

# CORPORATE PRESENTATION

May 2022



# Table Of Content

- About Redington
- Board of Directors and Shareholders
- Our Strategy and growth vectors
- Redington CSR
- Redington financials
- Redington recognitions



# 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.

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## About Redington



### Products , Service & Solutions Company

- An Emerging Markets Multinational with presence across 38 markets
- Distributor à Entire gamut of IT products, Smartphones, Non-tech products, etc
- Service & Solutions à Enterprise Professional Services, Cloud Managed Services, Logistics Services, Support Services, 3D Printing services



### Expansive Network & Strong Relationships

- Over 290+ brands associations and servicing 39,500+channel partners
- 4,460+ Redingtonians creating a culture of inclusion, creativity, and innovation



### Professionally run & Board-governed

- SEBI status - A listed entity with no promoter
- Independent Director as the Chairman since listing
- Majority of the Executive Leadership team with 15+ years of experience
- In Feb 2022, Redington (India) Ltd continued to maintain its rating of BBB rating in the MSCI ESG Ratings assessment\*



### Outstanding Financial Performance

- \$8.4bn+ company with a strong double digit-CAGR for 16 years
- ROE at 24% (~1.5X FY21) and ROCE at 66% (~2X FY21) in FY22



**PCs, Laptops, Tablets**

Consumer & commercial PCs, desktops, laptops, iPads and MacBooks



**Printers & Print Supplies**

Printers & related consumables and accessories



**Smartphones**

Wide assortment of smartphones



**Networking**

Basic switching or routing to software-defined networking



**Software**

Business productivity software to software used for specific business verticals



**Server and Storage**

Building the optimal data strategy for customers



**License & Subscription**

Licensing & Subscription services for Autodesk, Microsoft, etc.



**Security**

Enterprise security solutions



**Cloud Re-sell & Managed Services**

Cloud Management Platform enabled, S.M.A.R.T. Cloud Adoption Framework



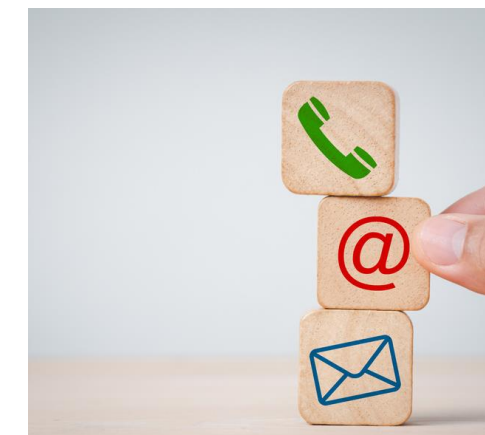
**Printing Services**

Digital printing (HP Indigo) and 3D printing



**Logistics Services**

ProConnect, -offering Warehousing, Transportation & VAS



**Support Services**

Warranty services, Infrastructure Managed Services through subsidiary, Ensure



**Solar**

Solar systems installation and after sales service

# Our Presence

Enviably "In country" presence in 31 countries and serving 38 markets

No.1 or No.2 position across all markets

"High potential" markets

Presence across product categories

Portfolio of Marquee brands



# Our Brand & Channel Partners



## CHANNEL PARTNERS

- Sub Distributors
- Retailers
- Large Format Retailers
- Multi Brand Retailers
- Branded Stores
- Resellers
- Corporate Resellers
- Value Added Resellers
- System Integrators
- Independent Software
- Vendors (ISVs)
- E-Commerce Players

Enviably Partnerships with over 290+ brands

# Board of Directors



## Independent Directors



**Prof. Ramachandran**  
Professor, Corporate  
Policy & Strategy  
IIM, Bengaluru



**V. S. Hariharan**  
Ex. Vice President,  
Hewlett-Packard,  
Singapore



**Keith WF Bradley**  
Ex. President,  
Ingram Micro, North  
America



**B Ramaratnam**  
Professional Director



**Anita P Belani**  
Sr. Business &  
Human Capital  
Leader

## Executive Directors



**Rajiv Srivastava**  
Managing Director



**S V Krishnan**  
Whole-Time Director  
& Global CFO

## Non-Executive Directors



**Tu, Shu-Chyuan**  
VP, Group Business  
Strategy &  
Development  
Synnex Tech, Taiwan



**Chen, Yi-Ju**  
Vice Director, Finance  
Planning & Mgmt  
Synnex Tech, Taiwan  
IIM, Bengaluru





HDFC Mutual Fund



Fidelity Management & Research (FMR)



