

Redington Limited (formerly Redington (India) Limited)**Notes to the Statement of Unaudited Standalone / Consolidated Financial Results for the Quarter / Nine Months ended December 31, 2022**

1. The above financial results have been reviewed by the Audit Committee on January 31, 2023 and approved by the Board of Directors of Redington Limited (the "Company") at their meeting held on February 1, 2023.
2. The above financial results comprise the Unaudited financial results of the Company and its subsidiaries (collectively referred to as the 'Group') and the Group's interest in its associate.
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 and Regulation 52 read with Regulation 63(2) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").
b. The figures of the previous periods have been regrouped / reclassified, wherever necessary, to conform to current period's classification.
c. The Ind AS financial results of the Group for the Quarter and Nine Months ended December 31, 2021, and year ended March 31, 2022, were reviewed / audited by M/s BSR & Co LLP Chartered Accountants, the predecessor auditor who have expressed an unmodified review conclusion/ opinion.
5. Disclosure of reportable segments have been made in a manner consistent with internal reporting to the Managing Director who is the Chief Operating Decision Maker ("CODM") for the Group, in line with provisions of Ind AS 108, *Operating Segment*. During the quarter ended June 30, 2022, the Company had revised the reporting segments as "SISA" (Singapore, India & South Asia) and "ROW" (Rest of the World) (previously reported as "India" and "Overseas"), in line with the revised internal reporting. Accordingly, the previous period figures have been restated to conform to the revised segment presentation.
6. During the quarter ended December 31, 2022:
 - a) The name of the step-down subsidiary Brightstar Telekomünikasyon Dağıtım Ltd. Şti. (Brightstar) has been changed to Arena connect Teknoloji Sanayi Ve Ticaret A.S.
 - b) The name of the step-down subsidiary MPX İletişim ve Servis Limited Şirketi has been changed to Arena Connect İletişim Ve Servis Limited Şirketi.
 - c) The Company incorporated a stepdown subsidiary Proconnect Holding Limited in Dubai on October 12, 2022 (a wholly owned subsidiary of Proconnect Supply Chain Services Limited). The entity is yet to commence operations.
 - d) The Company incorporated a stepdown subsidiary Redington Gulf Arabia for Information Technology on November 28, 2022. The entity is yet to commence operations.
 - e) The SAR shares allotment committee of the Board of Directors of the Company have approved and allotted 10,136 and 64,578 Equity shares of ₹2 each on October 7, 2022, and December 21, 2022 respectively pursuant to the exercise of stock appreciation shares granted under Redington Stock Appreciation Rights Scheme 2017.



7. Subsequent to the quarter:

- a) The Company has invested ₹2.50 Cr (25,00,000 Equity shares of ₹10 each in Redserv Global Solutions Limited ("RGSL"), a wholly owned subsidiary of the Company.
 - b) RGSL has acquired the India Branch operations of Redington Gulf FZE, a wholly owned step-down subsidiary of the Company.
 - c) The Board of Directors at its meeting held on February 1, 2023, considered, and approved the 'Redington Limited – Share Based Employee Benefit Scheme, 2023 for grant of Restricted Stock Units (RSU) to eligible employees of the Group, subject to shareholders' approval.
8. During the current year, the three-year cumulative consumer price index in Turkey exceeded 100%. Consequently, the provisions of Ind AS 29, "Financial Reporting in Hyperinflationary Economies", has been applied with effect from April 1, 2022, in respect of step-down subsidiaries having "Turkish Lira" as functional currency. The impact on the consolidated financial results is not significant.

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9. The Company has listed its commercial papers in the bourses of BSE and pursuant to such listing, below are the details computed based on standalone financial information of Redington Limited pursuant to Regulation 52(4) of the Listing Regulations:

