



REDINGTON (INDIA) LIMITED

Q3FY20 Earnings Presentation

December 2019

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

- **Q3FY20** – On a consolidated basis, Revenue grew by **17%**, EBITDA grew by **8%** and PAT grew by **7%**
 - India – Revenue grew by 21%, EBITDA degrew by 13% and PAT degrew by 28%
 - Overseas – Revenue grew by 15%, EBITDA grew by 24% and PAT grew by 27%
 - **Consol (Ex-ProConnect) – Revenue grew by 17%, EBITDA grew by 20% and PAT grew by 35%**
- **9MFY20** – On a consolidated basis, Revenue grew by **14%**, EBITDA grew by **20%** and PAT grew by **17%**
 - India – Revenue grew by 17%, EBITDA grew by 20% and PAT grew by 6%
 - Overseas – Revenue grew by 13%, EBITDA grew by 21% and PAT grew by 23%
 - **Consol (Ex-ProConnect) – Revenue grew by 14%, EBITDA grew by 24% and PAT grew by 31%**
- On a consolidated basis, **WC days** for Q3FY20 is **34 days** and 9MFY20 is **38 days**
- Improvement in **ROCE** on consolidated basis to **17.5%** in Q3FY20 and **15.3%** in 9MFY20

Financial Highlights

India (Ex-ProConnect) business

- During the quarter, India (Ex-ProConnect) business grew Revenues by 21%, EBITDA by 15% and PAT by 52%, led by Mobility biz
- Working capital has been reduced to 39 days in Q3FY20 vs 61 days in Q3FY19
- Savings in interest cost driven by better working capital management and decrease in interest rates led to improved PAT performance

ProConnect business

- During the quarter, ProConnect registered revenue growth of 2% YoY and registered loss at EBITDA and PAT level
- Impact on EBITDA is on account of :
 - Slowdown in Logistics industry
 - Decline in Margins on account of price erosion across all lines of business
 - Provision of Rs.20.3 crs on Advances/Loan on behalf of subsidiary company

Financial Highlights

Overseas business

- During the quarter,
 - Overseas business continues strong performance registering double digit growth in Revenue, EBITDA and PAT, driven by both Mobility & IT segment
 - Overseas business continues to maintain working capital at 30 days
 - Despite incurring expenses to the tune of \$5.2 million on account of adhoc demand on certain products by the tax authorities in Saudi Arabia, Overseas business has registered strong performance
 - Arena (Turkey) grew revenues at 56% YoY and PBT growth at 385% YoY. As against tax credit in Q3FY19, there was tax levy in Q3FY20 and hence, PAT degrew by 7%