ICICI Pru Life Insurance



Franklin Templeton Investments



Massachusetts Institute Of Technology  
Investment Management Company



The Vanguard Group



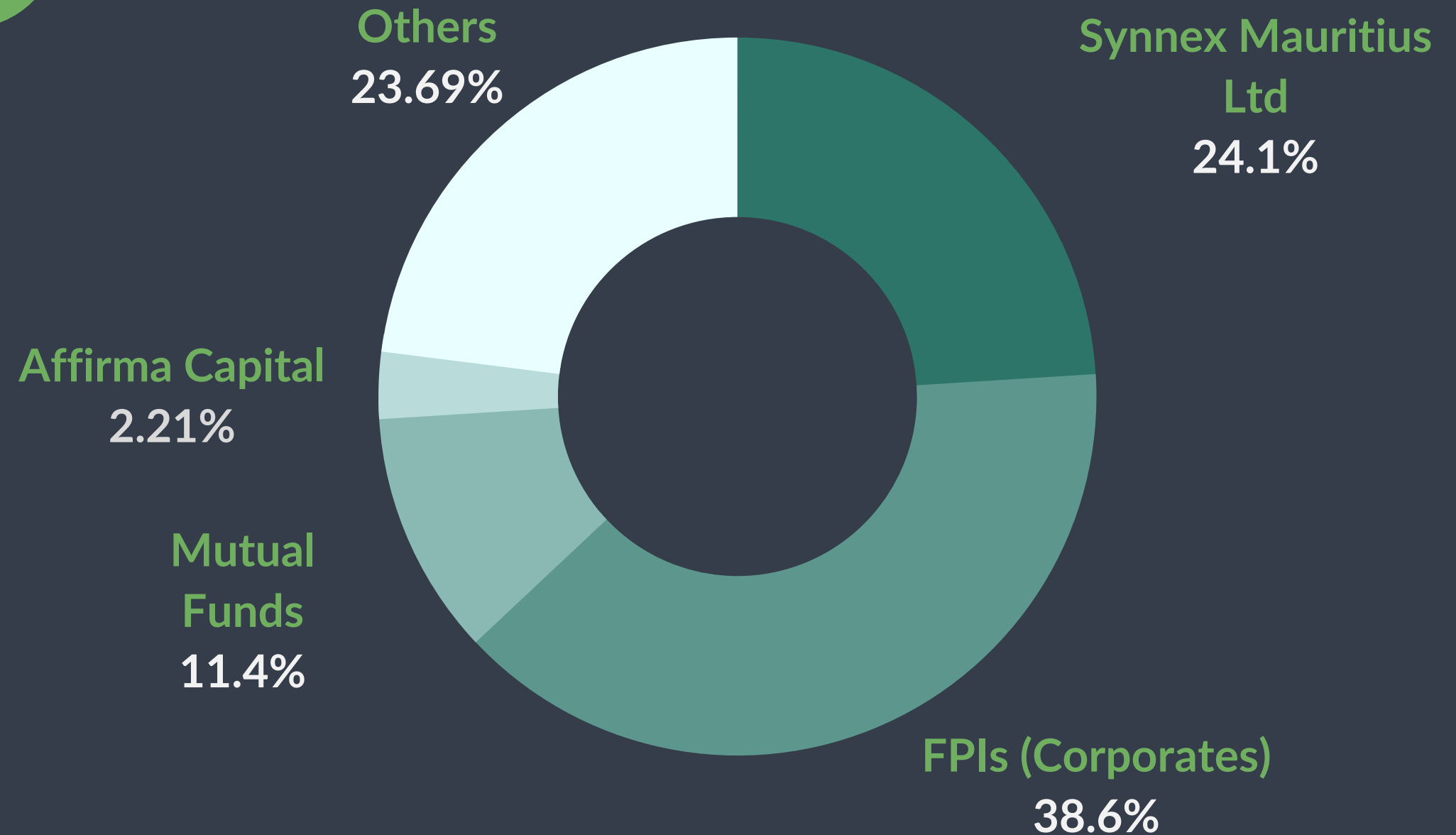
Tata MF



Ruane, Cunniff & GoldFarb



## Our Shareholders



# Our Strategy

## Bringing innovation faster to market

Cloud, 3D printing, Metaverse, Quantum Computing, AR/VR, 5G, Borderless Network, Smart Analytics, Blockchain and cyber-security etc.



## Business Model Re-invention

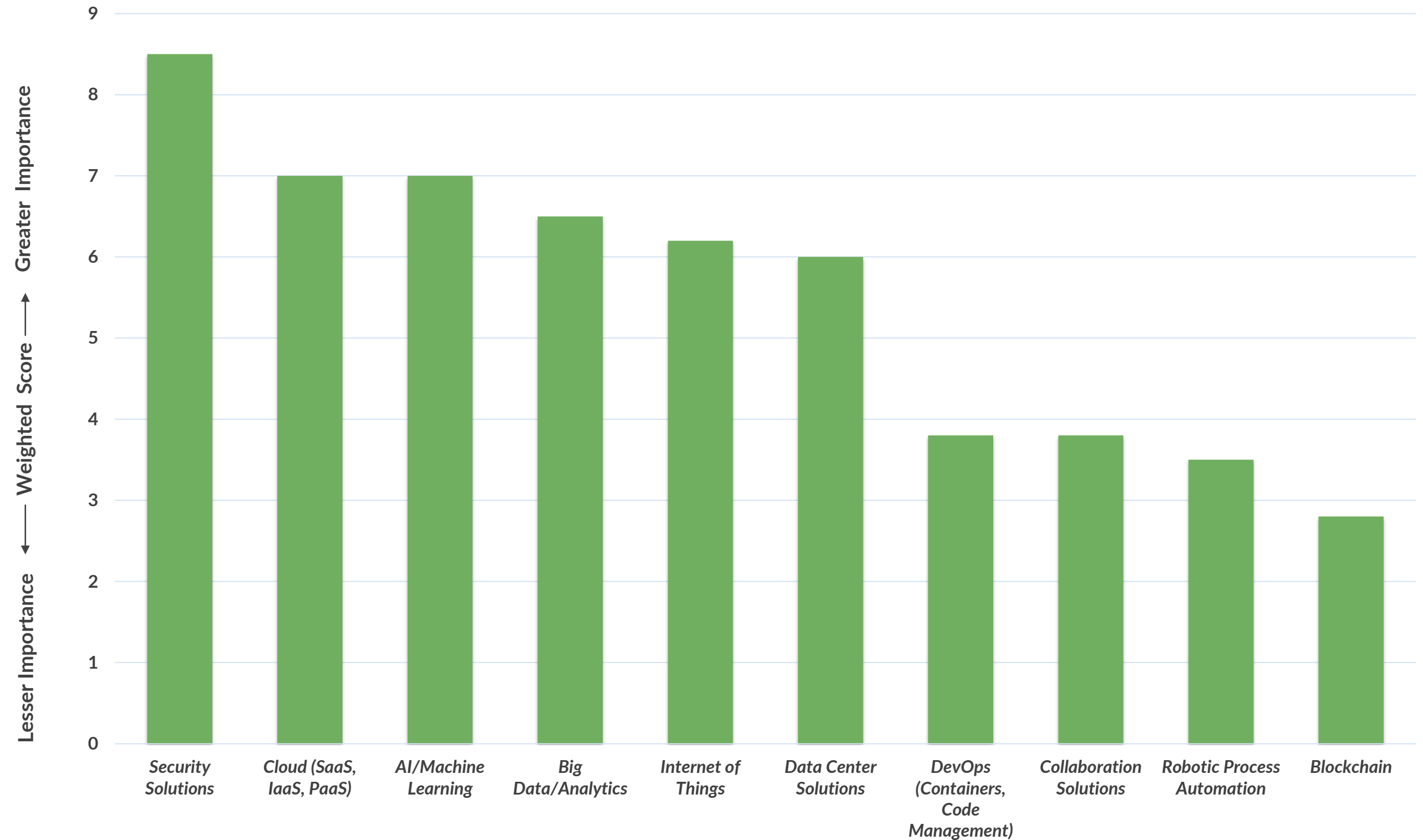
- From brick & mortar to Omni-channel play
- From Products to Services play
- Moving towards XaaS revolution
- Consistent & Continuous Value-Addition to brands & channel partners

## Become an end to end technology service provider

Continue being a Key Player in Existing Tech Practices - Shared services, Marketing services, Business process services, Partner growth management.



# Technology Trends in the Future



**Note:** GTDC commissioned Vation Ventures who surveyed and interviewed key constituents from distributors and their OEM vendor partners. The majority of study participants – nearly 69% – possess greater than a decade of experience working with technology distributors. Those new to distribution also represented a sizable 10% of the respondents, and approximately 21% indicated between 5-10 yrs. of distribution-related experience

Source: GTDC, Redington

# Key Tech Trends & Redington Growth Enablers

In 2022 : Global ICT spend growth at 5%, India \$111Bn @ 6% and MENA \$170Bn @ 3%.



