

6th February 2020

The National Stock Exchange of India Limited
Exchange Plaza,
Bandra-Kurla Complex,
Bandra (E), Mumbai-400 051.

Dear Sir/Madam,

Sub: Presentation to Investor/Analyst Meet

This is further to our letter dated 27th January 2020 on the Investor/Analyst call scheduled today.

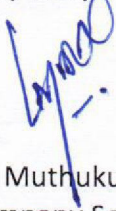
Pursuant to Regulation 30(2) and 46(2)(o) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclose herewith a copy of Investor Presentation that will be shared with the Analysts/Investors.

The same shall be uploaded on our website www.redingtongroup.com

We request you to kindly take the above information on record.

Thanking you,

Very Truly Yours,



M. Muthukumarasamy
Company Secretary

CC: BSE Limited
Floor 25, P.J. Towers, Dalal Street,
Mumbai-400 001.



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

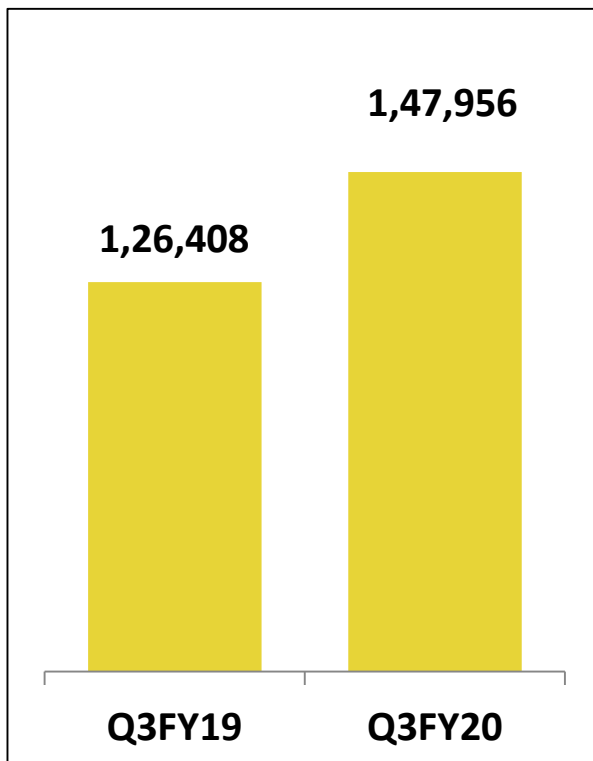


Q3FY20- Consolidated Financials

₹ in million

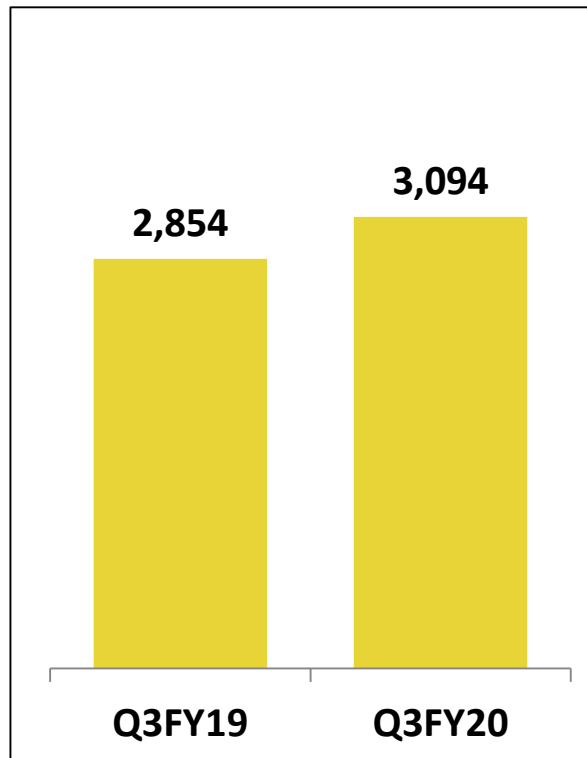
REVENUE

17% ▲ 17*% ▲



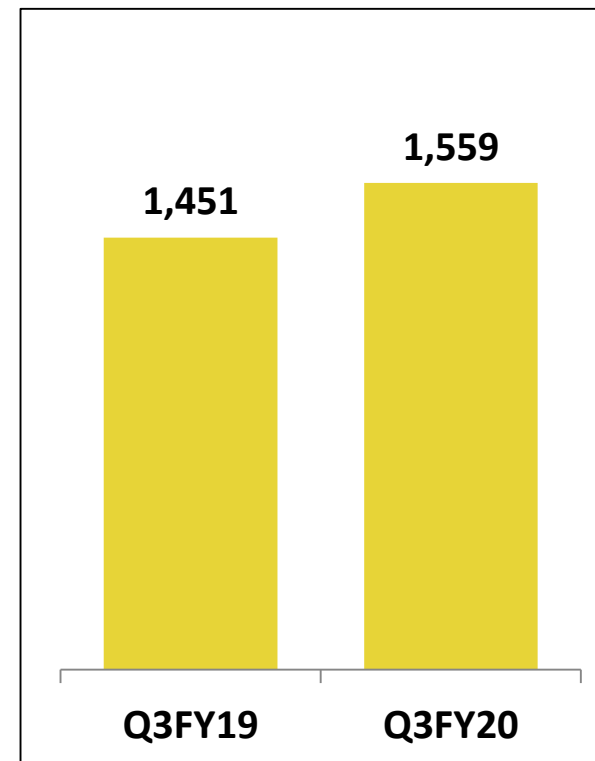
EBITDA

8% ▲ 20*% ▲



PAT

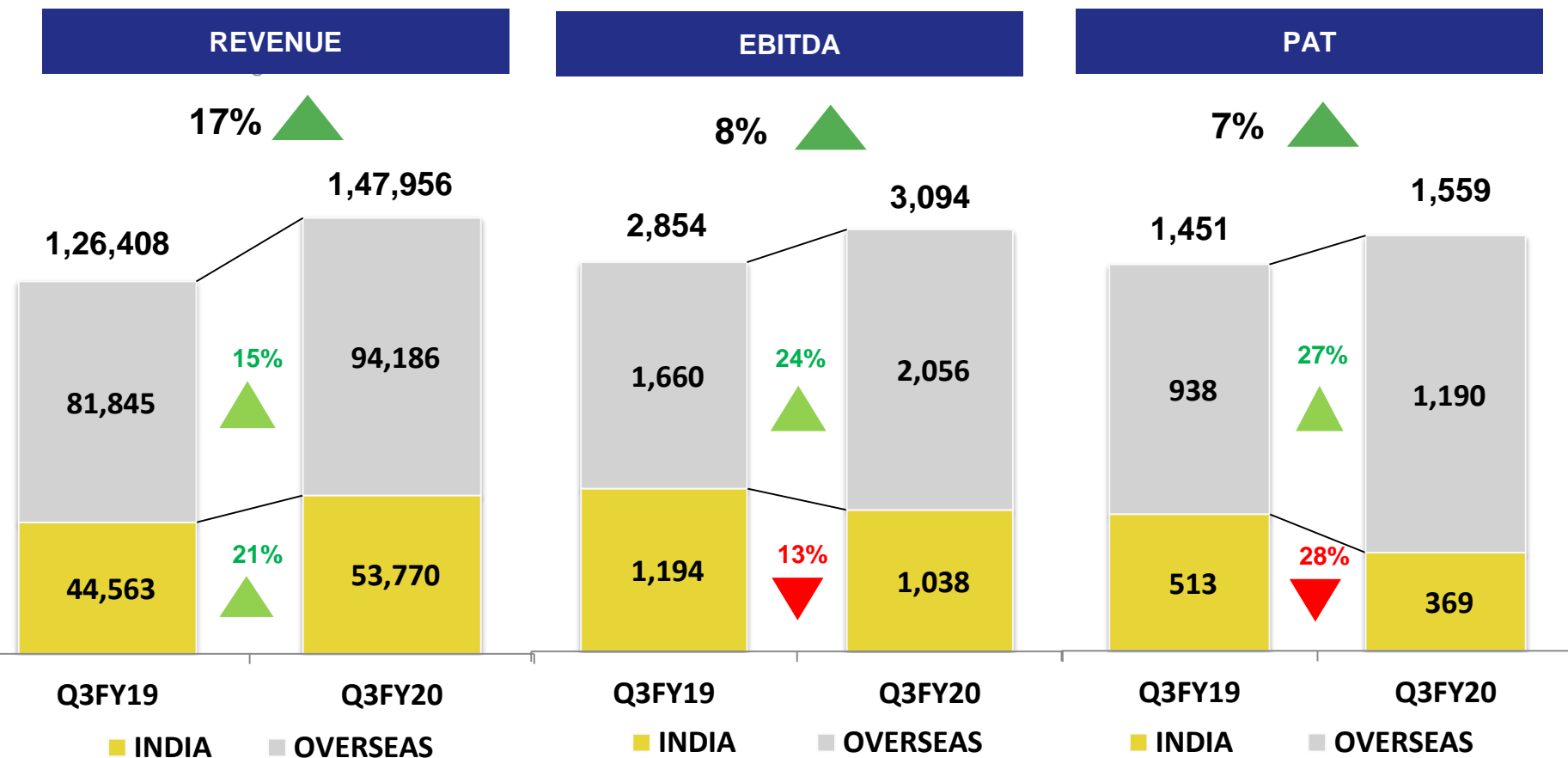
7% ▲ 35*% ▲



*Growth excluding ProConnect India biz

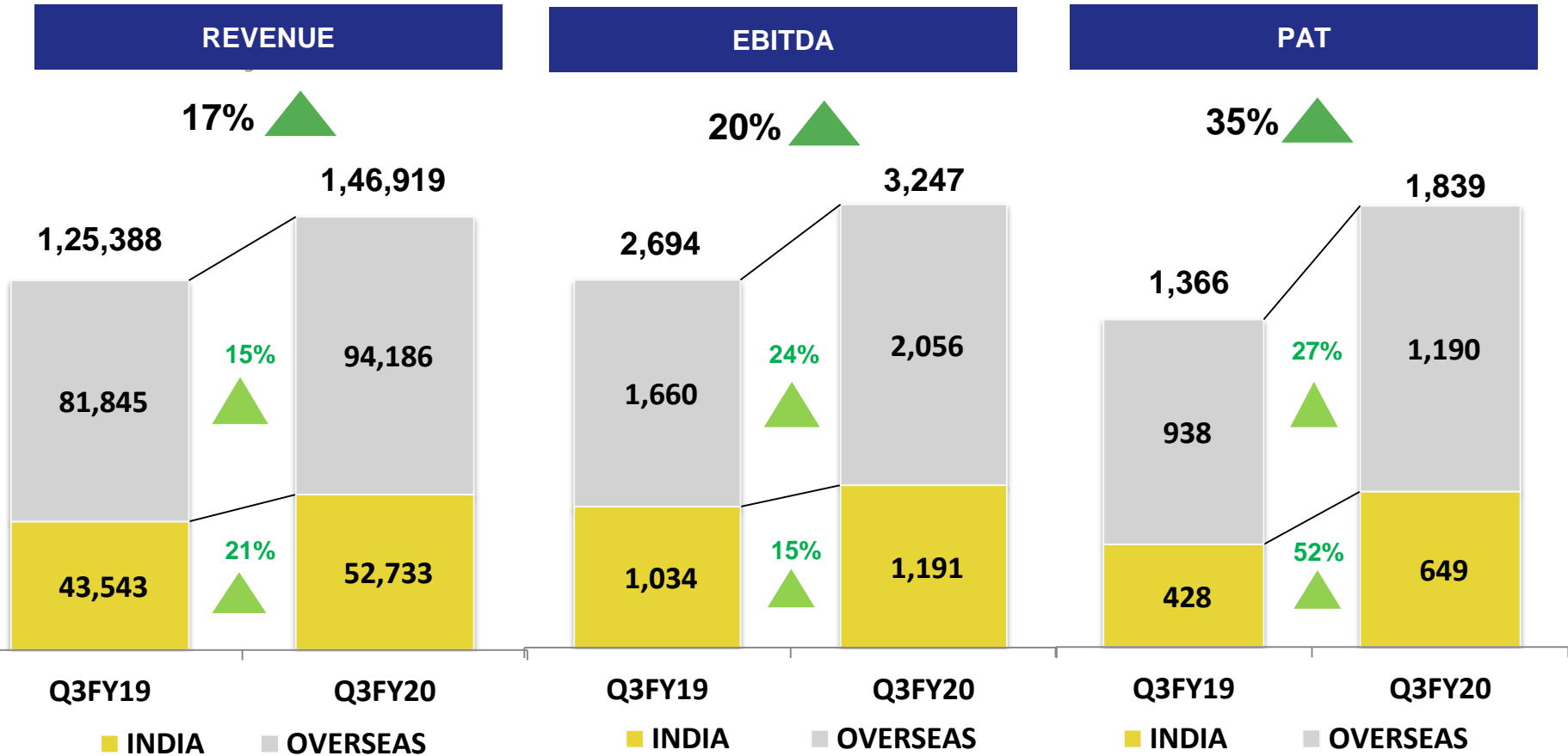
Q3FY20 Performance by Market

₹ in million



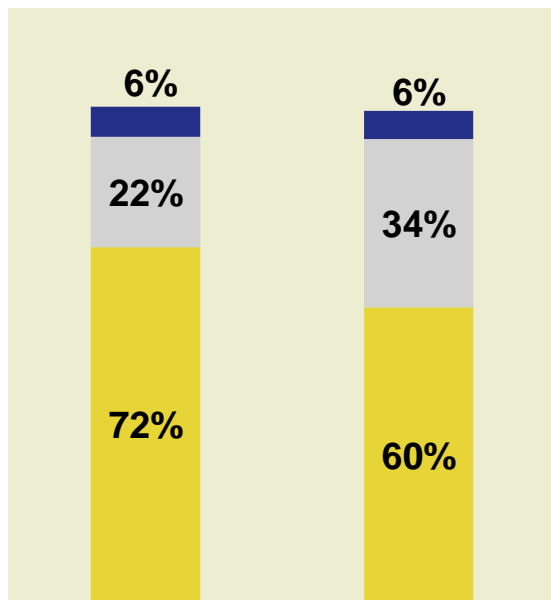
Q3FY20 – Excluding ProConnect India

