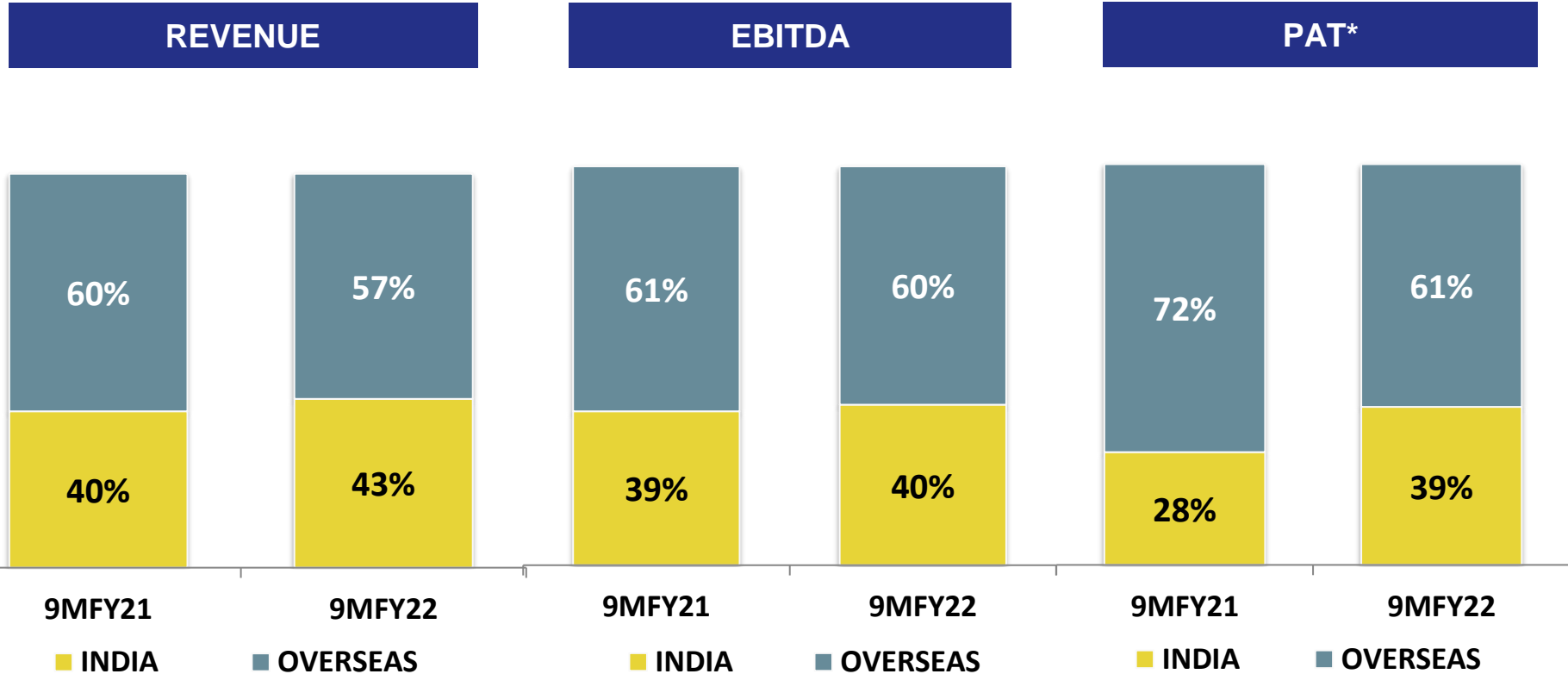
9MFY21

9MFY22

Note: #9M Revenues growth as per Gross a/c – India: 20% ; Overseas: 5%

Note: *Base 9M PAT in India contains one-off VSV tax provision of Rs 890mn (Mainly Gift of shares case)