HYBRID  
CLOUD



5G



CYBER  
SECURITY



DIGITAL  
ECONOMY



EMERGING  
TECH

TECHNOLOGY  
TRENDS

TECH GROWTH  
CAGR %  
(2021-26)

IND: 25.0%  
META: 17.2%

META: 10.4 M  
Subs (2021 Est.)

IND: 20.0%  
META: 7.9%

IND: 26.0%  
META: 15.3%

IND: 20.2%  
META: 25.0%

WHAT DOES IT  
MEAN FOR  
REDINGTON

- Capability creation – competency and digital - required for high growth
- Focus on alliances, partnerships, ISV's and service delivery

- Tech Refresh projects to suit 5G environment
- Telecom, media & entertainment.
- Healthcare focus
- Increased device demand

- High growth in Security products & solutions
- Opportunity to scale Managed Security Services Practice (MSSP)

- Digital platform and Digital Payment Solutions
- Assess leverage of Turkey product Paynet for quick roll out

- Adopt Emerging Tech for internal Automation
- Product distribution opportunities
- Solutions & Services offerings



# Biz Model Trends & Redington Growth Enablers

## BUSINESS MODEL Trends

**CONSUMPTION MODELS**

**OMNI-CHANNEL**

**INVESTMENT**

**DIVERSIFICATION**

**WORK LOCATION**

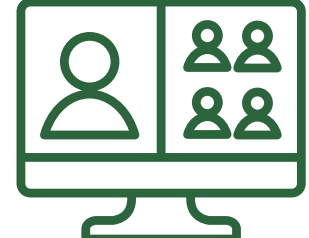
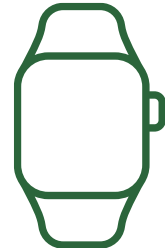
Products to Services

Physical to Online

Emerging Tech

M&A, Product, Geo

Hybrid work Model



## WHAT DOES IT MEAN FOR REDINGTON

- Build capability to transition to XaaS
- Create subscription portfolio

- Develop a strong end-to-end Digital Business Model
- Exploit Marketplace opportunity

- Innovate, invest on new/future tech
- Organic and/or inorganic

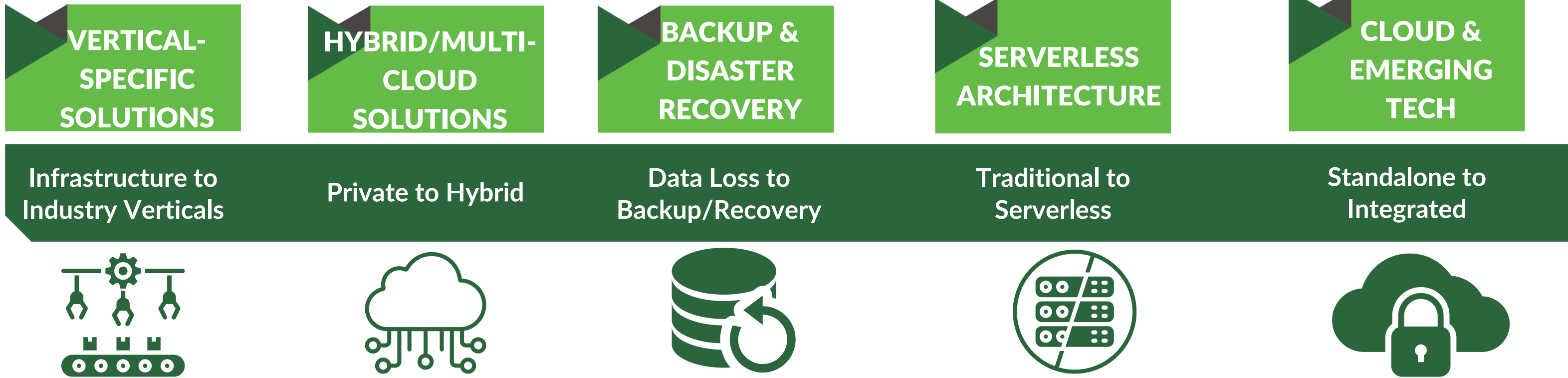
- Strengthen presence in high growth markets
- Biz diversification