Q3FY20 Highlights

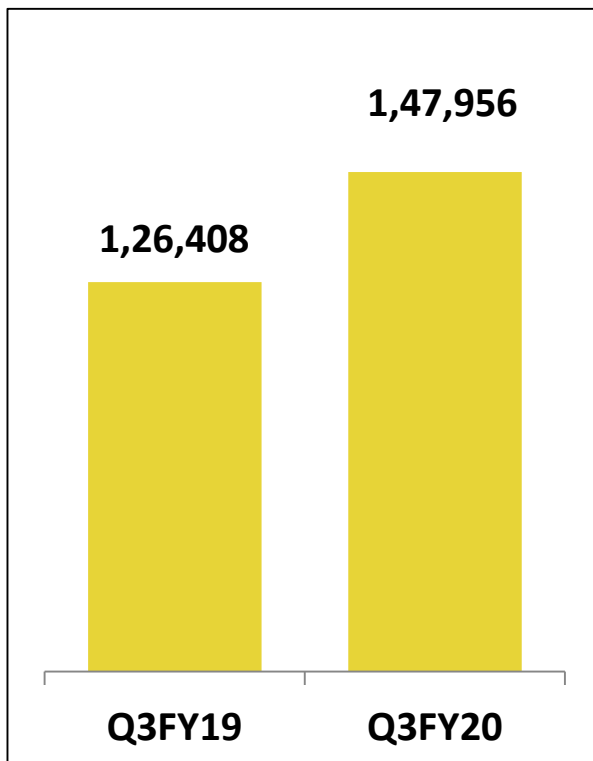


Q3FY20- Consolidated Financials

₹ in million

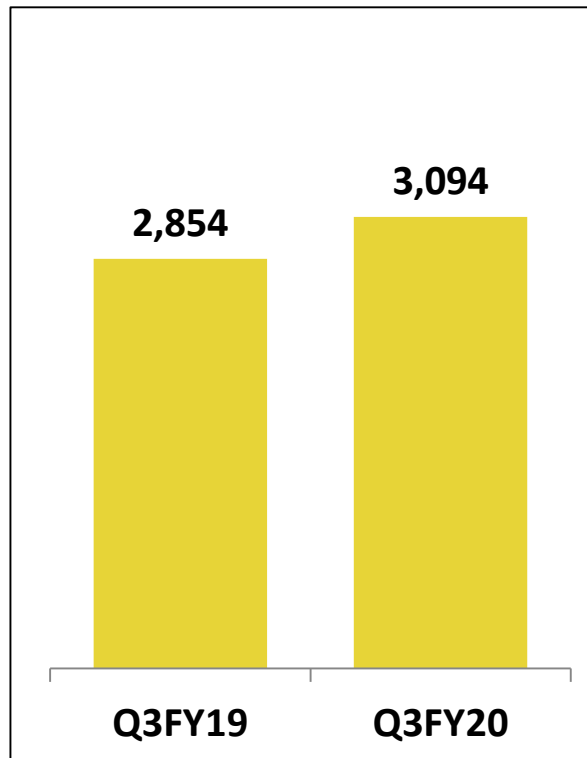
REVENUE

17% ▲ 17*% ▲



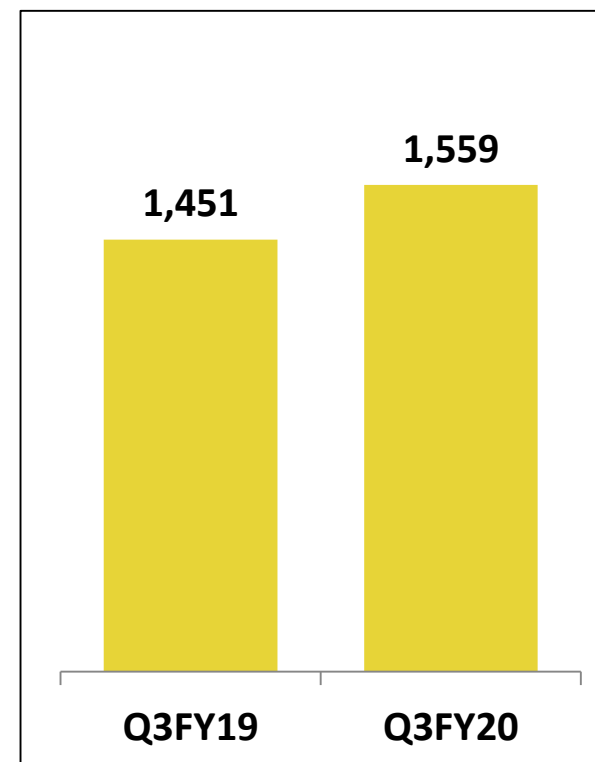
EBITDA

8% ▲ 20*% ▲



PAT

7% ▲ 35*% ▲



*Growth excluding ProConnect India biz

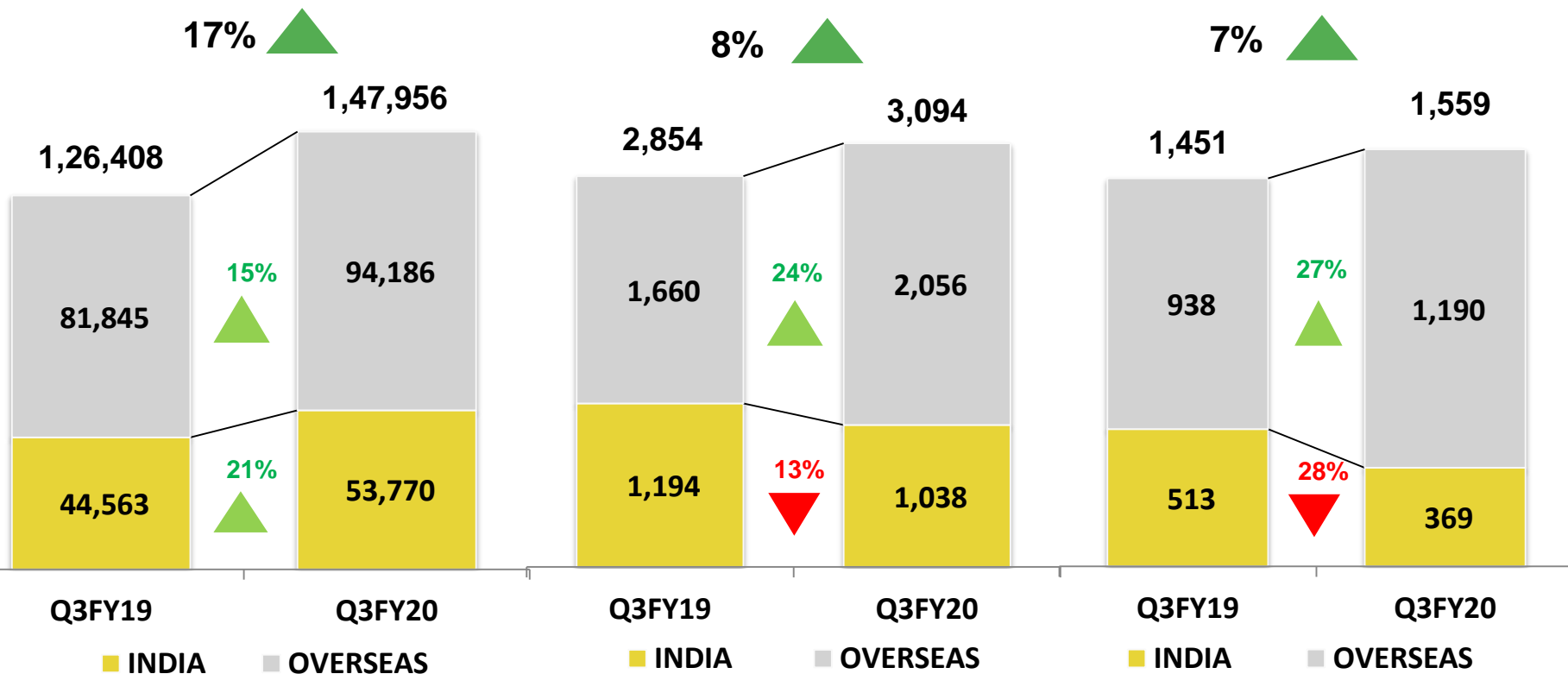
Q3FY20 Performance by Market

₹ in million

REVENUE