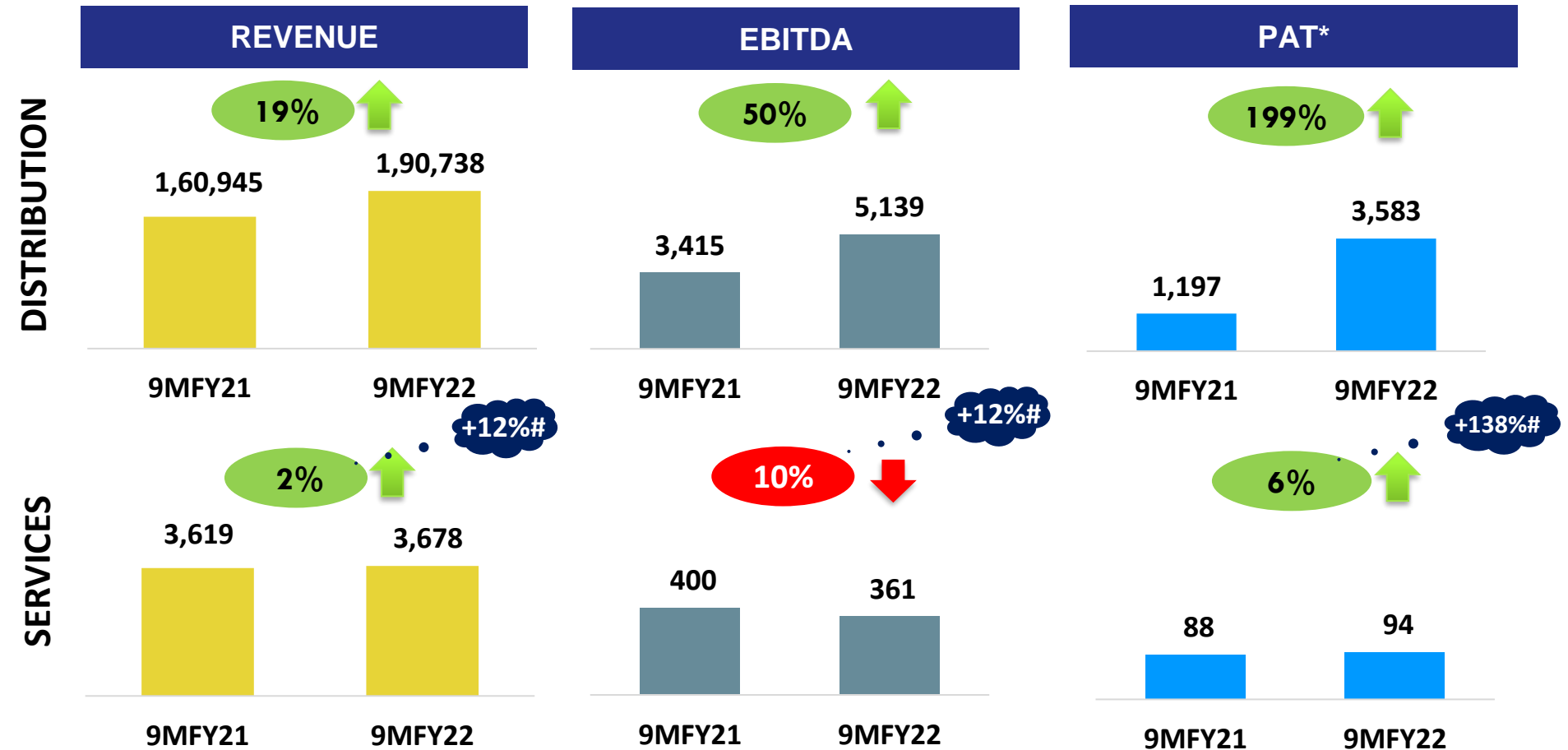
9MFY22 Contribution by Market



Note: *Base 9M PAT in India contains one-off VSV tax provision of Rs 890mn (Mainly Gift of shares case)