- Automation products and solutions for a changed workstyle and lifestyle



# Cloud Trends & Redington Growth Enablers

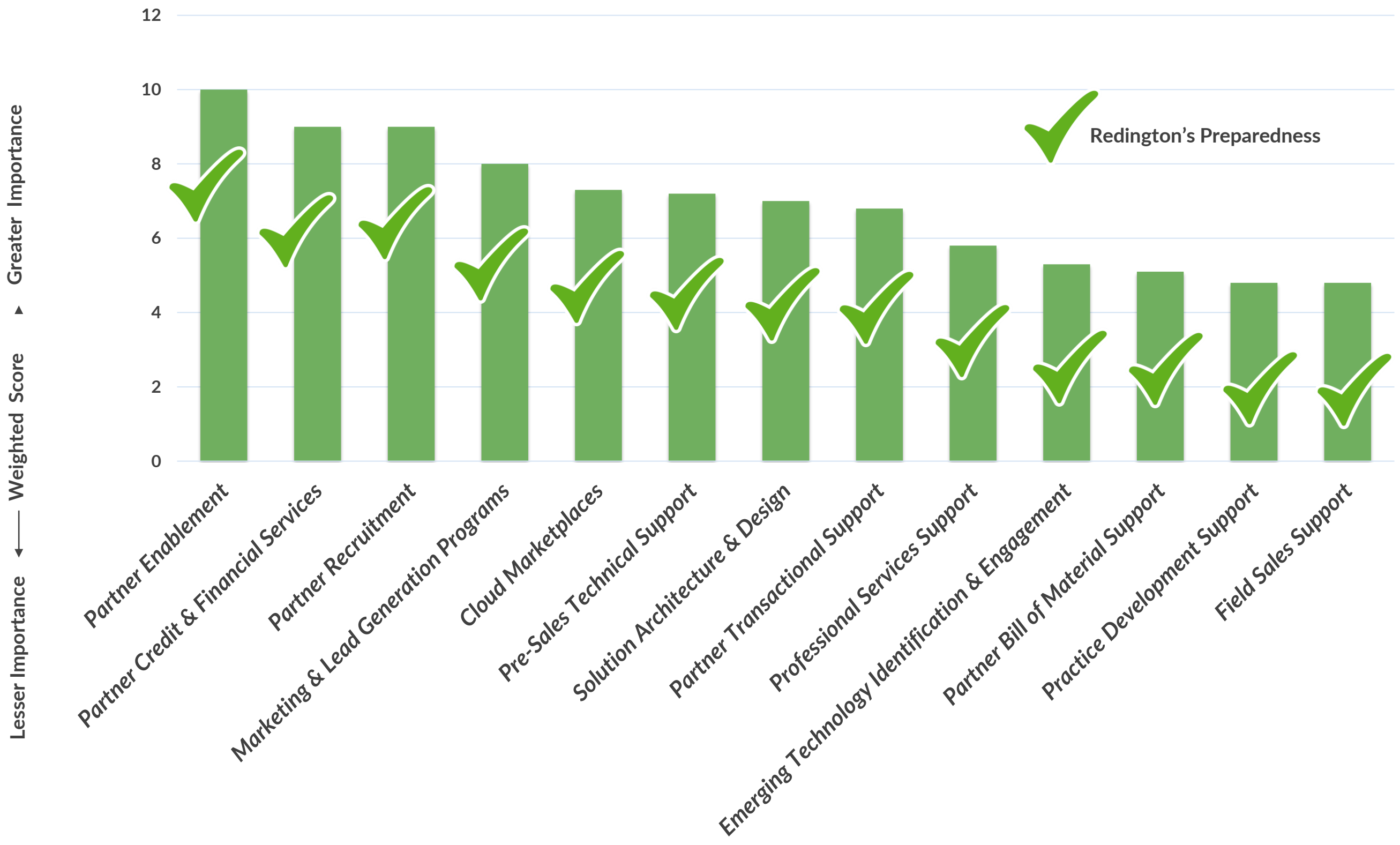
## CLOUD Trends



## WHAT DOES IT MEAN FOR REDINGTON

- Build a strong end-to-end cloud solutions framework and capability across – assessment, planning, design, implementation, maintenance and support, migration, consulting and managed services
- Collaborate with key cloud vendors and ecosystem partners (Data centre, Servers, Storage, AI, IoT, Cybersecurity, Analytics, Collaboration & Edge Computing)
- Offer standalone as well as packaged, integrated B2B solutions; and XaaS

# Changing Distribution Needs & our Preparedness



**Note:** GTDC commissioned Vation Ventures who surveyed and interviewed key constituents from distributors and their OEM vendor partners. The majority of study participants – nearly 69% – possess greater than a decade of experience working with technology distributors. Those new to distribution also represented a sizable 10% of the respondents, and approximately 21% indicated between 5-10 yrs. of distribution-related experience

**Source:** GTDC, Redington



# Our Growth Vectors & Objectives

## Key Objectives:

- Aggressive share gain across Products, Brands & Markets
- Increase omni-channel presence
- Increase Digital adoption and provide everything “As a service”
- Be the most admired organization
- Focus on scaling ESG portfolio



# Redington Corporate Social Responsibility



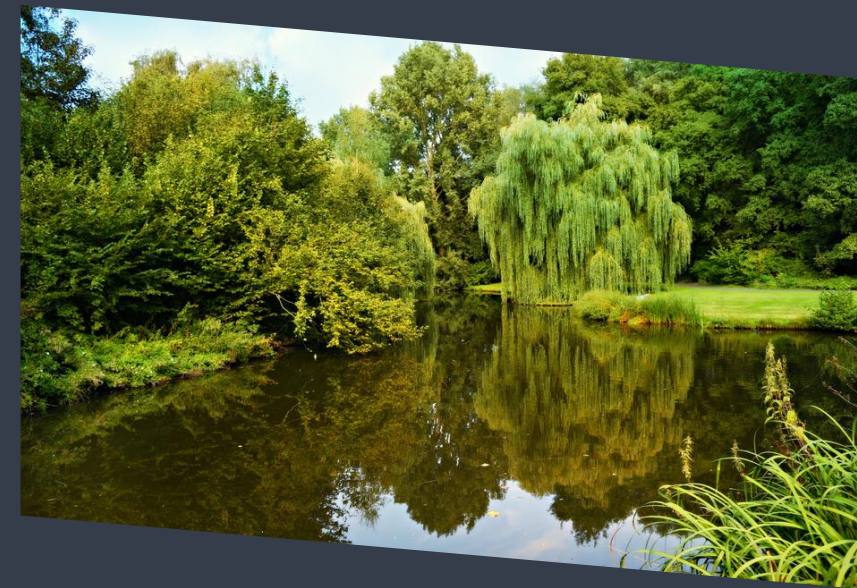
# Corporate Social Responsibility



Through its CSR initiatives, Redington played a role of catalyst for social development by implementing CSR Projects in the areas of Education, Health, Skill Development, Environment, Differently Abled and Disaster Response.

## Through Environment initiatives renovated & constructed:

- 4 Village Ponds ( *This Increased the water storage 12,000 M3 & Water catchment by 36,000 Kilo Litres*)
- 3 Model Bio Gas Plants
- 16 community wells
- 6 Rainwater Harvesting Structures (New Water Storage Capacity is 52 Kilo Litres)



**This has resulted** in increasing the water inflow and ground water-table at the respective villages, further enabled the villagers to access water all year round for domestic consumption and agriculture. Further reduced usage of fossil fuel by alternating with Bio fuel.



## SKILL TRAINING | TAMIL NADU

Trained and equipped unemployed youth to avail job opportunities and lead a financially independent life

- Provided training on SCM Skill and basic computer skills
- Trained 100 youth 20 are Differently Abled



## HEALTHI | TUMKUR, KARNATAKA & VIJAYWADA, ANDHRA PRADESH

Provided basic health care to rural populace at their door steps

- Telemedicine Consultation
- Mobile Health Van
- Reach out 25000 Villagers





## WASH PROJECT | ULUBERIA, WEST BENGAL

Ensured school children got access to WASH facilities at schools and improved their hygiene behaviour:

- Renovated 3 Sanatory Blocks
- Benefitted 2500 Students
- Students WATSAN Committee @ 3 Schools



## EDUCATION | ULUBERIA, WEST BENGAL & NILGIRIS, TAMIL NADU

Improved functional literacy and numeracy among children (from grade 6 to grade 8) & basic skills of reading, writing and basic arithmetic