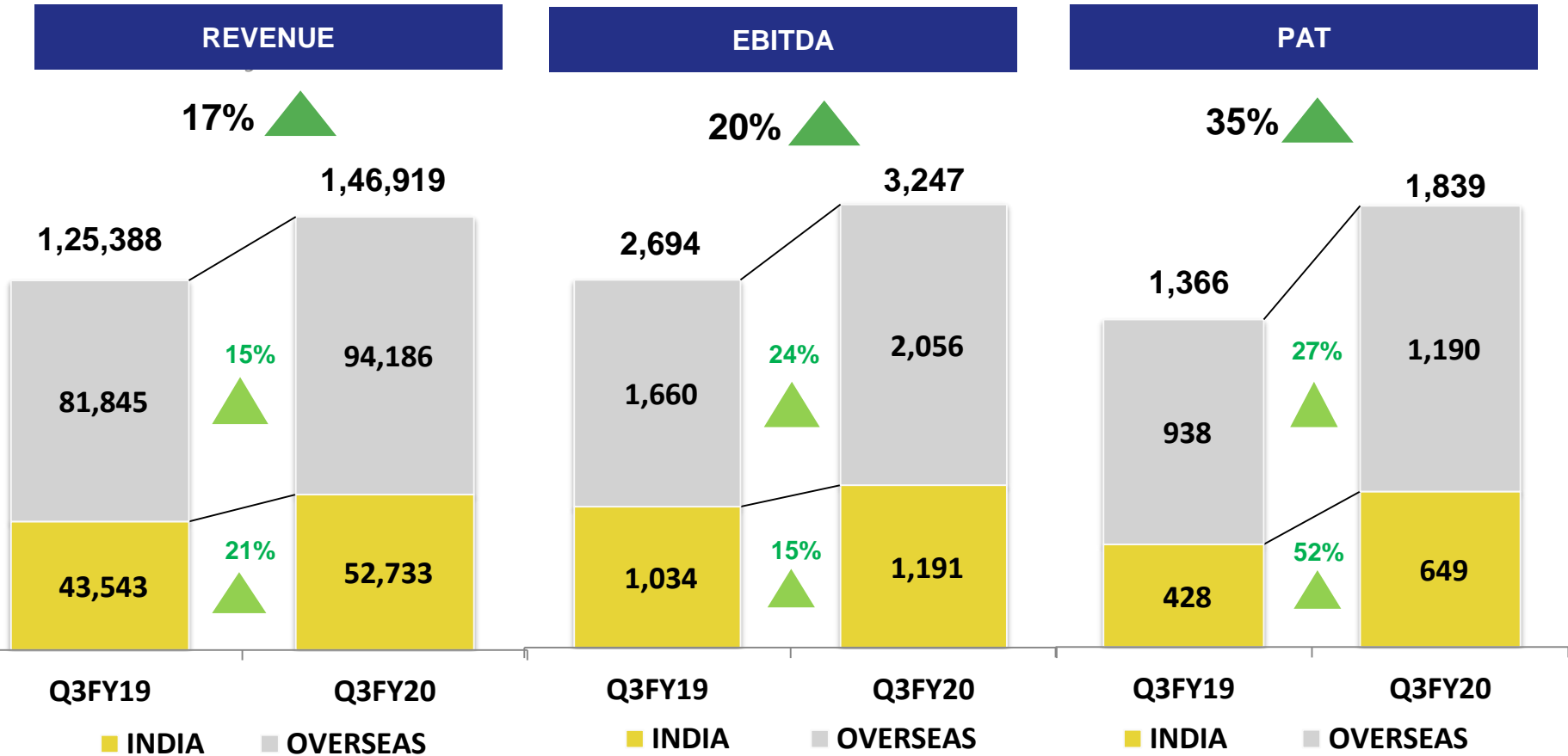
EBITDA

PAT



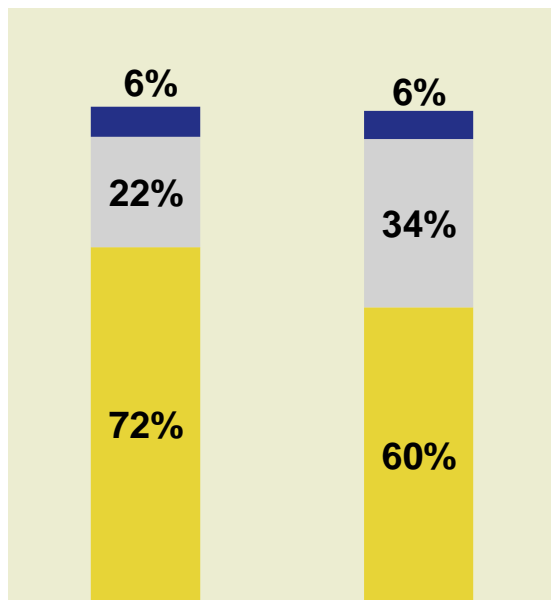
Q3FY20 – Excluding ProConnect India

₹ in million



Q3FY20 Performance by Vertical

INDIA

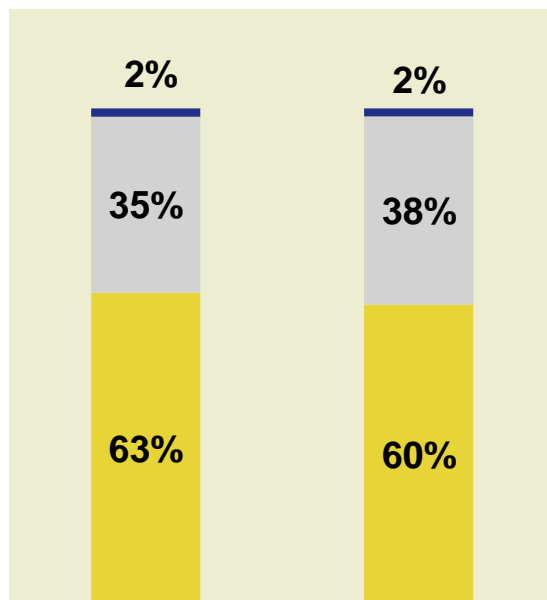


Q3FY19

Q3FY20

■ IT ■ Mobility ■ Services

OVERSEAS

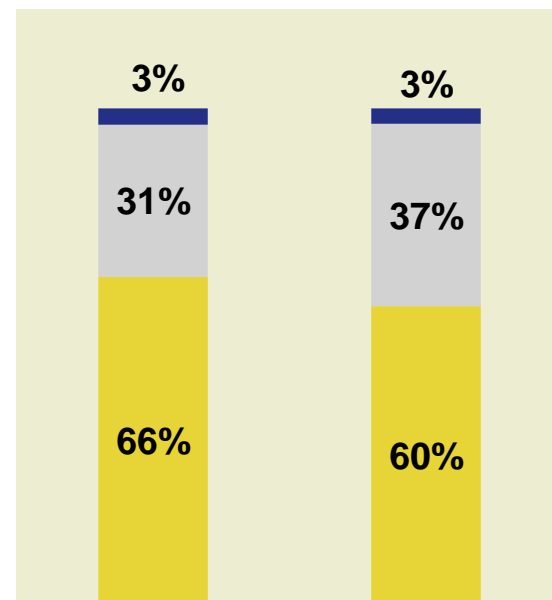


Q3FY19

Q3FY20

■ IT ■ Mobility ■ Services

CONSOLIDATED