9MFY22 India Performance

₹ in mn

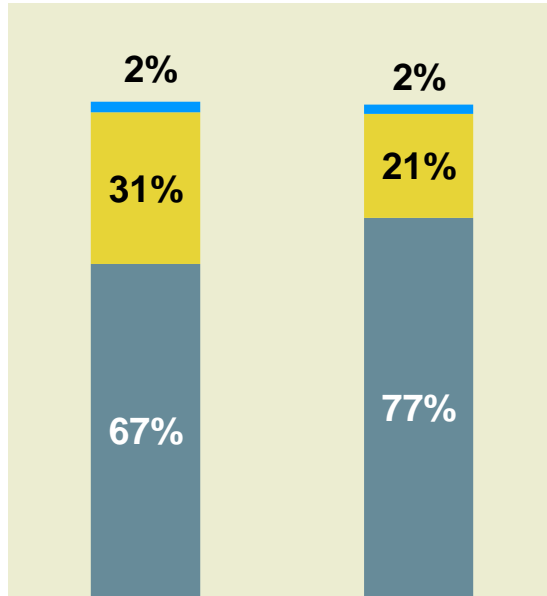


Note: #Services excluding Ensure (divested in Jul'21)

Note: *Base 9M PAT in Distribution contains one-off VSV tax provision of Rs 890mn (Mainly Gift of shares case)