₹ in million



Q3FY20 Performance by Vertical

INDIA

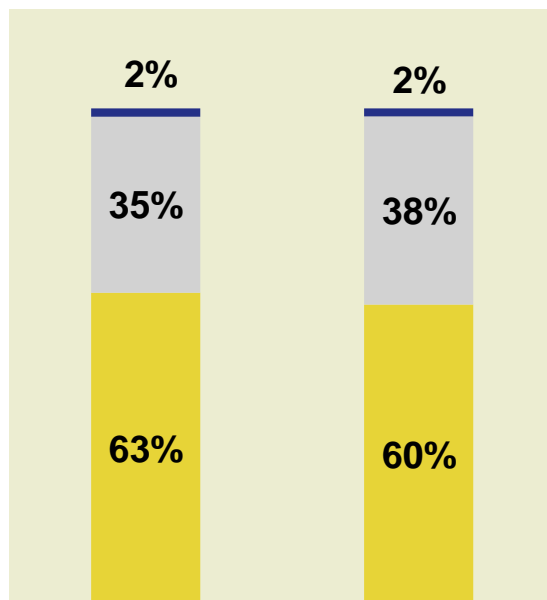


Q3FY19

Q3FY20

■ IT ■ Mobility ■ Services

OVERSEAS

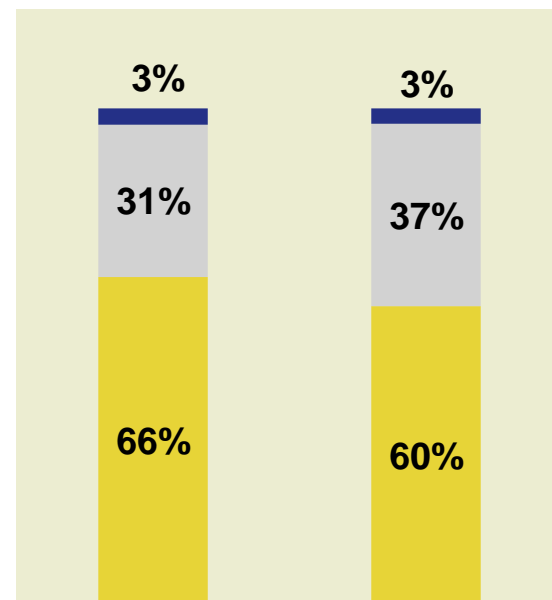


Q3FY19

Q3FY20

■ IT ■ Mobility ■ Services

CONSOLIDATED



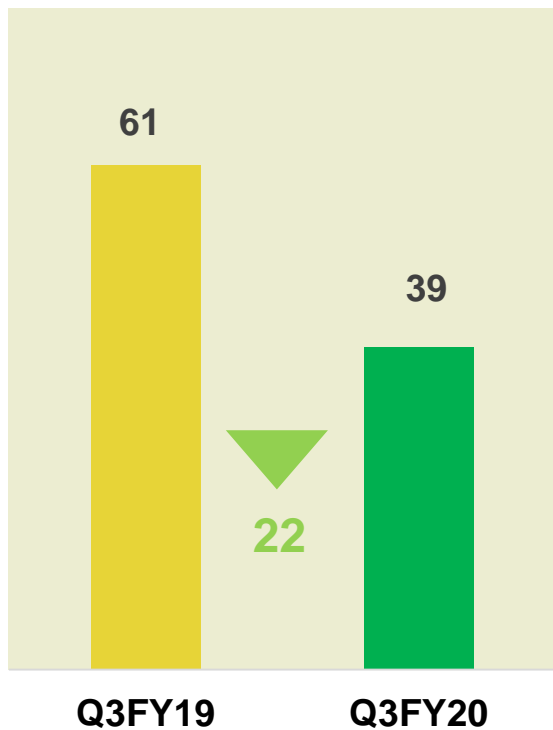
Q3FY19

Q3FY20

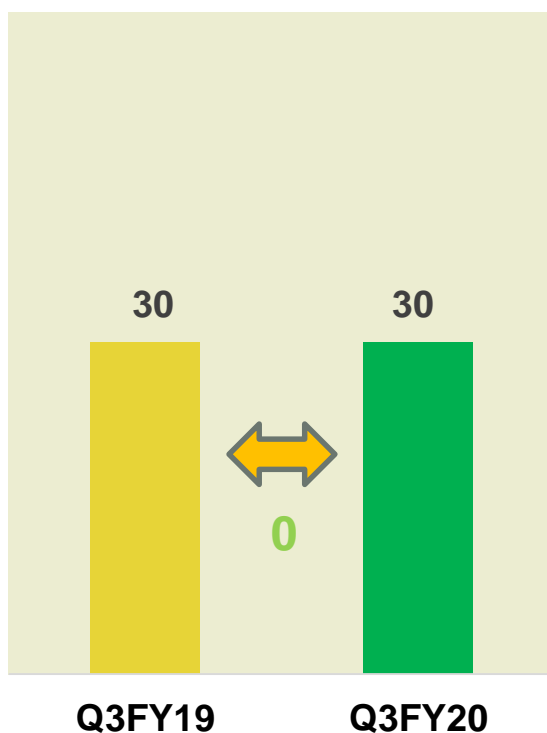
■ IT ■ Mobility ■ Services

Q3FY20 – Working Capital Days

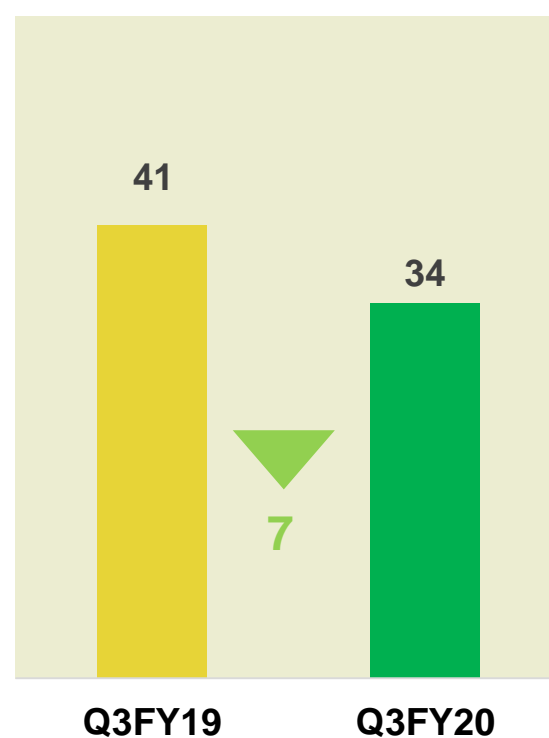
INDIA



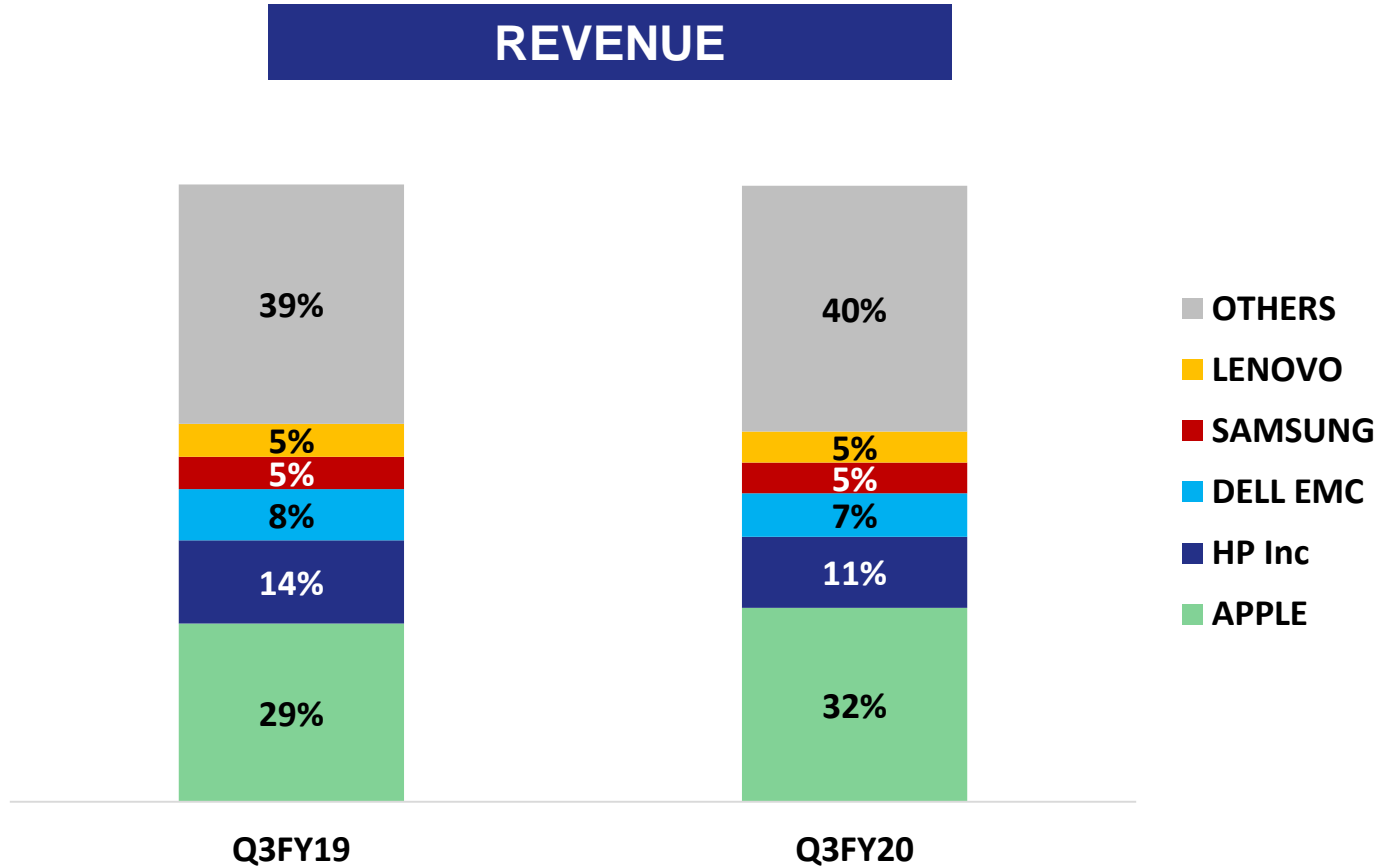
OVERSEAS



CONSOLIDATED

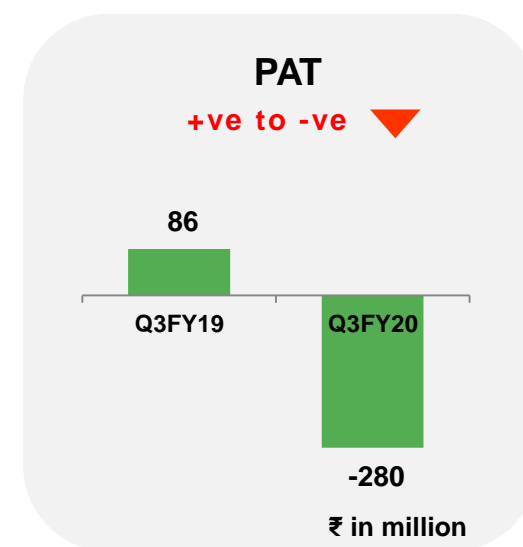
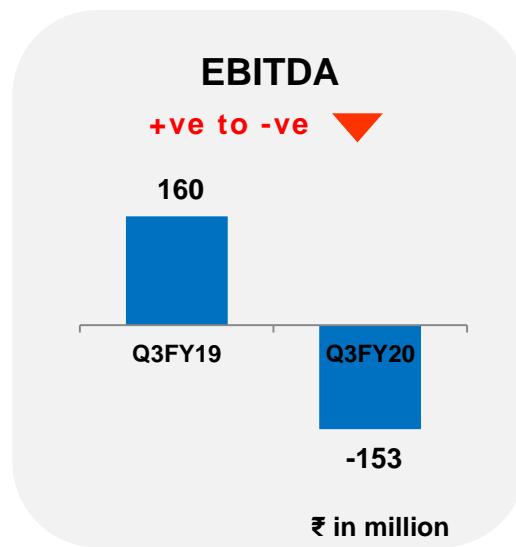
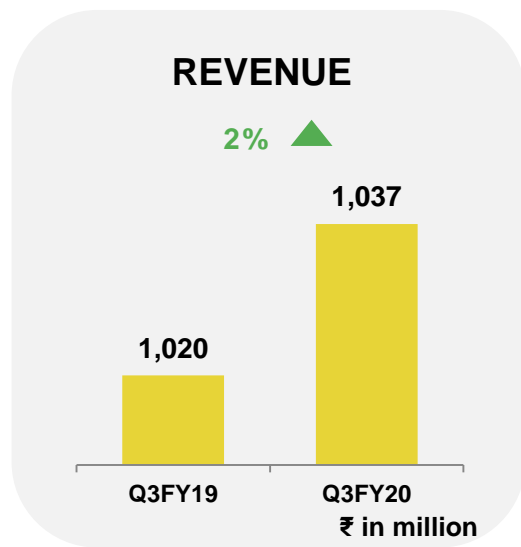