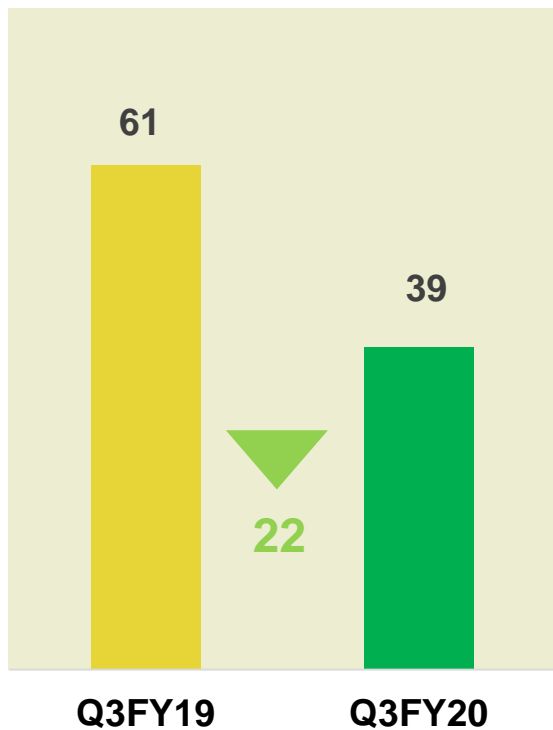
Q3FY19

Q3FY20

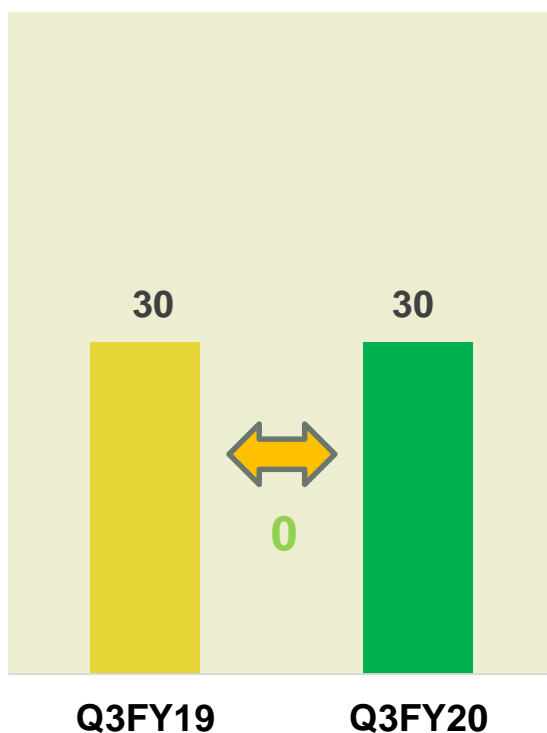
■ IT ■ Mobility ■ Services

Q3FY20 – Working Capital Days

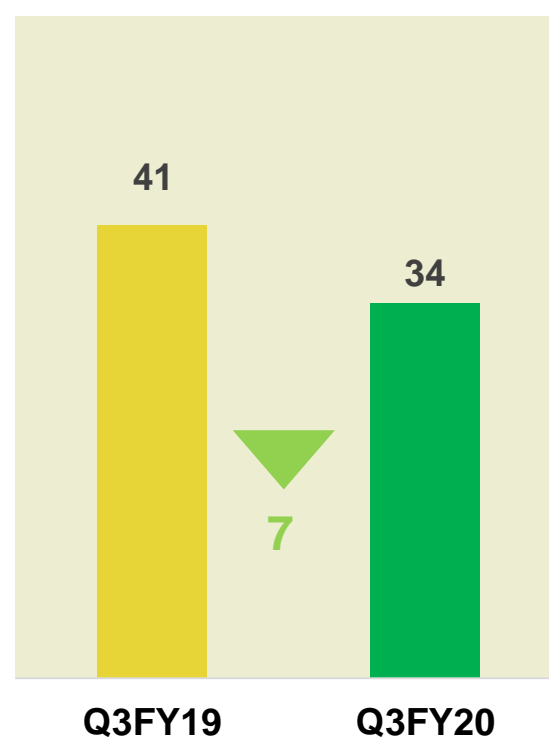
INDIA



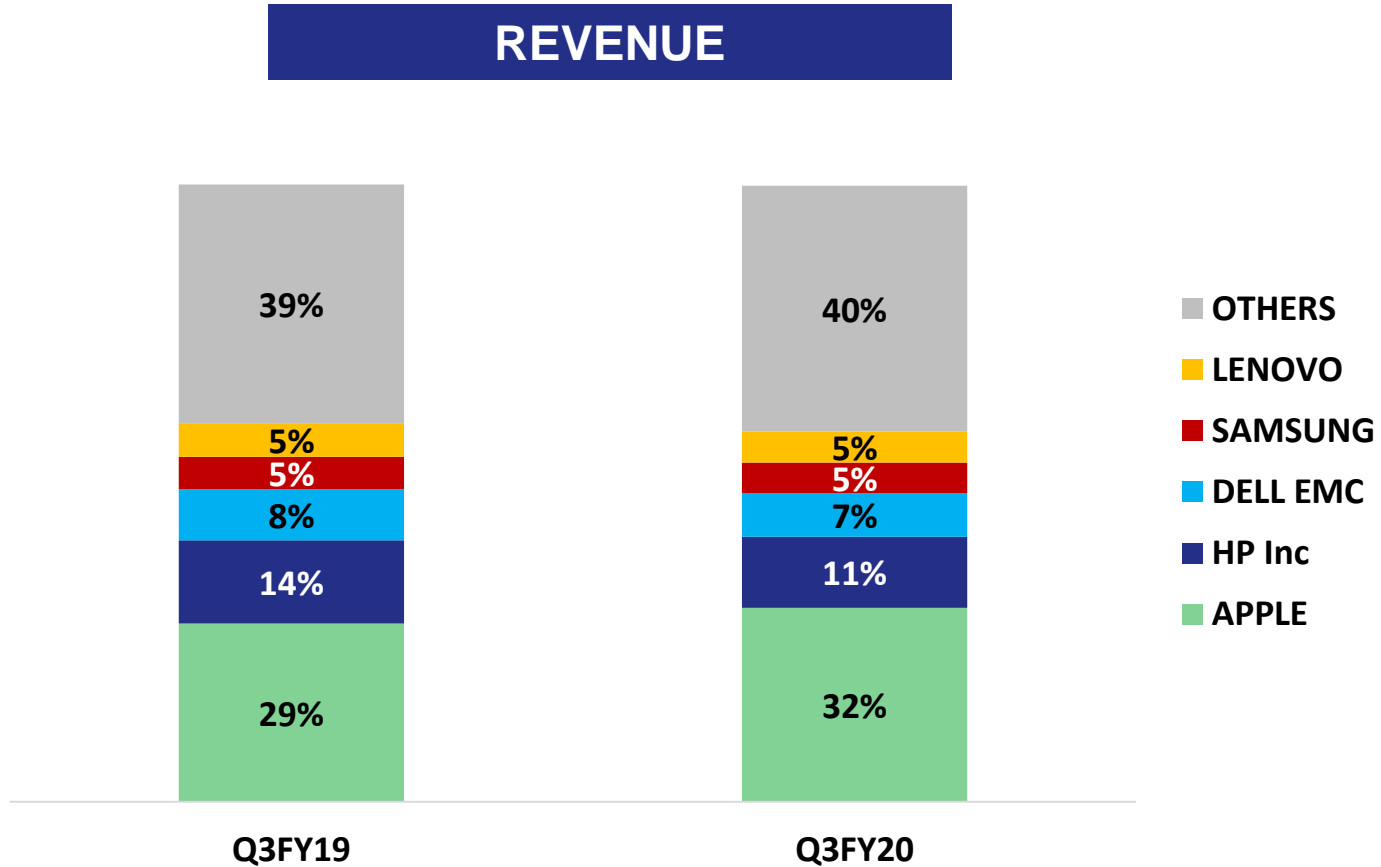
OVERSEAS



CONSOLIDATED

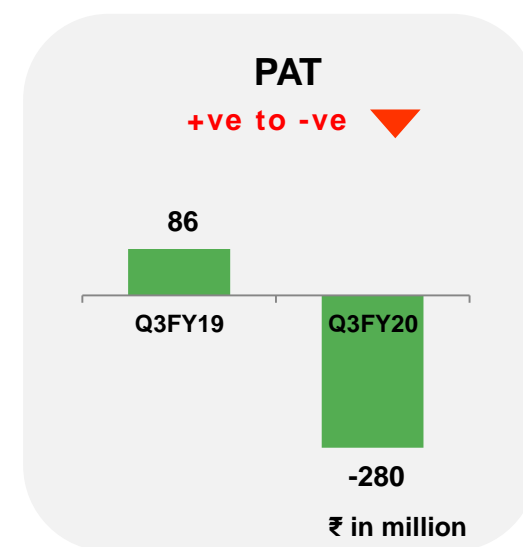
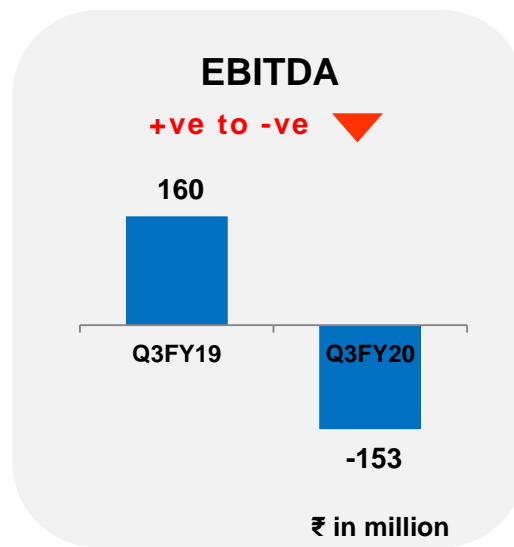
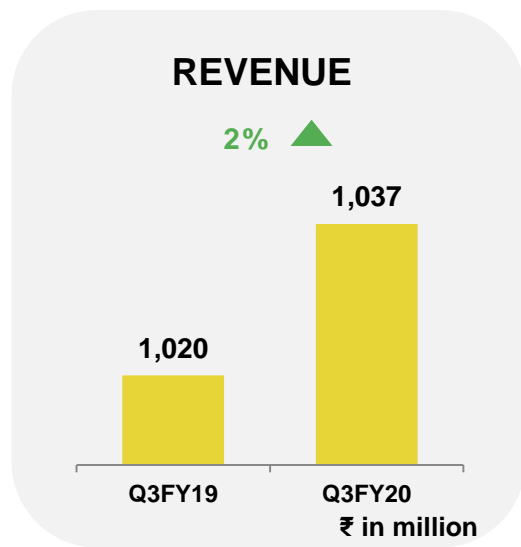