9MFY22 Revenue Performance by Verticals

INDIA

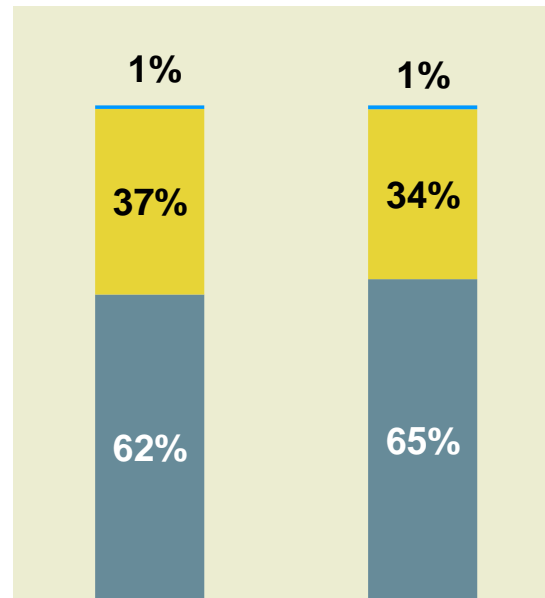


9MFY21

9MFY22

■ IT ■ Mobility ■ Services

OVERSEAS

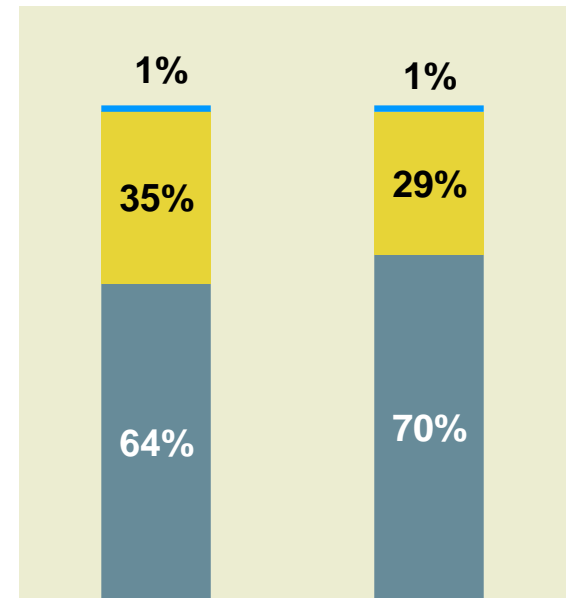


9MFY21

9MFY22

■ IT ■ Mobility ■ Services

GLOBAL



9MFY21

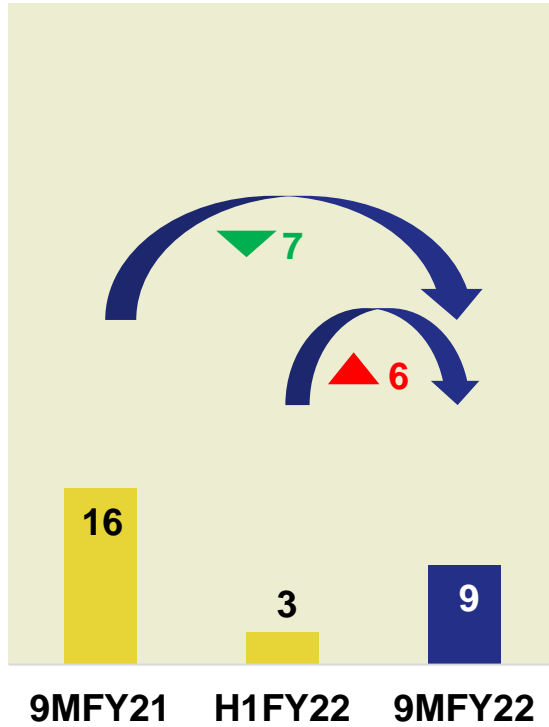
9MFY22

■ IT ■ Mobility ■ Services

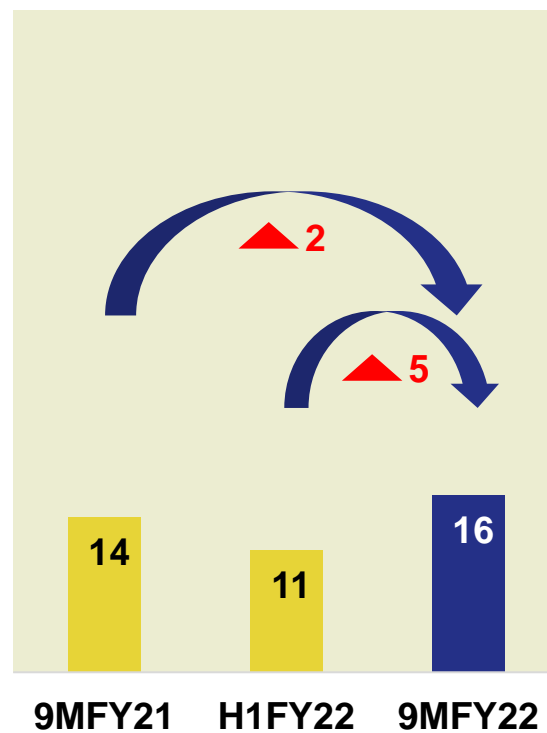
Note: Services includes Ensure India figures in Q1FY21