Q3FY20 – Top 5 Vendors Consolidated



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





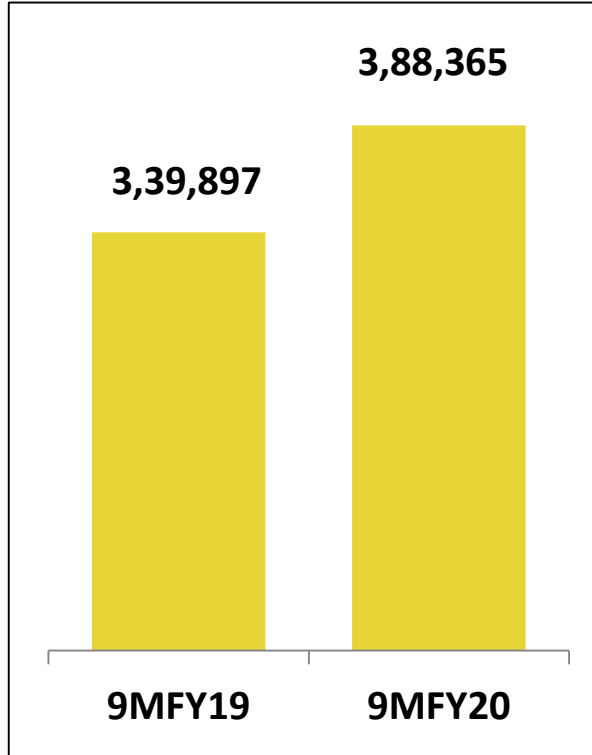
9MFY20 Performance

9MFY20- Consolidated Financials

₹ in million

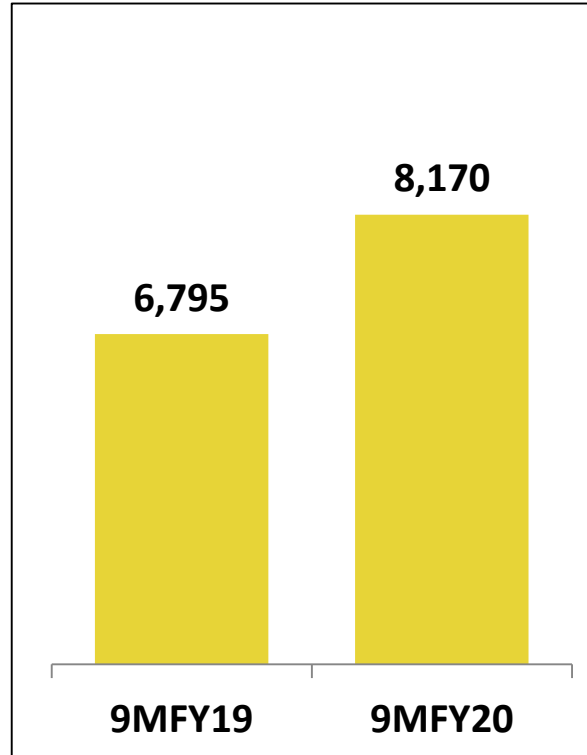
REVENUE

14% ▲ 17%* ▲



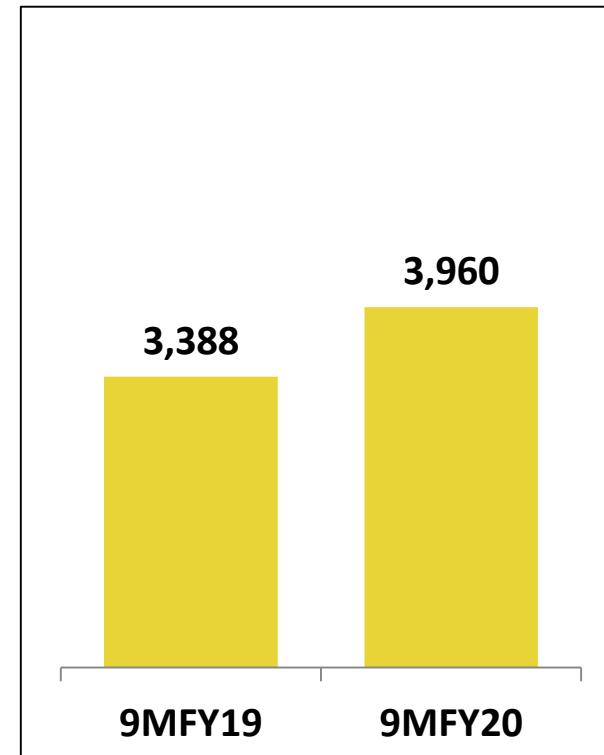
EBITDA

20% ▲ 24%* ▲



PAT

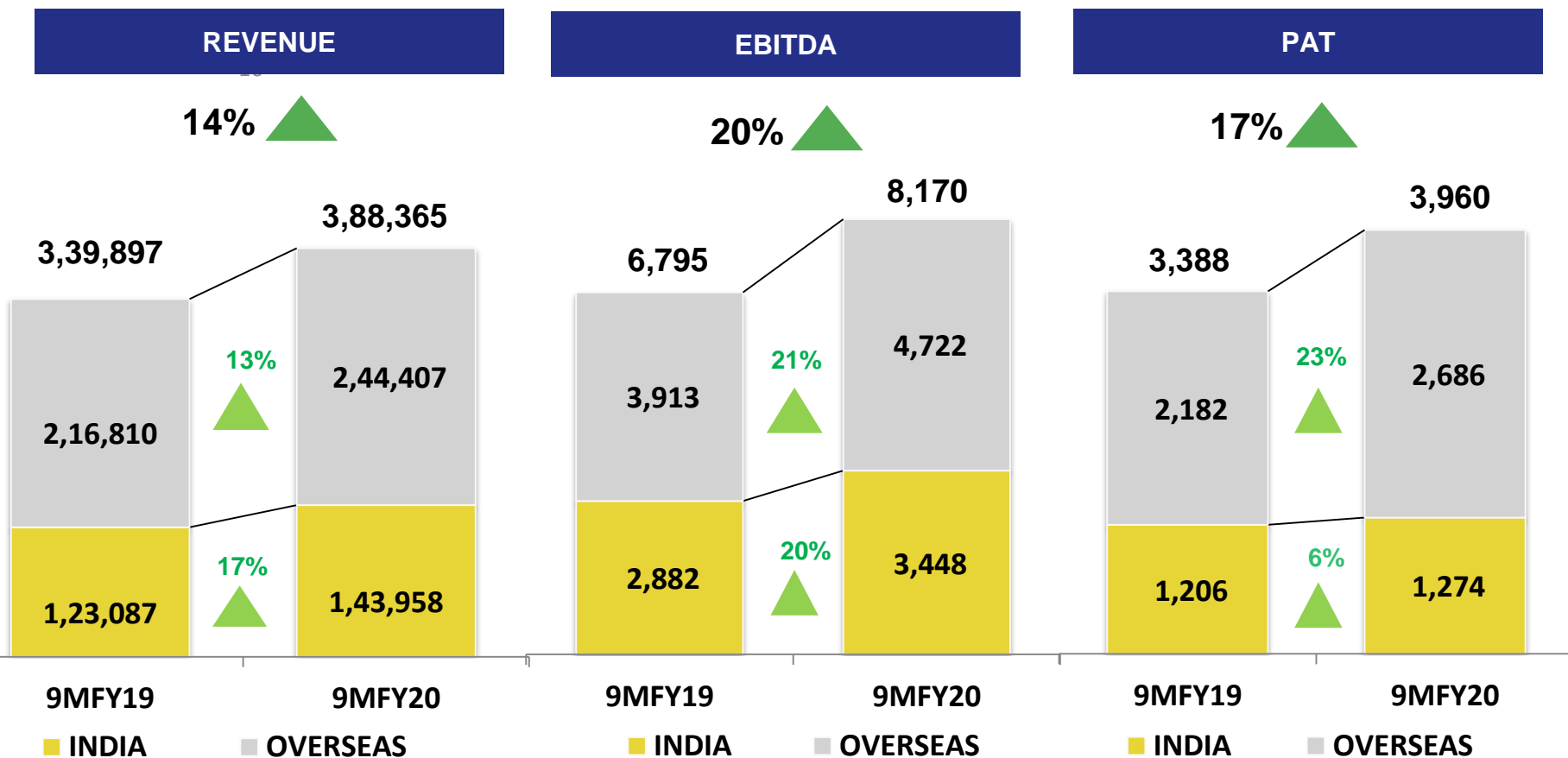
17% ▲ 31%* ▲



*Growth excluding ProConnect India biz

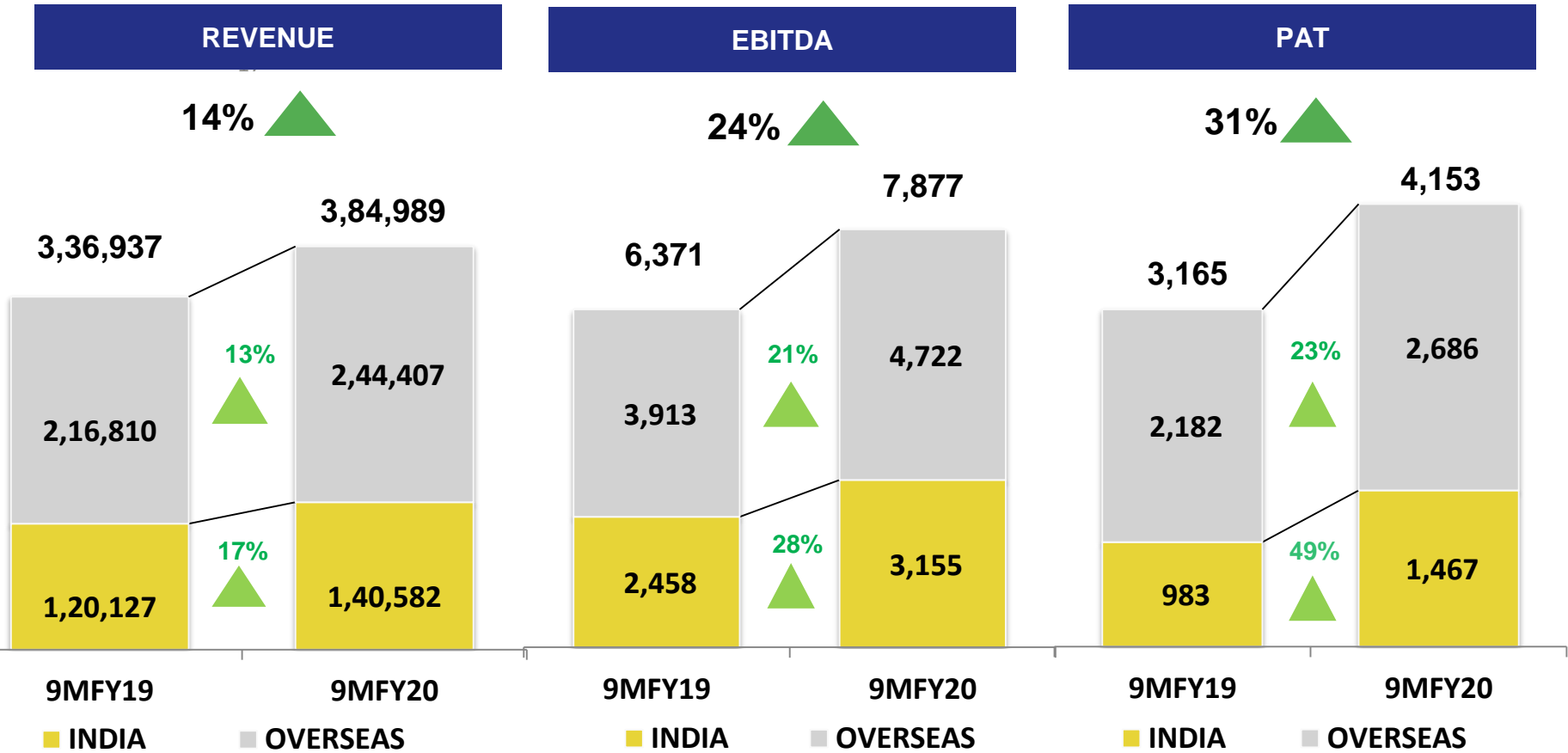
9MFY20 Performance by Market

₹ in million



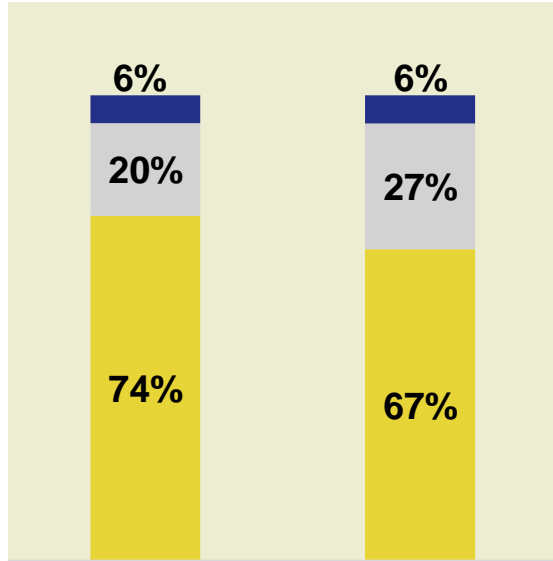
9MFY20 – Excluding ProConnect India

₹ in million



9MFY20 Performance by Vertical

INDIA

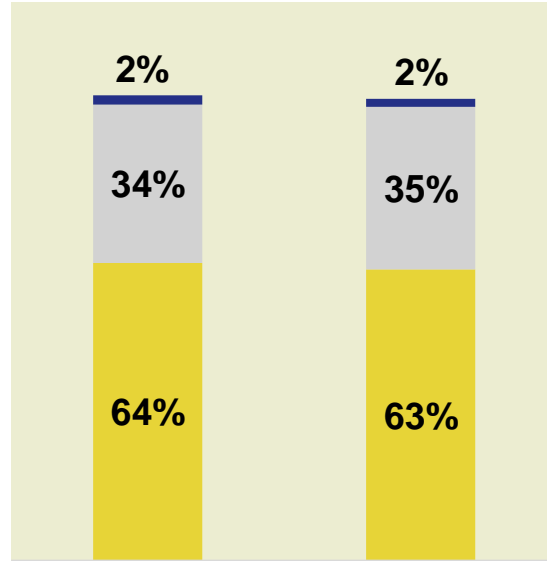


9MFY19

9MFY20

■ IT ■ Mobility ■ Services

OVERSEAS

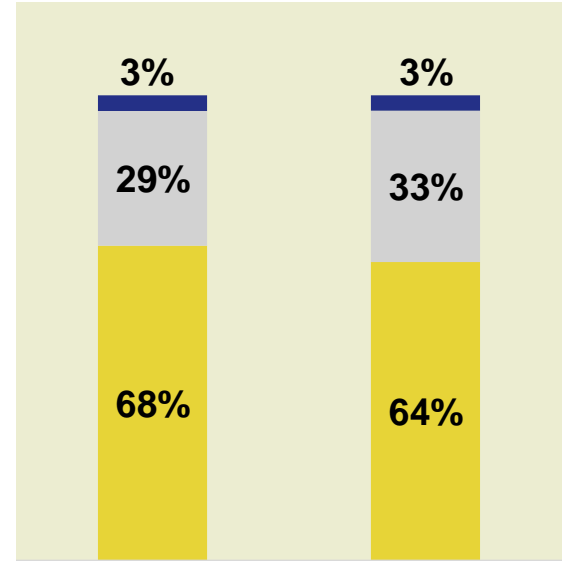