Q3FY20 – Top 5 Vendors Consolidated



Q3FY20 Performance – ProConnect

- Revenue growth over Q3FY19 is 2%
- Impact on EBITDA is on account of slowdown in Logistics industry, decline in margins on account of price erosion across all lines of business and provision of Rs.20.3 crs on Advances/Loan on behalf of subsidiary company





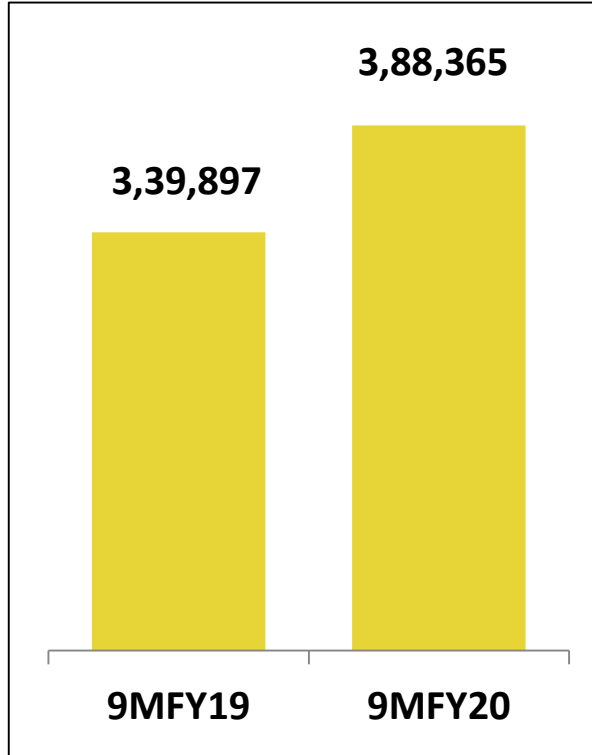
9MFY20 Performance

9MFY20- Consolidated Financials

₹ in million

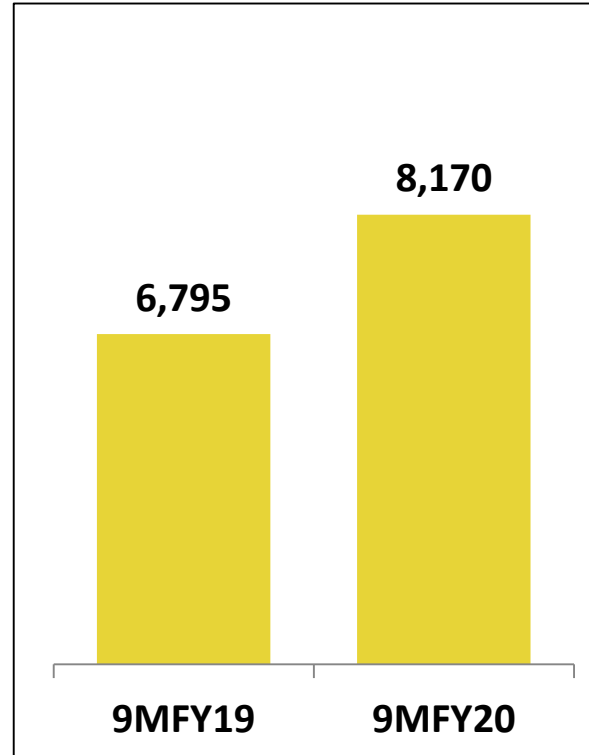
REVENUE

14% ▲ 17%* ▲