9MFY22 Working Capital Days

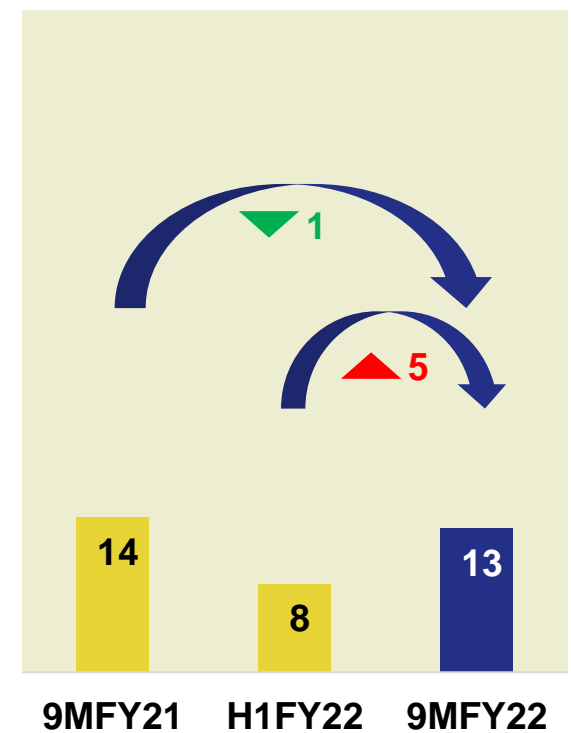
INDIA



OVERSEAS



GLOBAL



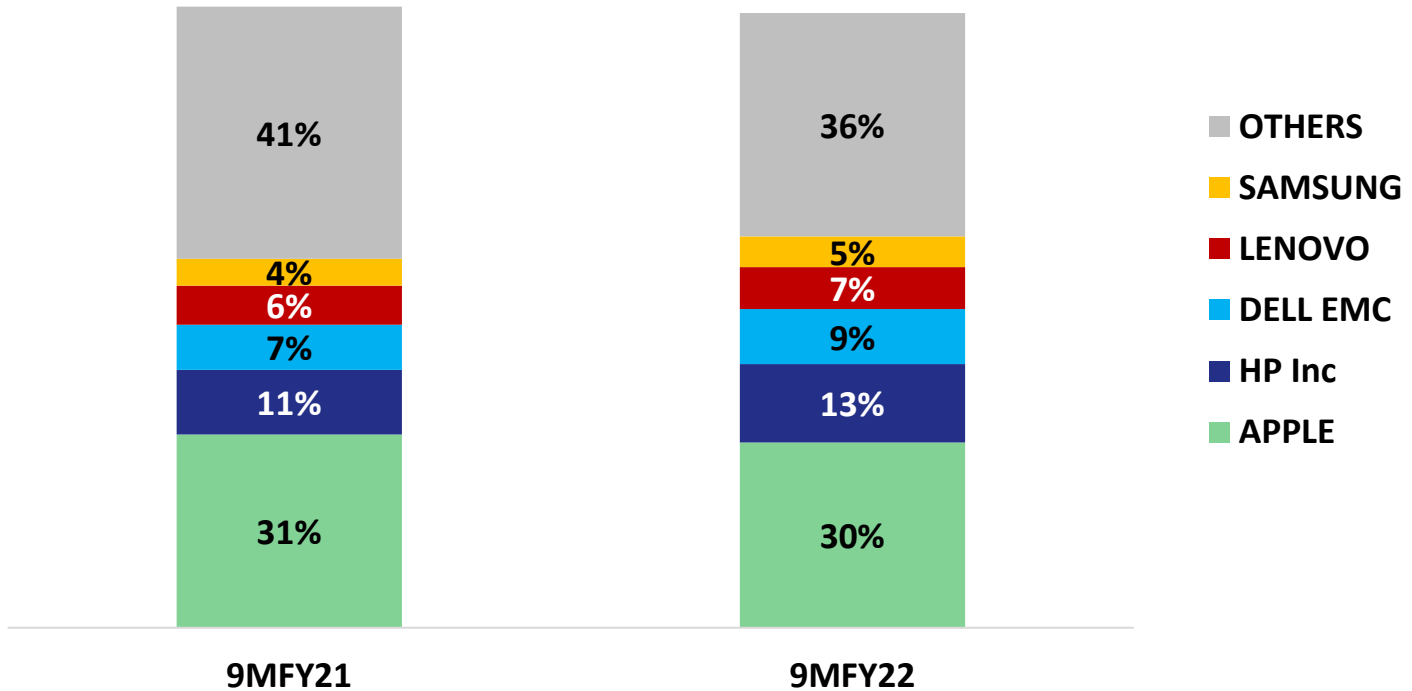
9MFY22 Free Cash Flow Statement

₹ in mn

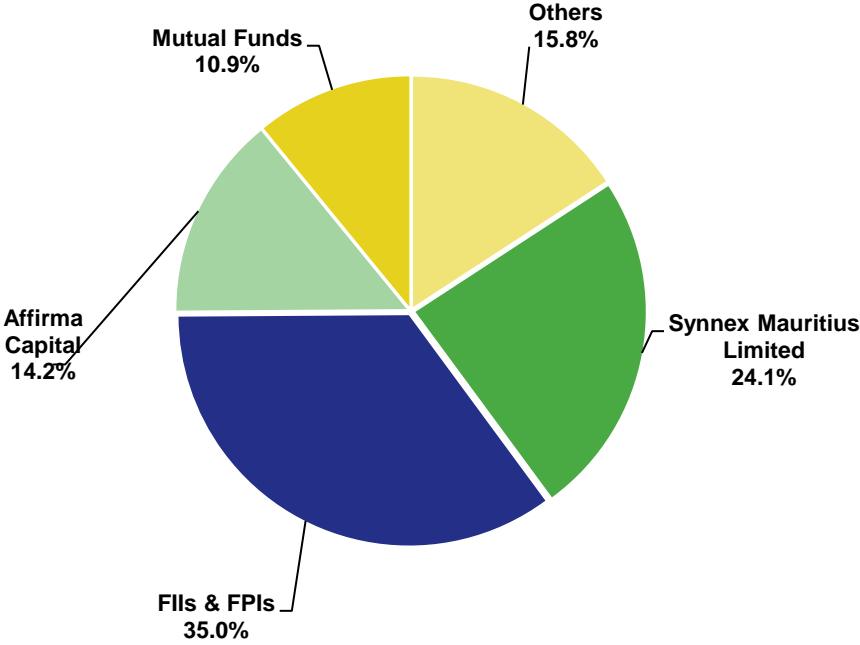
Particulars	9MFY21	H1FY22	9MFY22
Profit Before Taxation	7,433	6,921	11,788
Non-cash items	1,463	883	1,476
Outflow of Finance Cost	768	400	528
Changes in Working Capital	20,535	6,662	(2,696)