9MFY19

9MFY20

■ IT ■ Mobility ■ Services

CONSOLIDATED



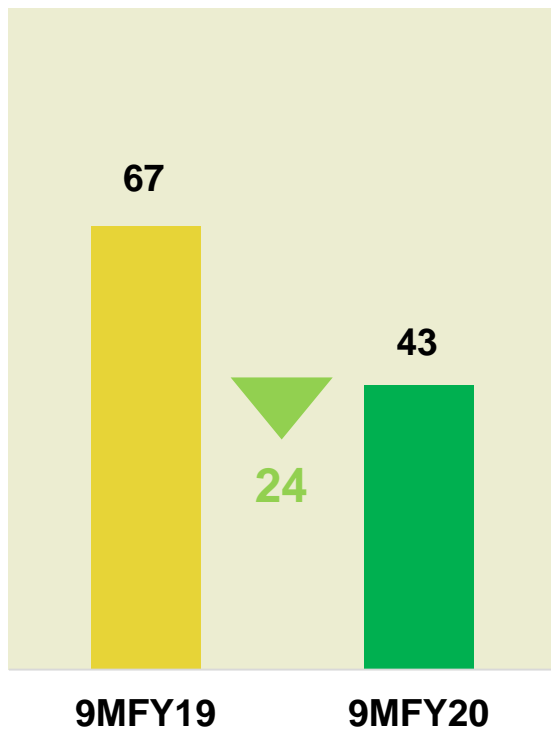
9MFY19

9MFY20

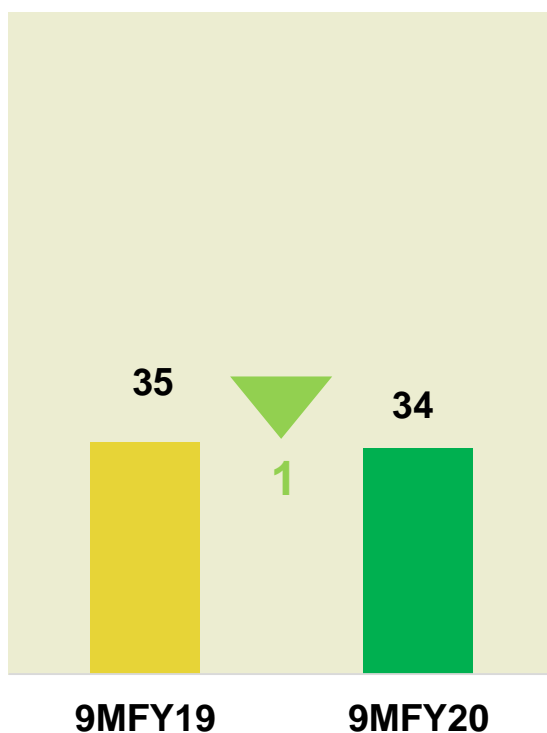
■ IT ■ Mobility ■ Services

9MFY20 – Working Capital Days

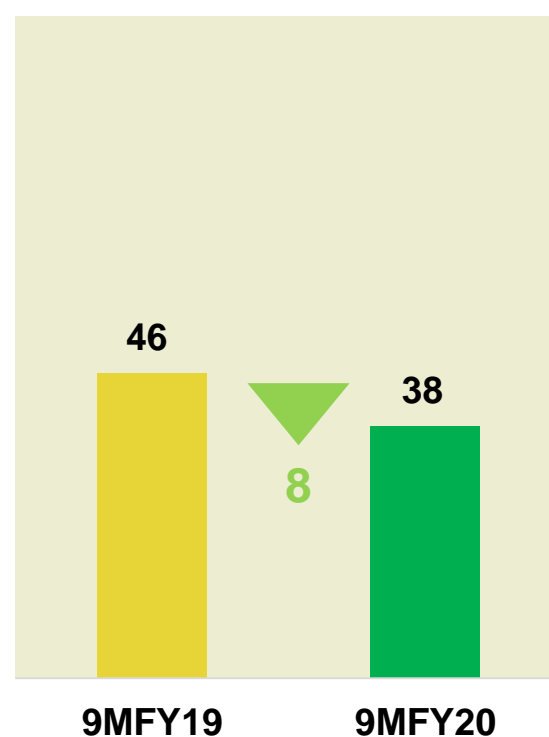
INDIA



OVERSEAS



CONSOLIDATED

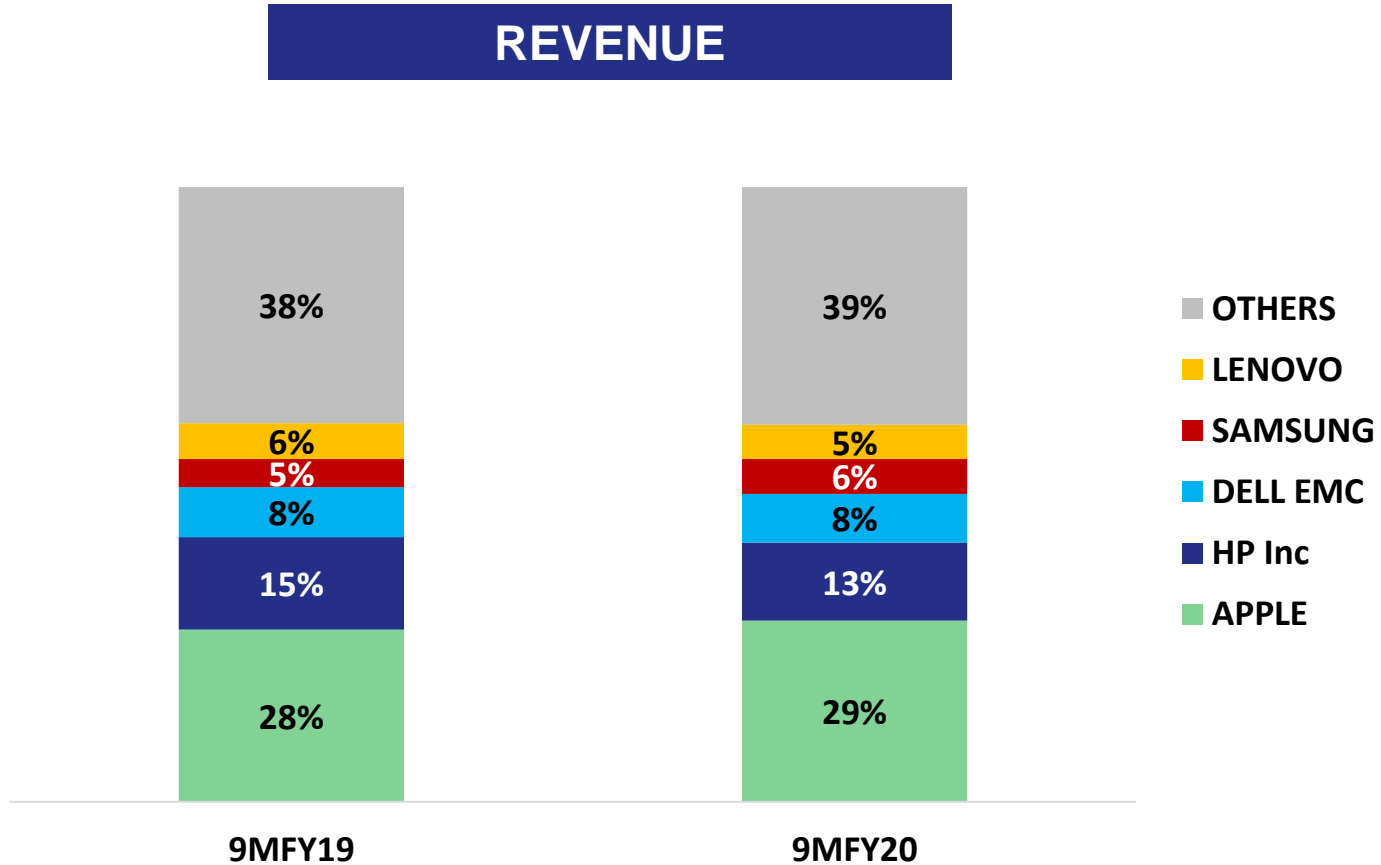


Free Cash Flow Statement

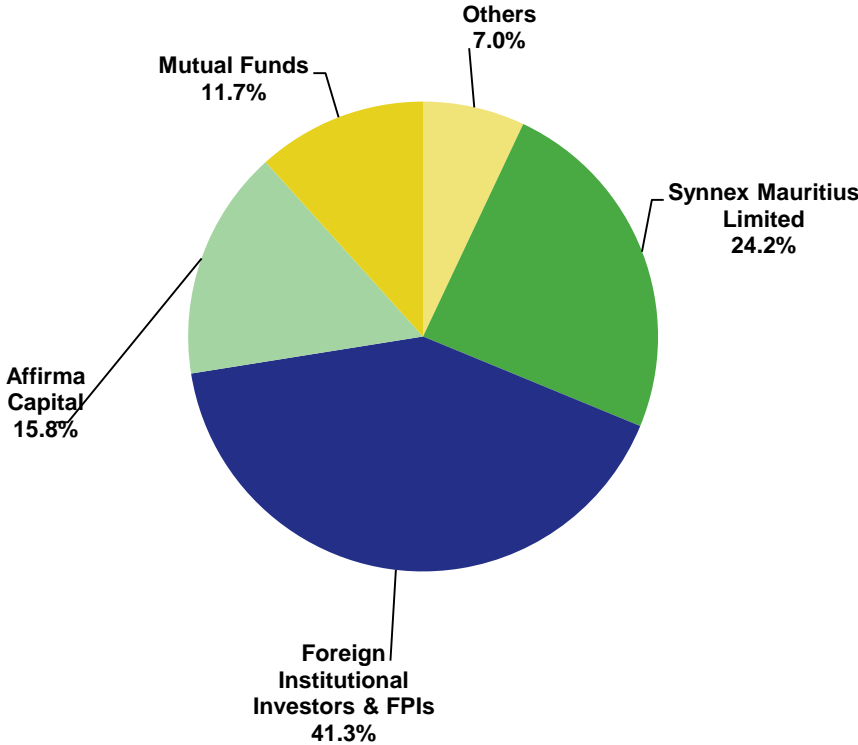
₹ in million

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)

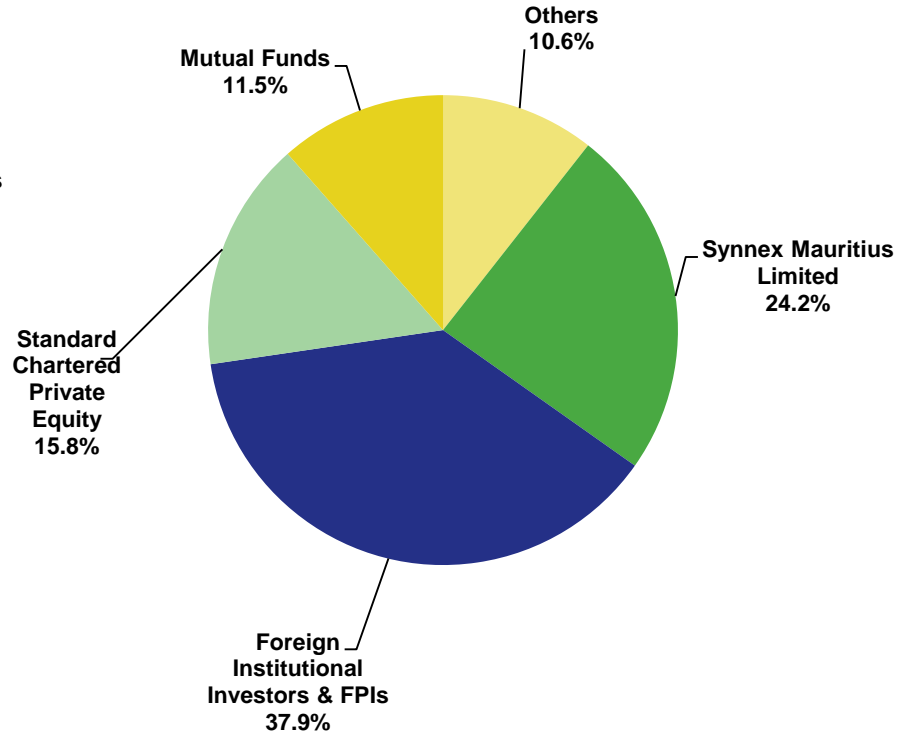
9MFY20 – Top 5 Vendors Consolidated



Shareholding Pattern



Sep-2019



Dec-2019

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



Investor Contacts

M. Muthukumarasamy

Compliance Officer

Redington (India) Limited

SPL Guindy House, 95 Mount Road,

Guindy, Chennai 600 032