- GradeTech based education 6 to 8
- Live Worksheet
- Benefitted 1800 Students

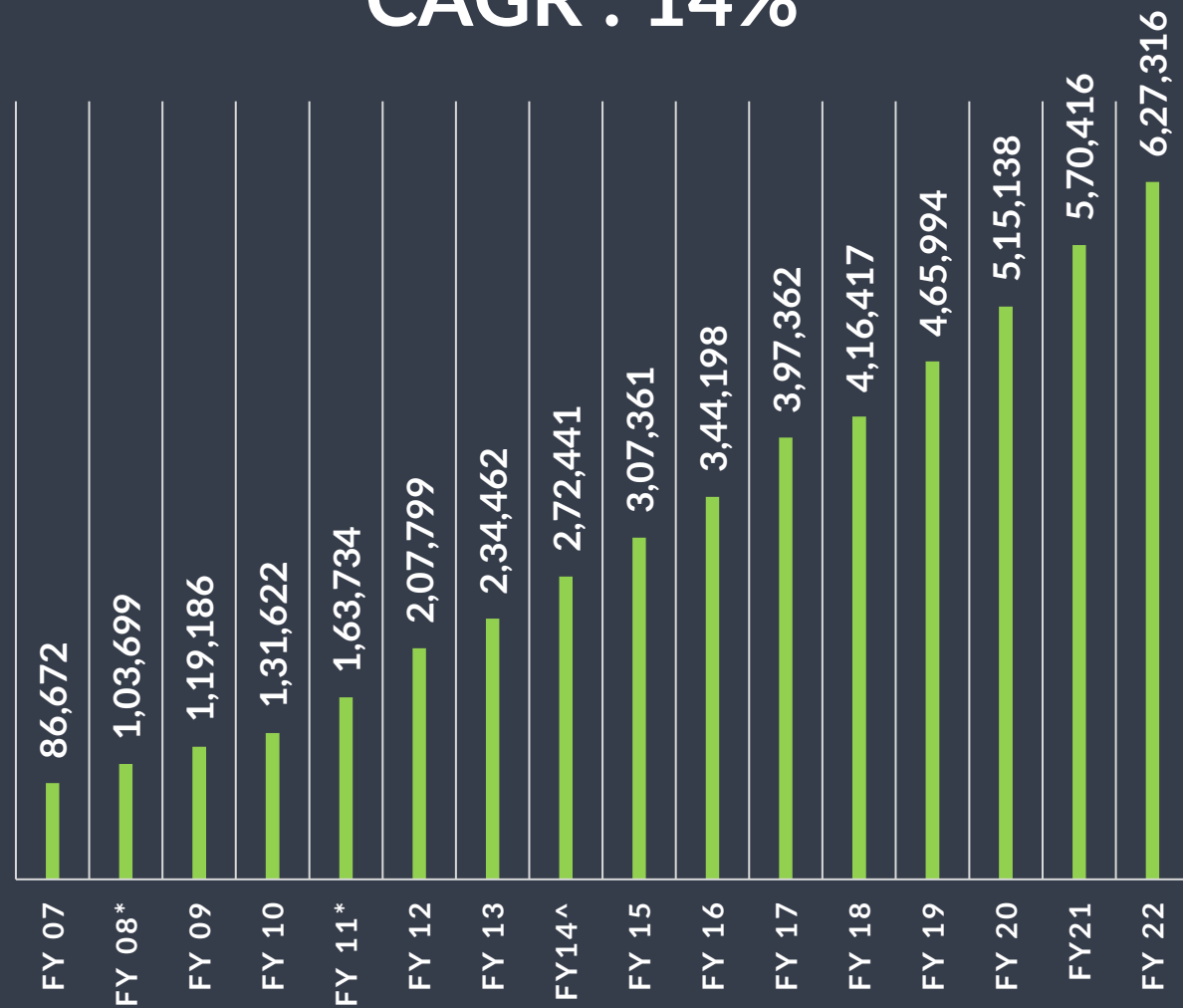


# Performance Since Listing

Surpassed **INR 600 Bn** milestone mark in Revenues

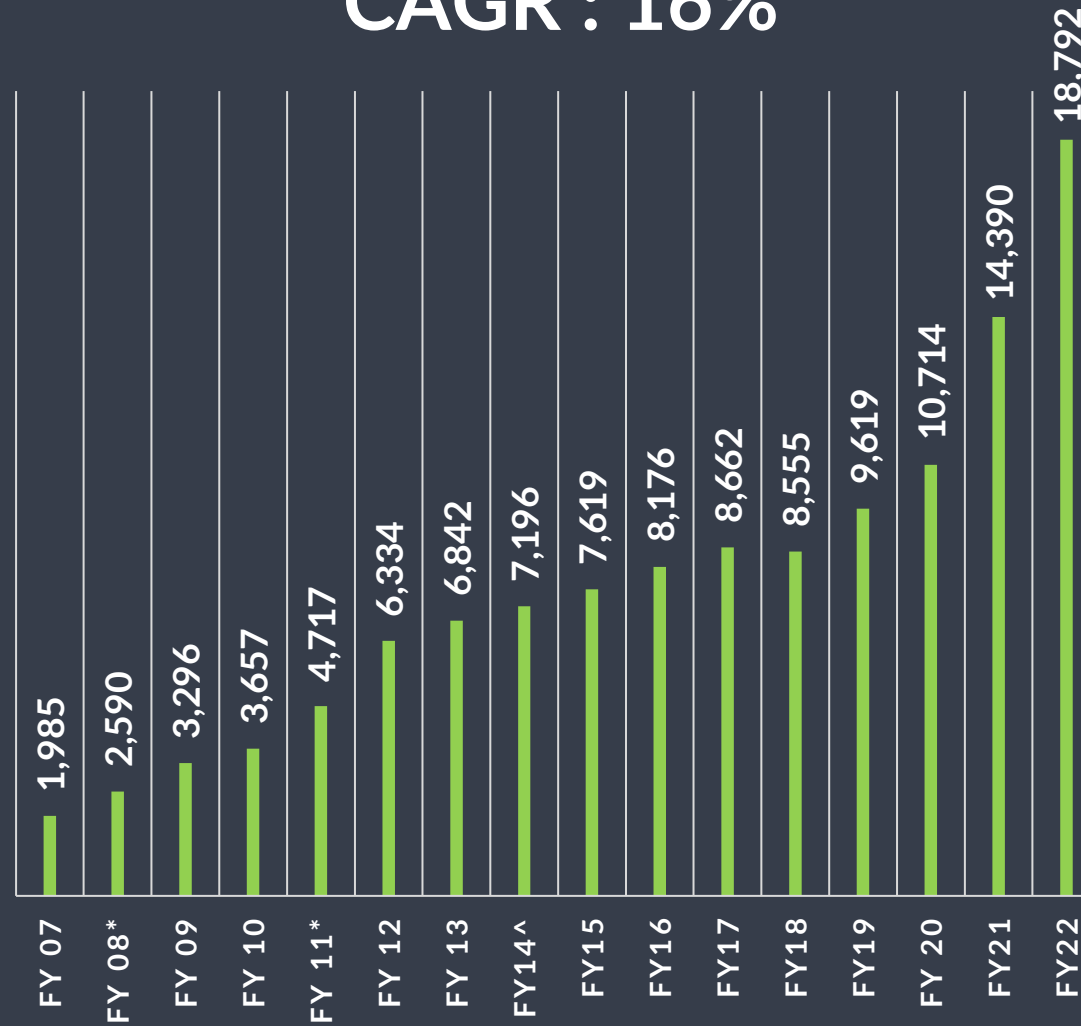
**Revenue**  
CAGR : 14%

₹ in Mn



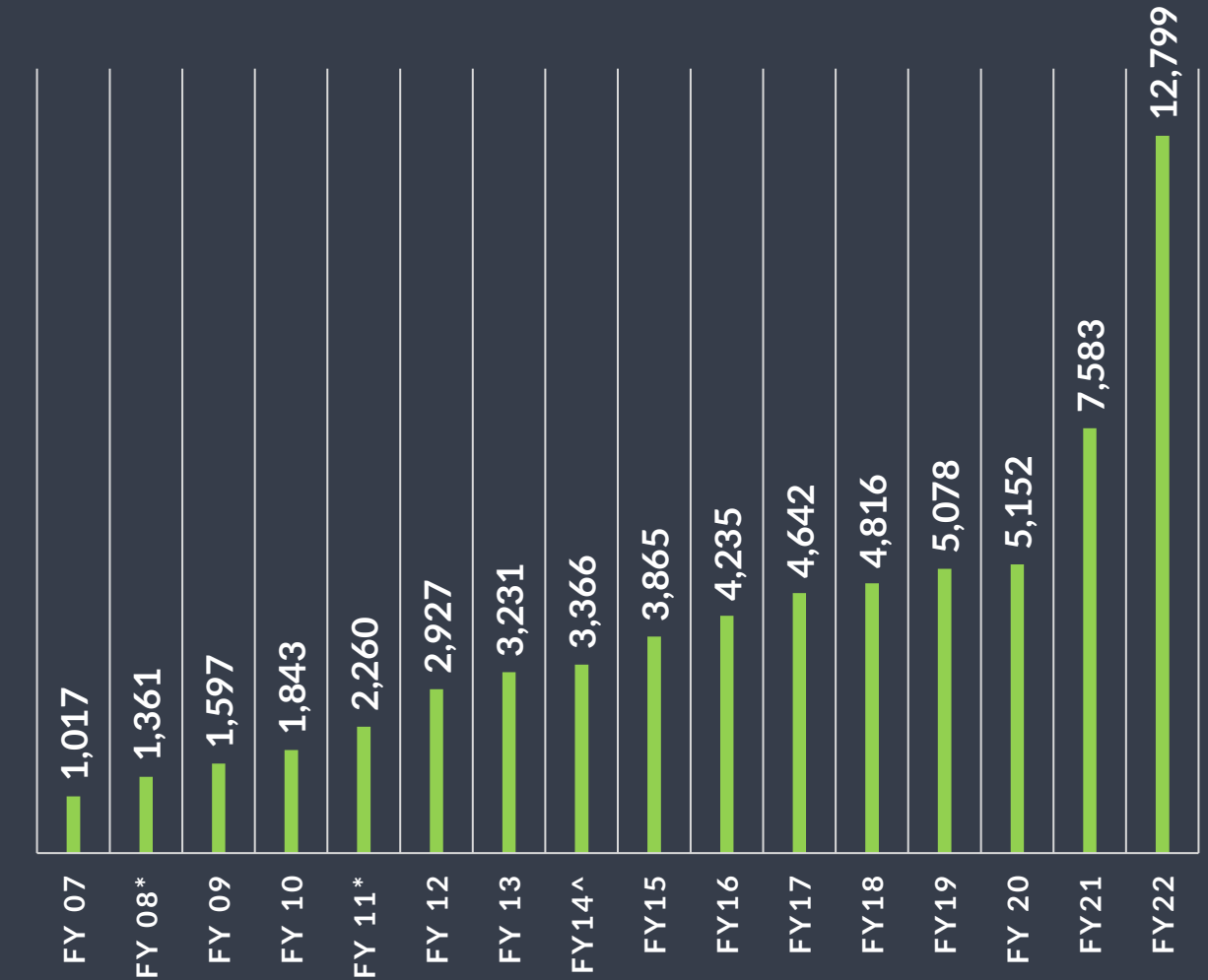