Particulars	Quarter ended December 31, 2022 (Unaudited)	Quarter ended September 30, 2022 (Unaudited)	Quarter ended December 31, 2021 (Unaudited)	Nine months ended December 31, 2022 (Unaudited)	Nine months ended December 31, 2021 (Unaudited)	Year ended March 31, 2022 (Audited)
Debt service coverage ratio (no. of times) [refer note (a)]	8.48	21.17	174.76	16.49	83.97	91.57
Interest service coverage ratio (no. of times) [refer note (b)]*	8.54	21.88	(44.79)	16.82	(327.53)	(475.00)
Debt equity ratio** (no. of times) [refer note (c)]	0.74	0.08	(0.52)	0.74	(0.52)	(0.47)
Net worth [refer note (d)] (₹ in crores)	2,981.63	2,839.49	2,424.14	2,981.63	2,424.14	2,548.82
Outstanding redeemable preference shares	-	-	-	-	-	-
Capital redemption reserve/debenture redemption reserves (₹ in crores)	-	-	-	-	-	-
Earnings per share (EPS)						
(a) Basic EPS (₹)	1.81	8.39	1.76	12.12	10.40	11.98
(b) Diluted EPS (₹)	1.81	8.39	1.76	12.11	10.39	11.97
Net profit after tax (₹ in crores)	141.38	655.74	137.45	946.97	811.61	935.07
PAT excluding dividend income (₹ in crores)	141.38	163.81	137.45	455.04	359.33	482.79
Current ratio (no. of times) [refer note (e)]	1.28	1.31	1.32	1.28	1.32	1.29
Current liability ratio (no. of times) [refer note (f)]	0.99	0.99	0.99	0.99	0.99	0.99
Long term debt to working capital (no. of times) [refer note (g)]	-	-	-	-	-	-
Bad debts to Accounts receivable ratio (no. of times) [refer note (h)]	^	^	0.01	^	0.01	0.01
Total debts to Total assets ratio (no. of times) [refer note (i)]	0.19	0.04	^	0.19	^	^
Debtors turnover (no. of times) [refer note (j)]	7.94	7.96	8.89	7.30	8.27	8.10
Inventory turnover (no. of times) [refer note (k)]	14.49	13.62	20.80	13.67	20.01	17.78
Operating margin (%) [refer note (l)]	2.23%	2.68%	2.64%	2.54%	2.56%	2.44%
Net Profit margin (%) [refer note (m)]	1.50%	1.91%	1.94%	1.78%	1.87%	1.79%

^ Represents value less than 0.01.



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Formulae for calculation of ratios are as follows:

- (a) Debt service coverage ratio = (Profit/(loss) before tax – Dividend income + Interest expenses) / (Interest expenses + Repayment of Long-term loans during the year)
For the purpose of calculation, loans having original maturity of more than 360 days are considered as Long-term loans.
 - (b) Interest service coverage ratio* = (Profit/(loss) from ordinary activities before tax – Dividend income + Interest expenses – Interest income earned on surplus funds) / (Interest expenses – Interest income earned on surplus funds).
 - (c) Debt equity ratio** = (Total debt – Cash and cash equivalents – Short term investments) / (Total equity – Investments in subsidiaries)
 - (d) Net worth = Equity share capital + Other equity
 - (e) Current ratio = Current assets / Current liabilities
 - (f) Current liabilities ratio = Current liabilities / Total liabilities
 - (g) Long term debt to Working capital = Long term borrowings (including current portion of long-term borrowings) / Working capital
Working capital = Current assets (excluding Assets classified as held for sale) - Current liabilities (excluding current maturities of long term debt, interest accrued on borrowings).
 - (h) Bad debts to Accounts receivable ratio = Bad debts / Trade receivables
 - (i) Total debts to Total assets ratio = (Non-current borrowings + Current borrowings) / Total assets
 - (j) Debtors turnover ratio (number of times) (annualized) = Revenue from operations / Average Trade receivables
 - (k) Inventory turnover ratio (number of times) (annualized) = (Purchases of traded goods + Changes in inventories of traded goods) / Average Inventories
 - (l) Operating margin (%) = (Profit before tax + Finance costs – Dividend income) / Revenue from operations
 - (m) Net profit margin (%) = Net profit after tax excluding dividend income / Revenue from operations
- * Since interest income has been obtained from surplus funds, the same has been adjusted with interest expense for interest service coverage ratio computation.
** Debt equity ratio negative means excess Cash and cash equivalents over Total debt.

10. The Standalone and Consolidated financial results of the Company for the Quarter / Nine months Ended December 31, 2022, 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 Limited



S V Krishnan
Whole-time Director and
Global Chief Financial Officer

Place : Chennai
Date : February 1, 2023