<https://www.redingtongroup.com>

Sowmiya M

Senior Manager – Investor Relations

sowmiya.manickam@redington.co.in

CIN - L52599TN1961PLC028758



Corporate Presentation

December 2019

WHO ARE WE?

*A prominent & leading
“Technology Distributor”*

evolving into a

“Services & Solutions company”



WHAT WE DO?

*We are ‘Business Enablers’,
Seamlessly partnering with
Brands and Channel partners
in delivering value*



No.1 Technology distributor in MEA and No.2 in India



Multi faceted approach of Distribution & Services



Expanding the reach & coverage for over 225+ brands through 38,570+ partners



An Emerging Markets player with in-country presence



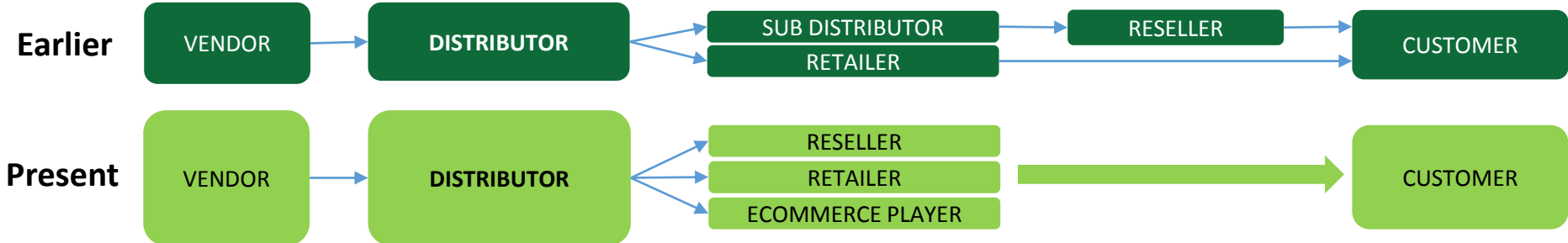
\$6.7bn+ company with strong double digit 12 year CAGR (Revenue, EBITDA & PAT)