**EBITDA**  
CAGR : 16%

₹ in Mn



**PAT**  
CAGR : 18%

₹ in Mn

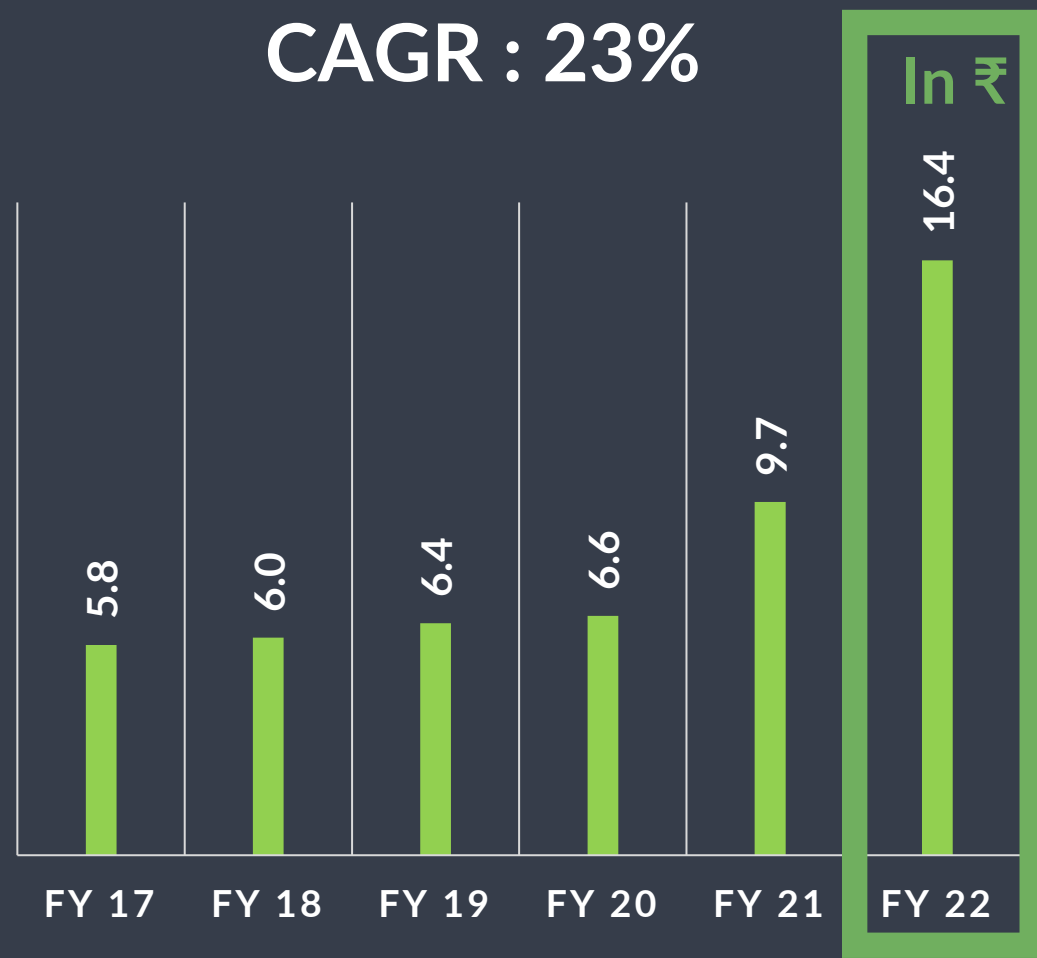


\*Post acquisition of Easyaccess Financial Services in FY 08 and Arena in FY 11. ^ Post sale of Easyaccess Financial Services FY21 PAT has been restated to provide RCS merger effect