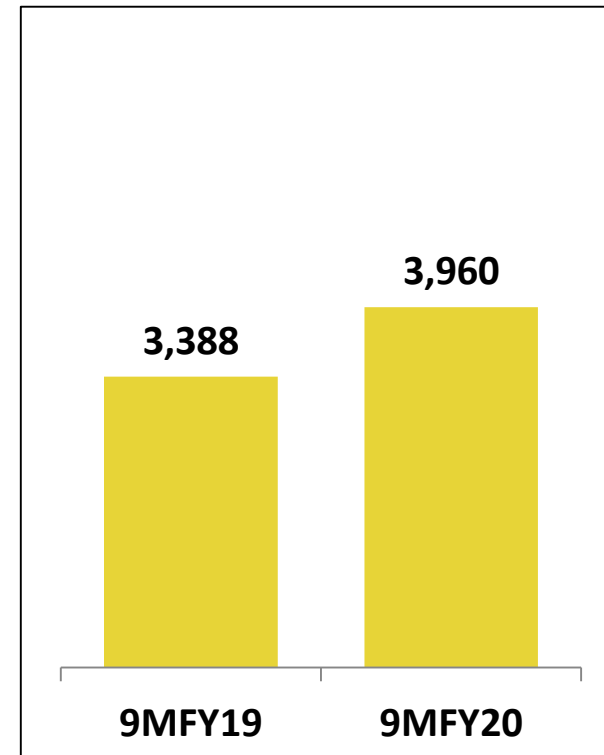
EBITDA

20% ▲ 24%* ▲



PAT

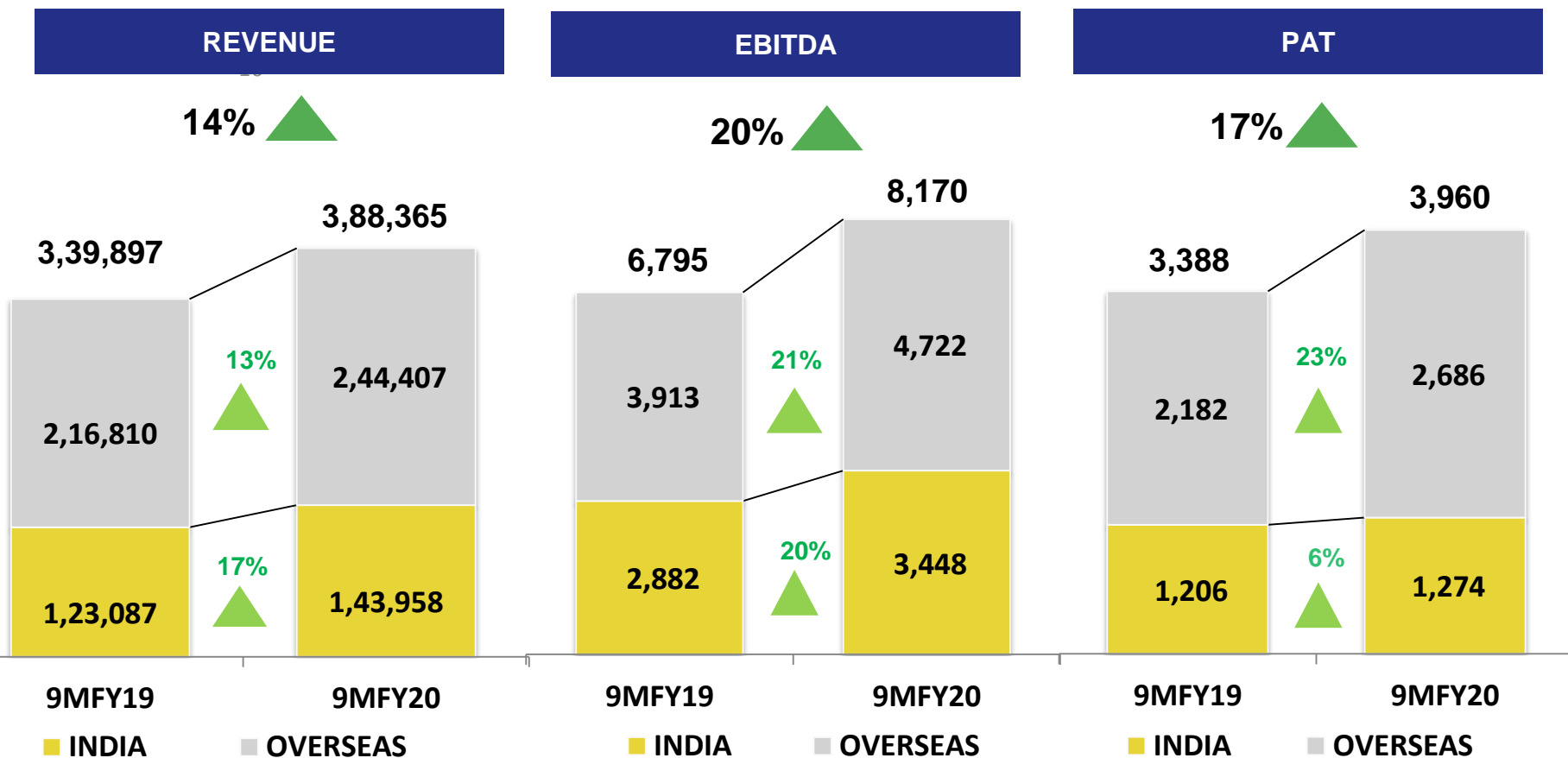
17% ▲ 31%* ▲



*Growth excluding ProConnect India biz

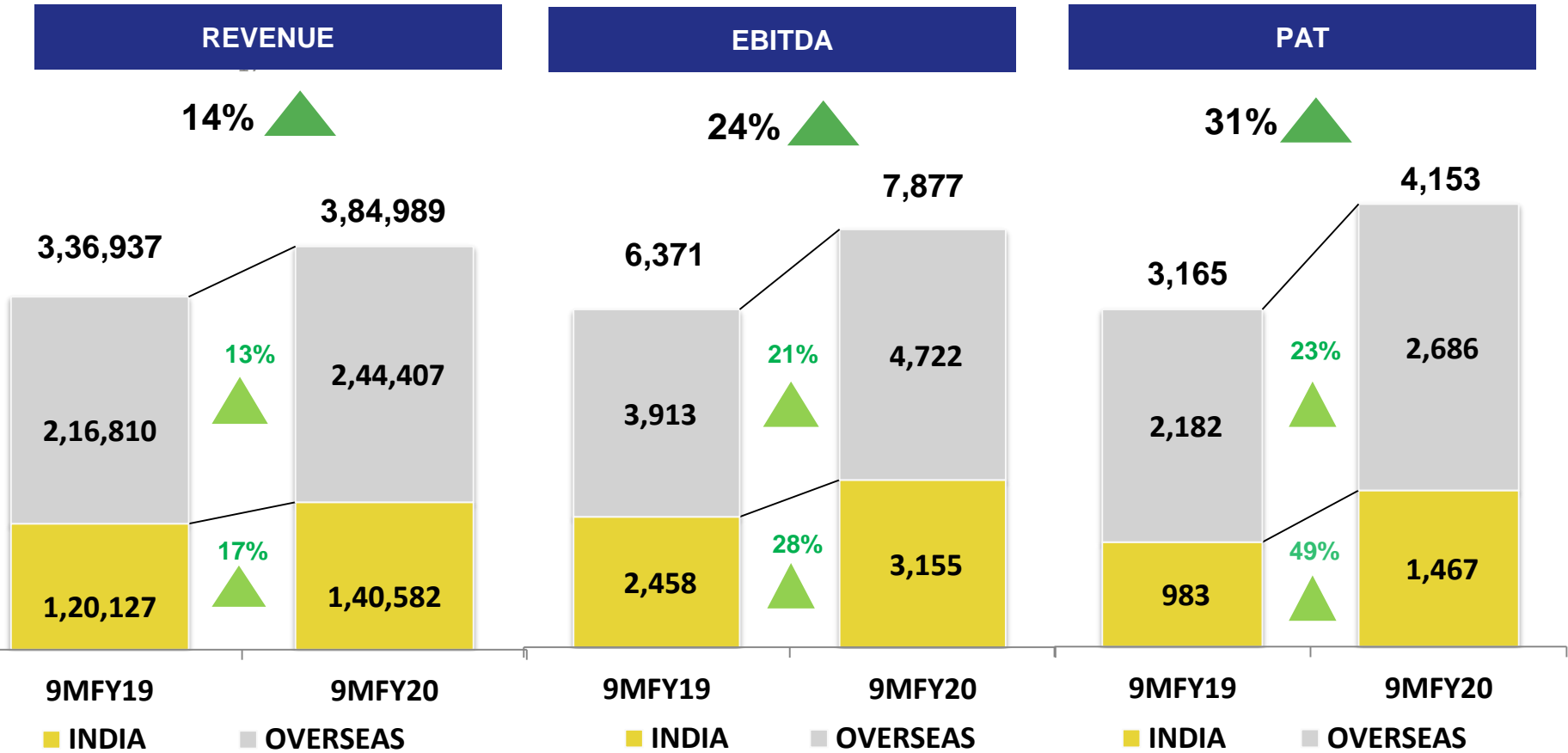
9MFY20 Performance by Market

₹ in million



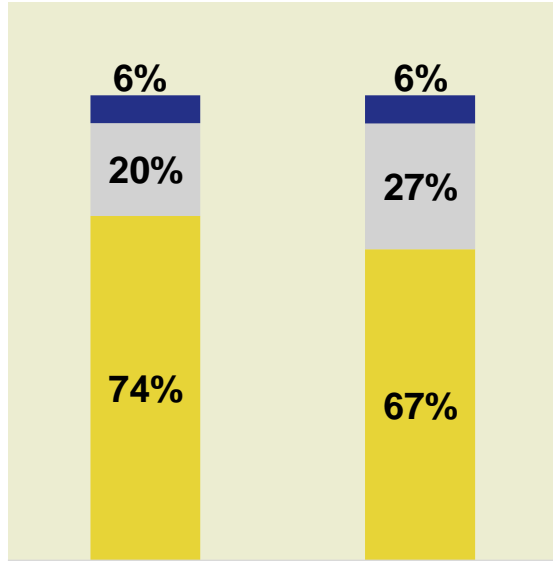
9MFY20 – Excluding ProConnect India

₹ in million



9MFY20 Performance by Vertical

INDIA

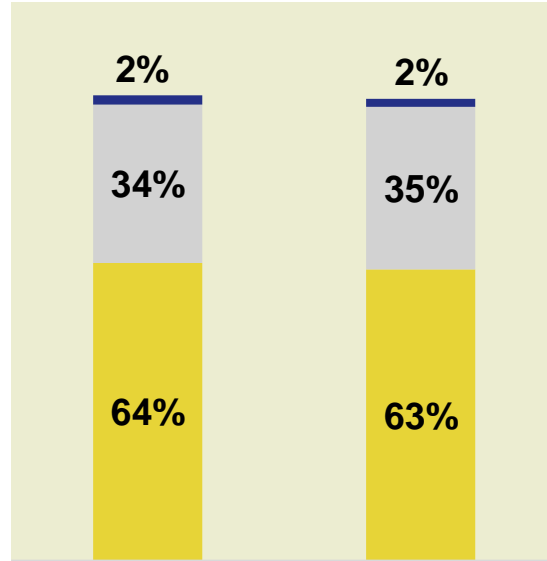


9MFY19

9MFY20

IT Mobility Services

OVERSEAS

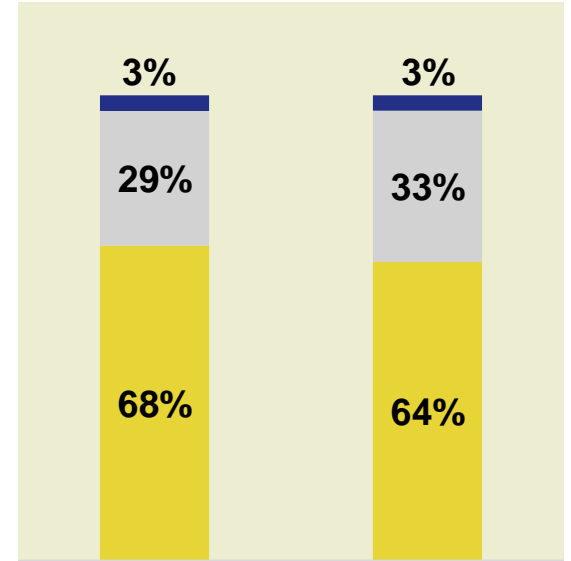