Direct Tax Paid	(1,369)	(1,524)	(2,003)
Net Cash Flow from Operations	28,831	13,342	9,093
Capex	(356)	(1,006)	(1,149)
Dividend	-	(4,605)	(4,605)
Outflow of Finance Cost	(864)	(316)	(378)
Free Cashflow	27,611	7,415	2,961

9MFY22 Top 5 Vendors

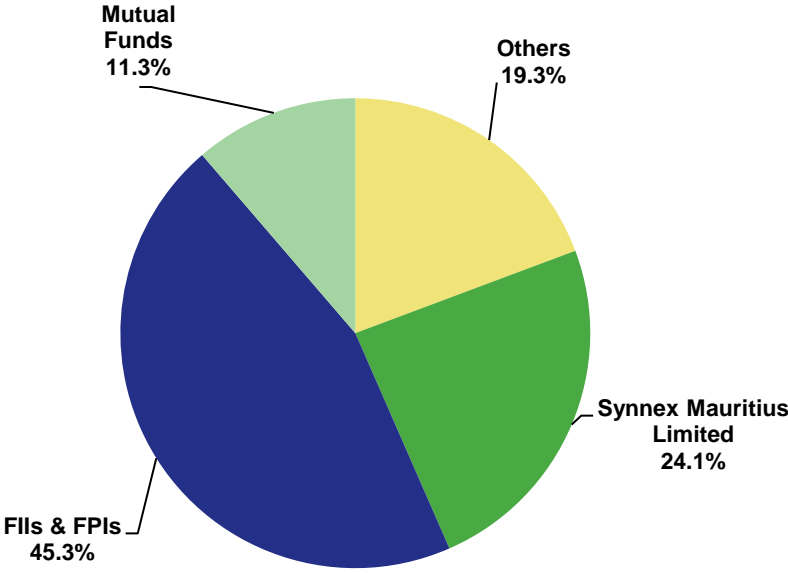
REVENUE



Shareholding Pattern



Sep-2021



Dec-2021



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