Industry Overview

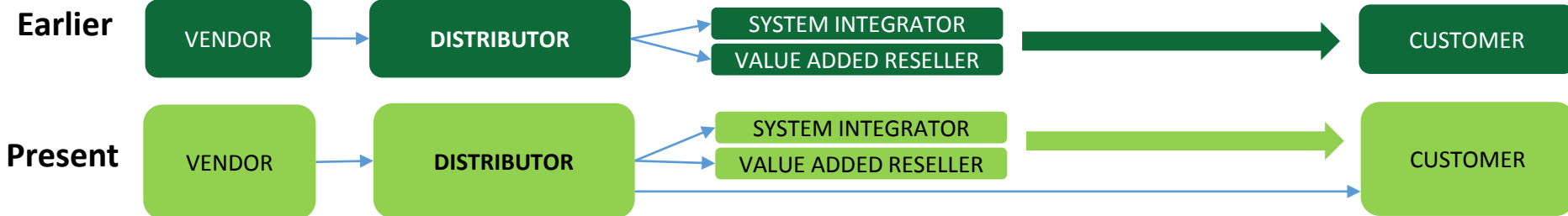


Distribution Food Chain

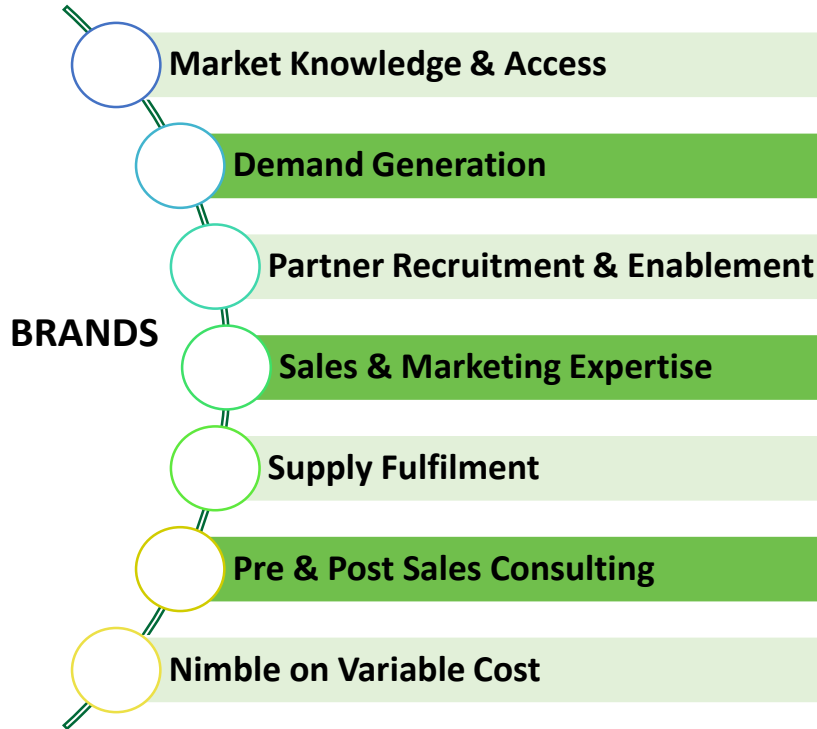
IT CONSUMER & MOBILITY



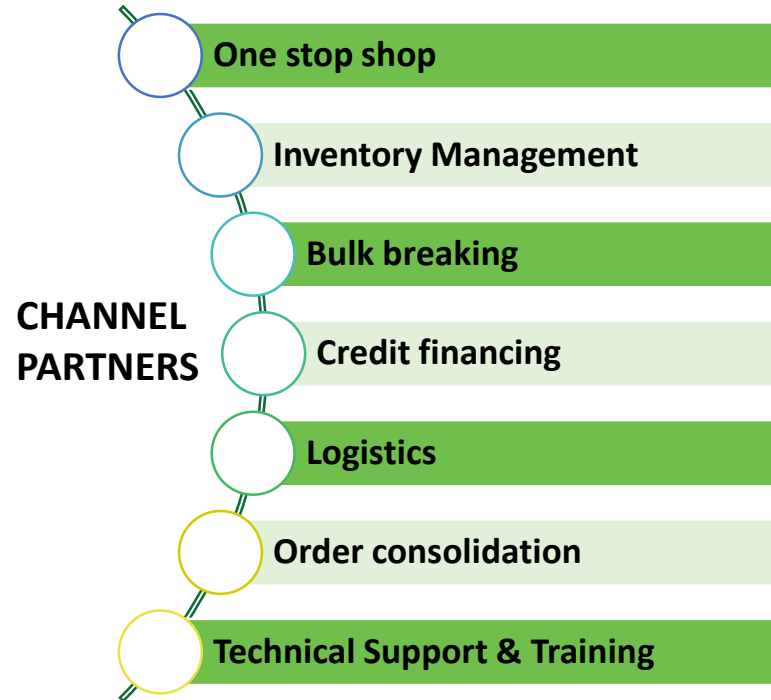
IT ENTERPRISE



Distributors: Value Creators

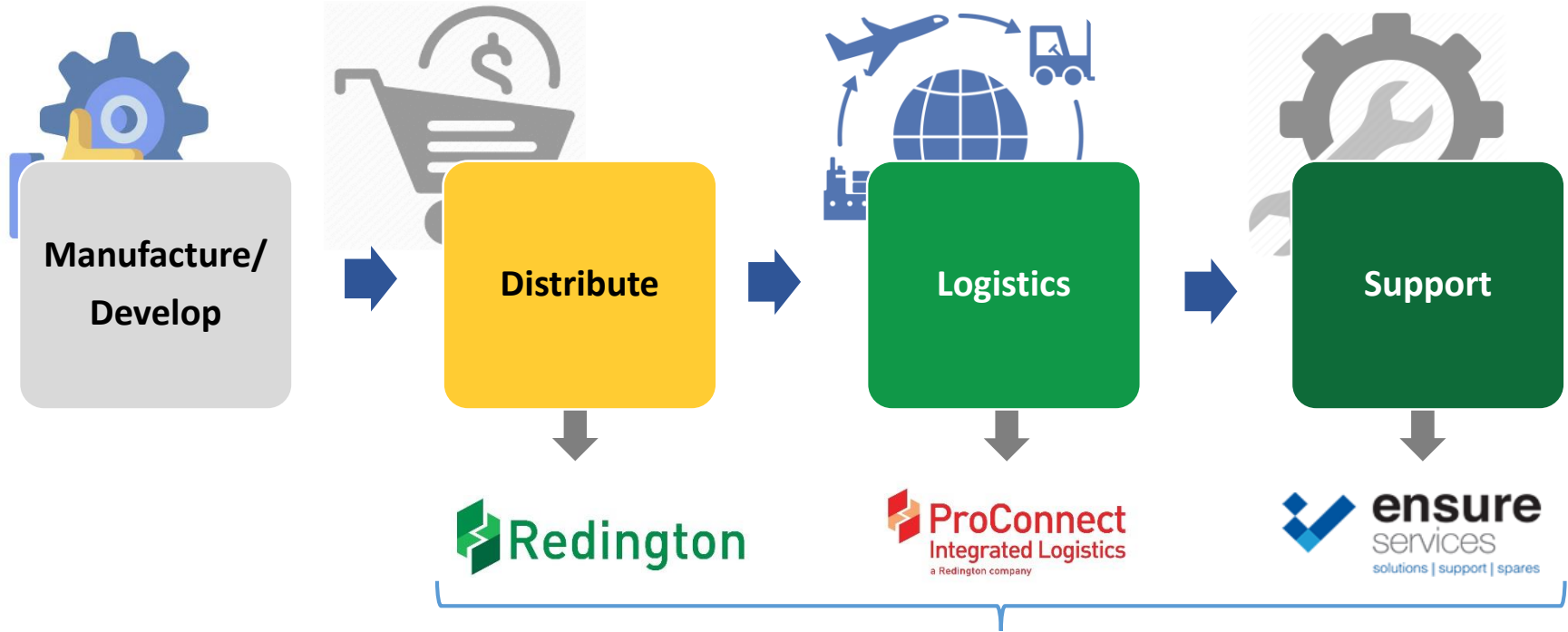


Increase in the revenue base & increased value offered in a product



Facilitating selling as well as enhancing the selling potential for partners

Product Lifecycle



Our presence across the product lifecycle

Company Overview



“Our mission is to offer a robust technology-powered platform to enable a seamless flow of products and services”

Our Values



ADAPTABILITY



COLLABORATION



KNOW-HOW



OBJECTIVITY



SIMPLICITY



TRUST



TRANSPARENCY

Our Emergence



1993

Presence across 37 markets, a leading Emerging Markets player

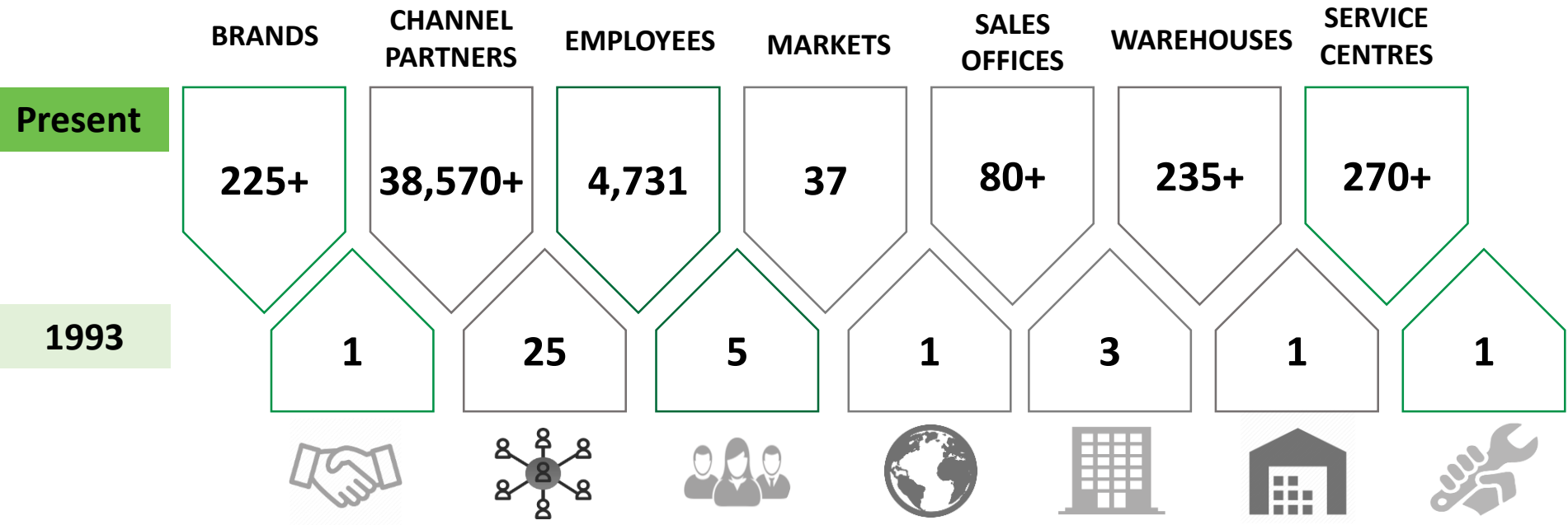
Our Associations



1993

Enviably Partnerships with over 215+ brands

Our Expansion



From a 'Home Grown Company' to a 'Leading Distributor'

Independent Directors

CHAIRMAN



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



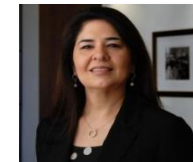
V. S. Hariharan
Ex. Vice President,
Hewlett-Packard,
Singapore



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



B Ramaratnam
Professional
Director



Anita P Belani
Sr Business & Human
Capital Leader, Operating
Partner (Gaja Capital)