9MFY19

9MFY20

IT Mobility Services

CONSOLIDATED



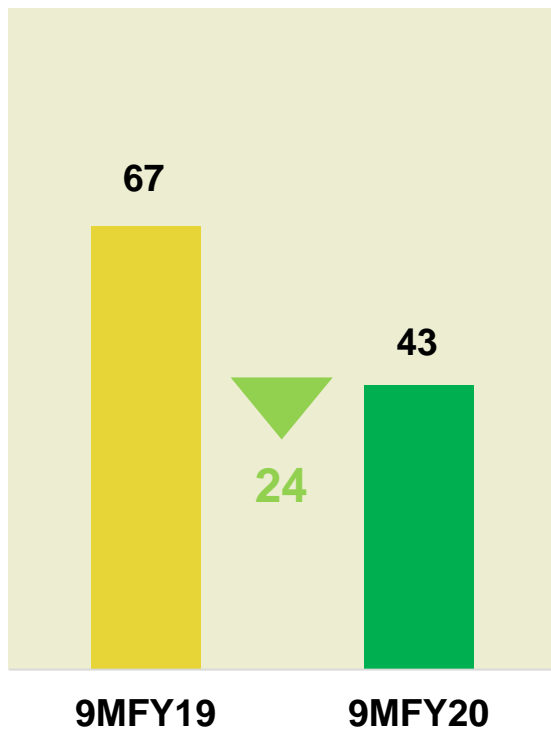
9MFY19

9MFY20

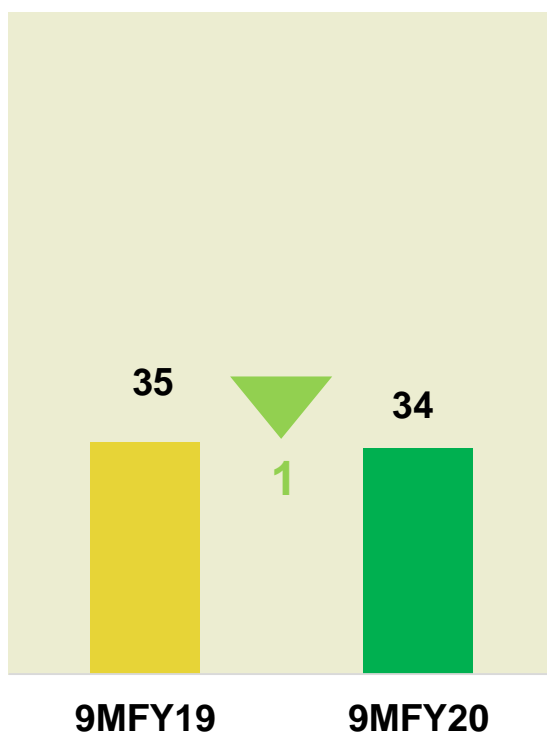
IT Mobility Services

9MFY20 – Working Capital Days

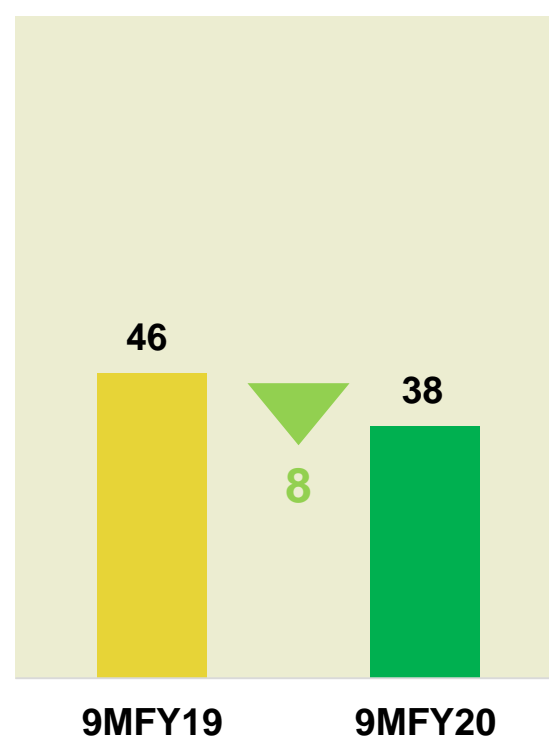
INDIA



OVERSEAS



CONSOLIDATED

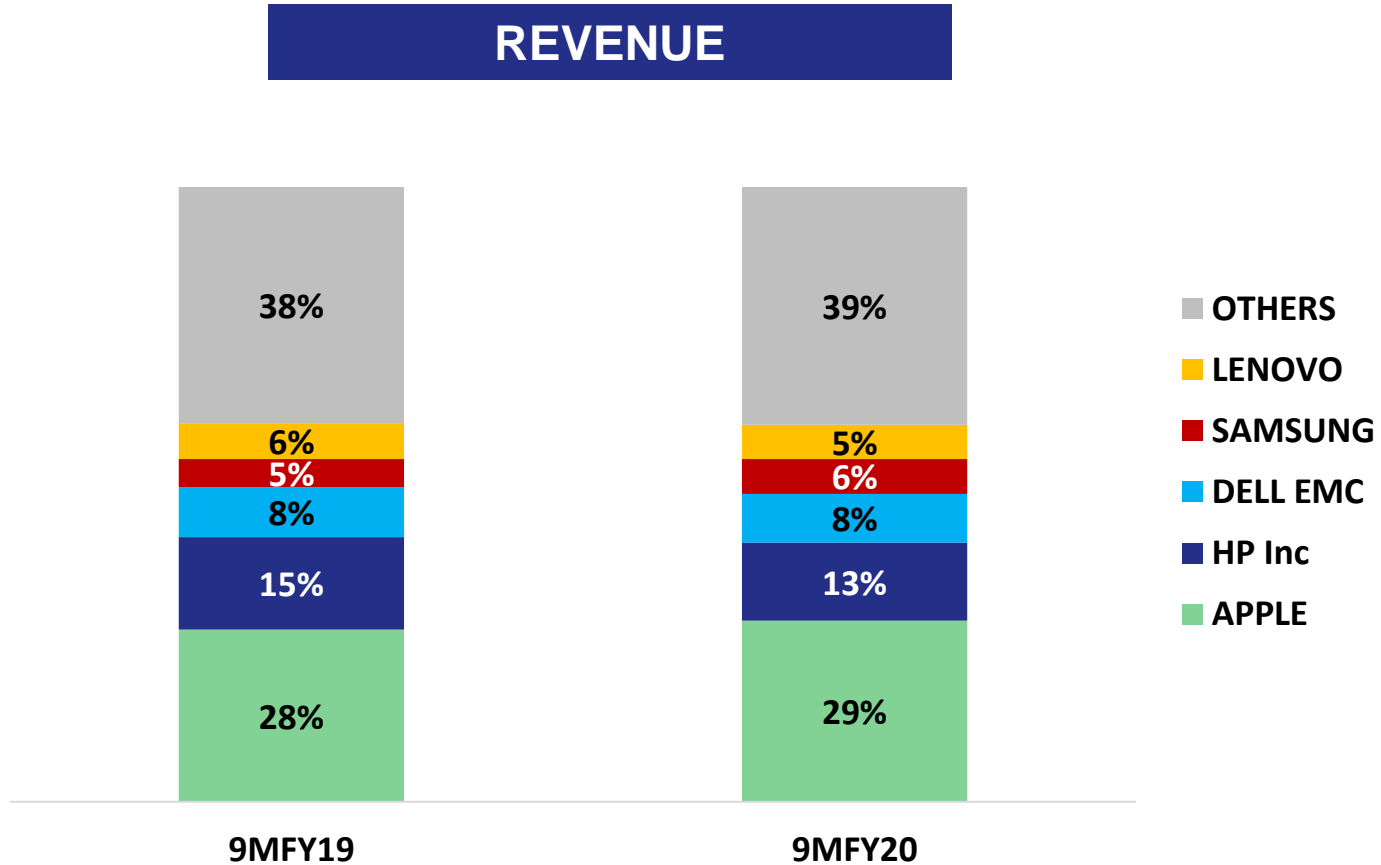


Free Cash Flow Statement

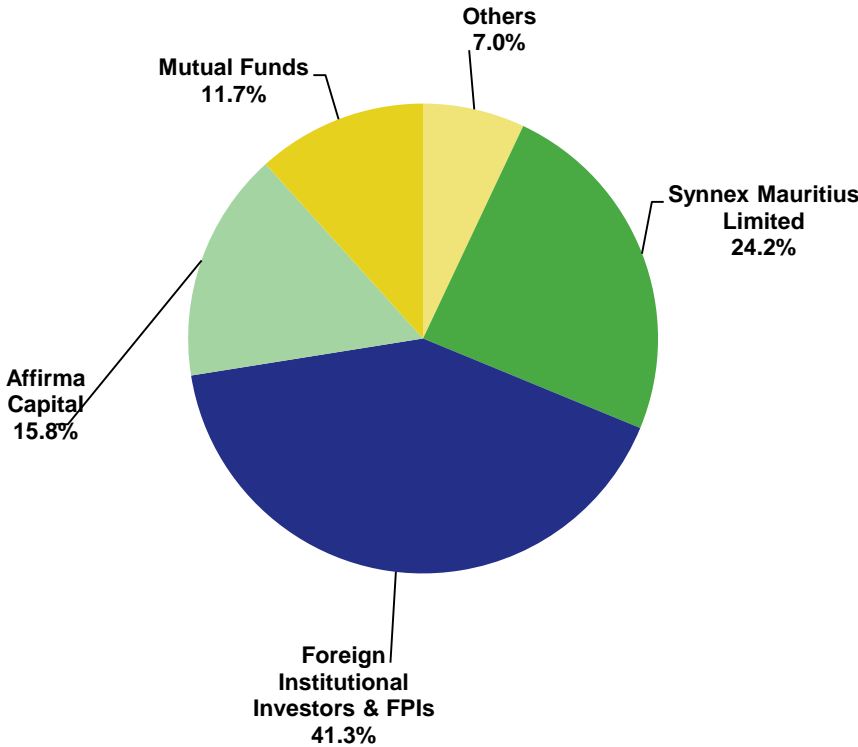
₹ in million

Particulars	9MFY20	9MFY19
Profit Before Taxation	5,262	4,134
Non-cash items	1,892	2,381
Outflow of Finance Cost	1,486	1,311