# Value Creation for our Stakeholders

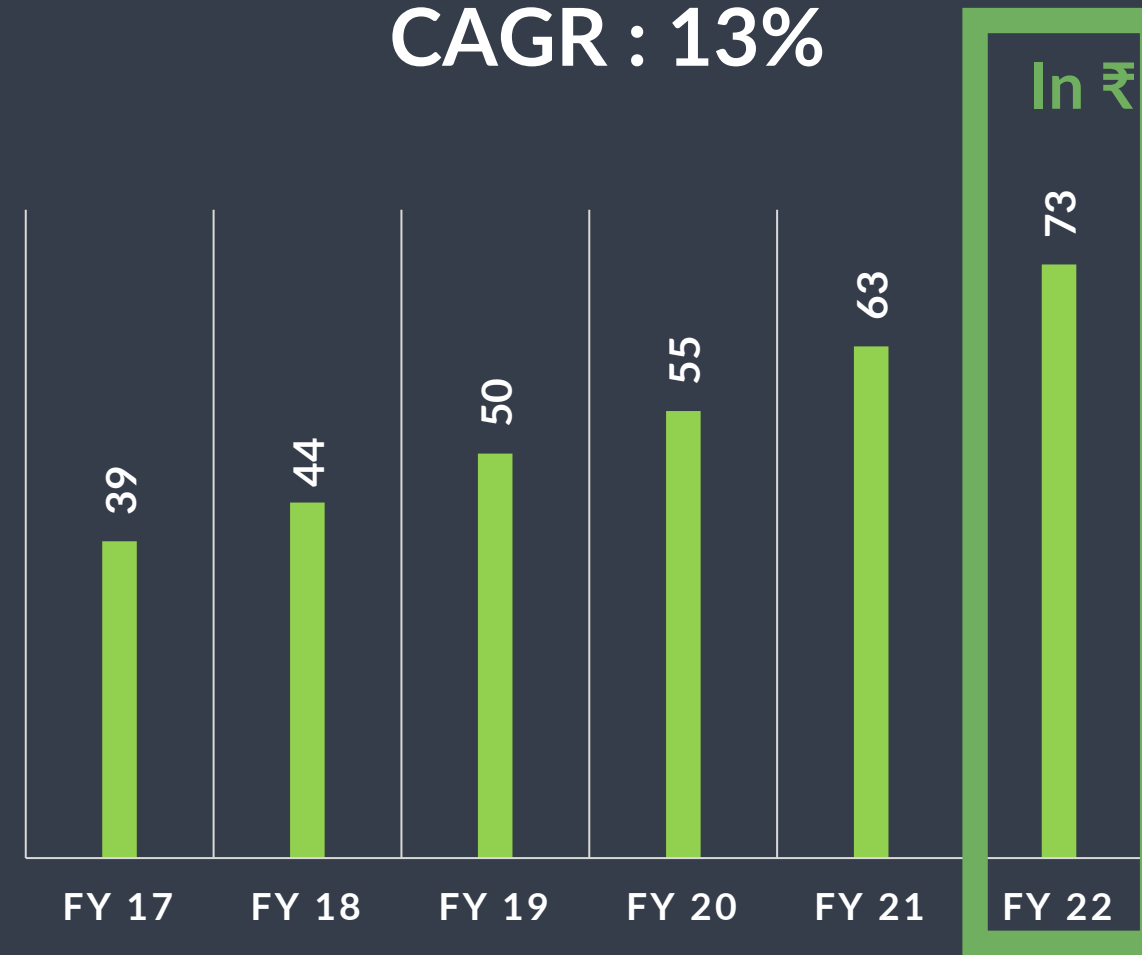
## EPS

CAGR : 23%



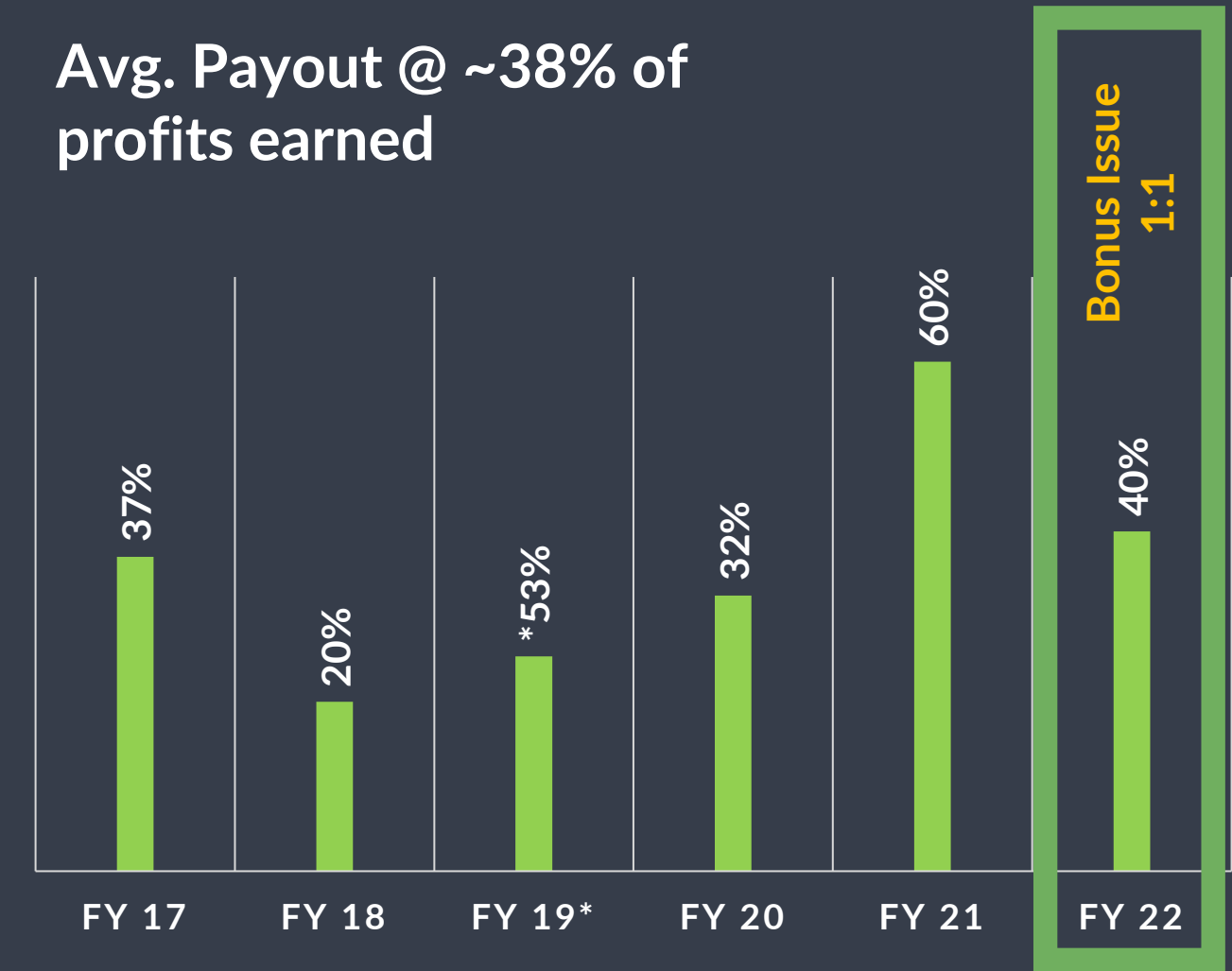
## BOOK VALUE/SHARE

CAGR : 13%



## PAYOUT TO SHAREHOLDERS

Avg. Payout @ ~38% of profits earned



\*Includes both dividend & buyback

Note: Bonus issue of 1:1 declared in FY22, in recognition of superior performance

Note: Special dividend declared in FY21, in recognition of superior performance

Note: Special dividend declared in FY17, to commemorate 10 years of listing

Note: FY21 EPS has been restated to provide RCS merger effect

# FY22 Performance Snapshot



## REVENUE

10% ▲

FY22: Rs.6,27,316 Mn  
FY21: Rs.5,70,416 Mn

## EBITDA

31% ▲

FY22: Rs.18,792 Mn  
FY21: Rs.14,390 Mn

## PAT

69% ▲

FY22: Rs.12,799 Mn  
FY21: Rs.7,583 Mn

## WC Days

14 Days

FY21: 14 days

## ROE

24.1%

FY21: 16.5%

## ROCE<sup>^</sup>

66%

FY21: 36.5%

## INVENTORY CHARGE

0.08%

FY21: (0.07)%

## AR PROVISION

0.12%

FY21: 0.08%

## FREE CASH FLOW

3392Mn

FY21: Rs.33,600 Mn

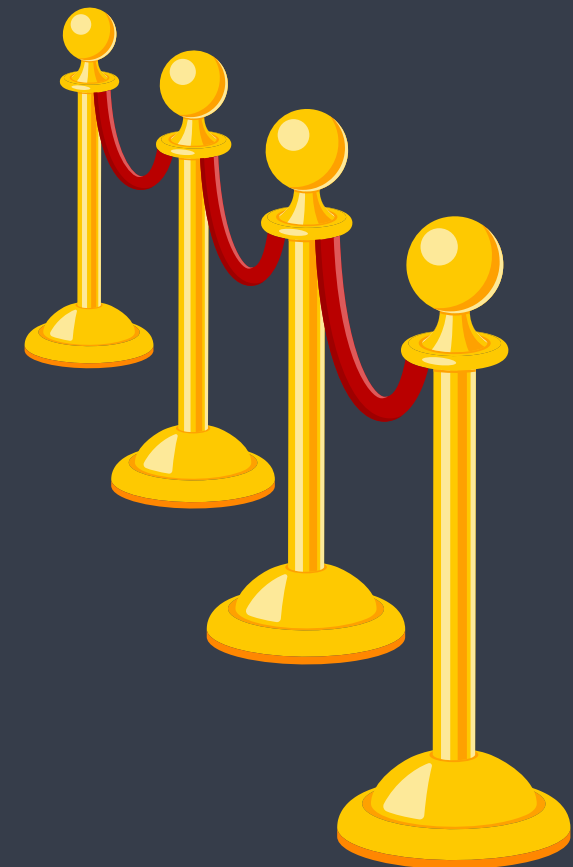
<sup>^</sup>ROCE is calculated net of cash and on average capital employed

Note: # Revenues growth as per Gross a/c – Global:12%

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