Changes in Working Capital	(6,630)	(6,856)
Direct Tax Paid	(1,344)	(2,032)
Net Cash Flow from Operations	666	(1,062)
Capex	(390)	(458)
Dividend	(1,871)	(1,175)
Outflow of Finance Cost	(1,409)	(1,411)
Free Cashflow	(3,004)	(4,106)

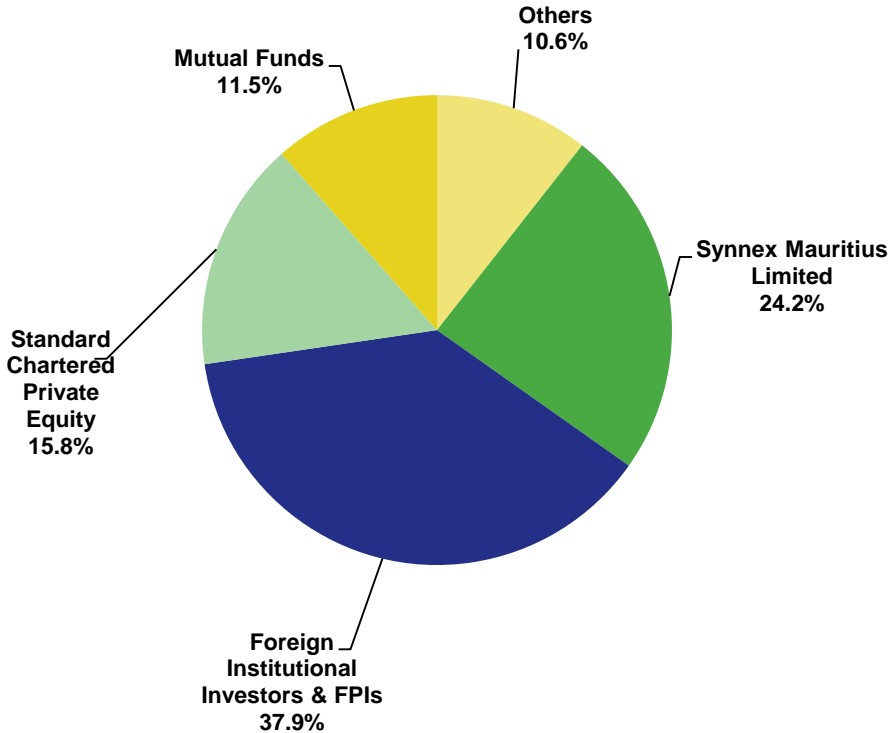
9MFY20 – Top 5 Vendors Consolidated



Shareholding Pattern



Sep-2019



Dec-2019

Note: Post corporate restructuring, SCPE shareholding has been transferred to Affirma Capital



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