**Redington**  
**Recognitions**







# Redington Recognitions

## 2022

- Best Distributor in JAPAC for PA400 initiative
- Oracle Linux & Virtualization Distributor of the year
- Distributor of the year
- Scale distribution partner of the year
- Biggest distributor of the year
- Highest number of Active partners
- Best Practices among APJC Disctibutors

## 2020

- ISA Business Excellence Awards 2020
- Sophos Distributor of the Year 2020
- HPE India Distributor of the year 2020
- IBM Best Digital Marketing Planning Awards – India Asia Pacific. (2020)
- DELL Excellence in Digital Marketing 2020
- Juniper Distribution Partner of the Year 2020

## 2021

- Distribution- IBM Partner EcoSystem Summit Awards
- Partner Network Award
- Best National Distributor
- Distributor for the Year - FY20
- Distributor Partner of the Year

## 2019

- Distributor of the year
- Distributor of the year- storage

## 2017

- APAC Distribution Growth Award 2017
- Envisage Best Distributor 2017
- HP Indigo Outstanding Contribution 2017
- HP Press Software Upgrade 2017
- Oracle Value Added Distributor 2017
- Lenovo Best T1 Highest Premium & Mainstream Mix 2017
- HP Best Commercial Print Distribution 2017
- Palo Alto Best Distributor 2017
- Distributor of the year



Thank You



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