Executive Directors



Raj Shankar
Managing Director



S V Krishnan
Whole time
Director



Tu, Shu-Chyuan
General Manager
Business Development
Synnex Tech, Taiwan



Chen, Yi-Ju
Senior Manager –
Finance Planning &
Management
Synnex Tech, Taiwan



Udai Dhawan
Founding Partner &
Head of India,
Affirma Capital

Non-Executive Directors

Our Experienced Executive Team



Raj Shankar
Managing Director



P S Neogi
Chief Development
& Strategy Officer



S V Krishnan
CFO & Whole
Time Director



Ramesh Natarajan
Joint COO & Chief
Sales Officer, India



J K Senapati,
Joint COO, India



E H Kasturi Rangan
MD, ProConnect
Logistics, India



Dr. R. Arunachalam
CEO, ProConnect
Logistics, India



S V Rao
CEO, Ensure
Services, India



**Aloysius
Fernandes**
President,
IT Volume,
Africa



**Jeetendra
Berry,**
Sr Vice
President,
IT Volume,
Middle East



Rawad Ayash,
Sr Vice
President,
Mobility,
Middle East



Sayantan Dev
Sr Vice
President,
IT Value
Distribution



Jim Mathew
Sr. Vice President,
Mobility,
Africa



S Chidambaram
Sr. Vice President,
Supply Chain
Management, MEA



Sriram Ganeshan
Director & Chief
Financial Officer,
MEA



S Sethuraman
Sr. Vice President,
Ensure Services, MEA



Serkan Celik,
CEO, Arena,
Turkey

Business Overview



Distribution Business

BUSINESS

INDIA

MIDDLE EAST

AFRICA

TURKEY

SINGAPORE

SOUTH ASIA

DISTRIBUTION



IT CONSUMER

PCs



Laptops



Print Supplies



Printers



Consumer Lifestyle products



IT ENTERPRISE

Networking



Software



Servers & Storage



Security



MOBILITY

Smartphones



EMERGING



Health & Medical Equipment

3D Printers & Scanners



Solar products

Services Business



BUSINESS	INDIA	MIDDLE EAST	AFRICA	TURKEY	SINGAPORE	SOUTH ASIA
SERVICES	 					



 a Redington company				 imagine the real
Logistics services	Support services	Cloud services	Digital print services	3D Print Services

ProConnect India



Wholly Owned Subsidiary of Redington



Integrated Third Party Logistics partner



PAN India presence



170+ Warehouses



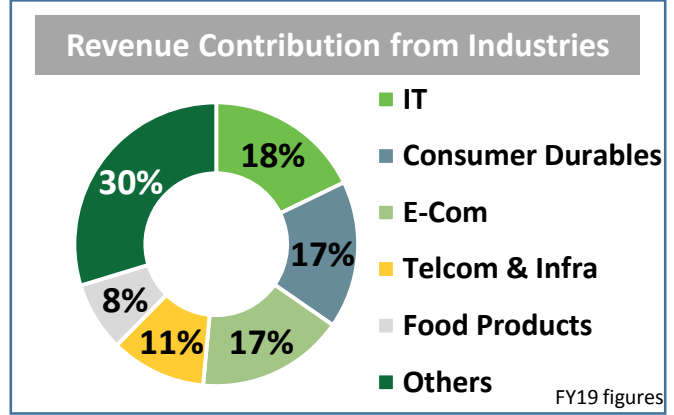
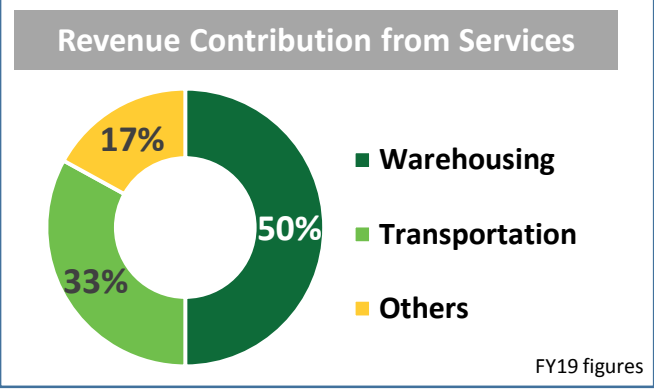
6.5 mn Sq.ft. in operation



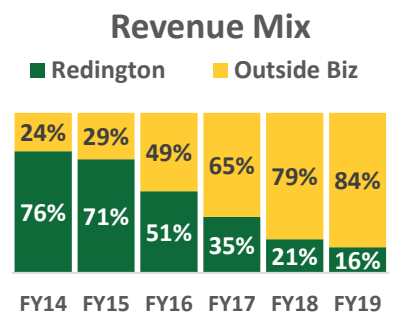
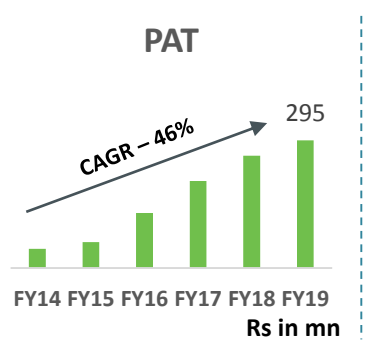
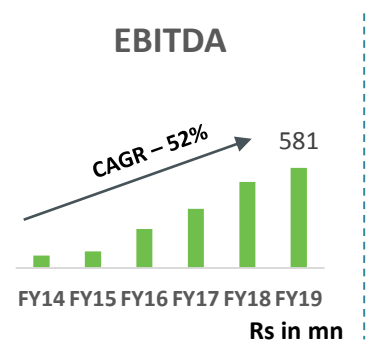
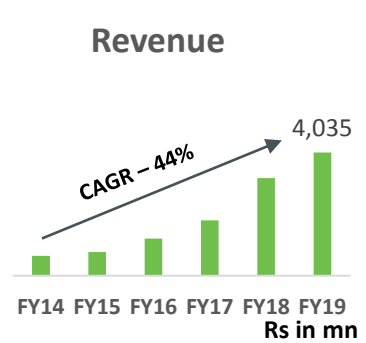
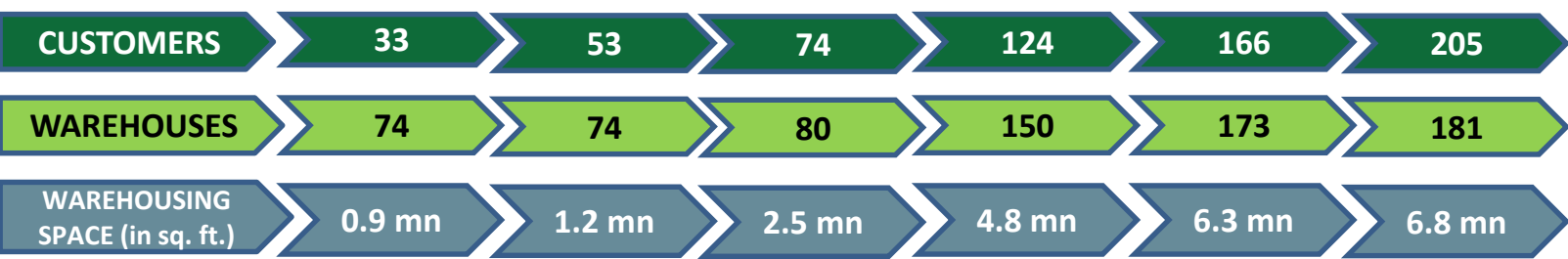
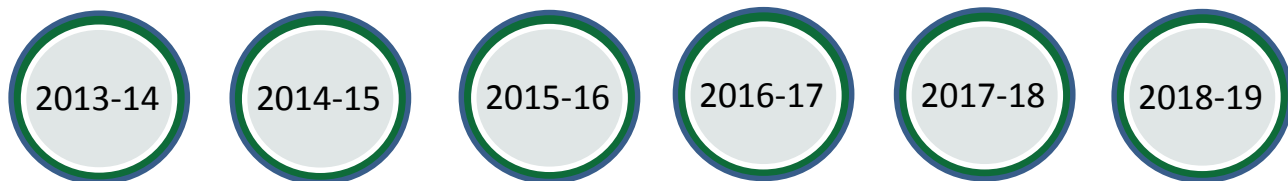
200+ Customers across 12+ Industries



19,800+ Pincodes



ProConnect India : Growth Story





Wholly Owned Subsidiary of Redington



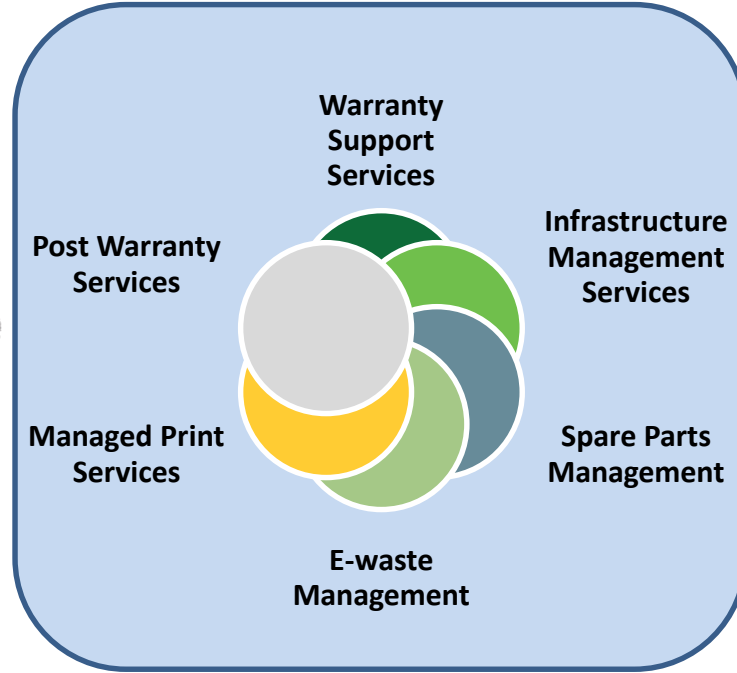
PAN India presence with 45+ Owned service centres across India



Preferred Service partner with 175+ service partners across India



FY19 Revenues : Rs 1069 mn
FY19 PAT : Rs 39 mn

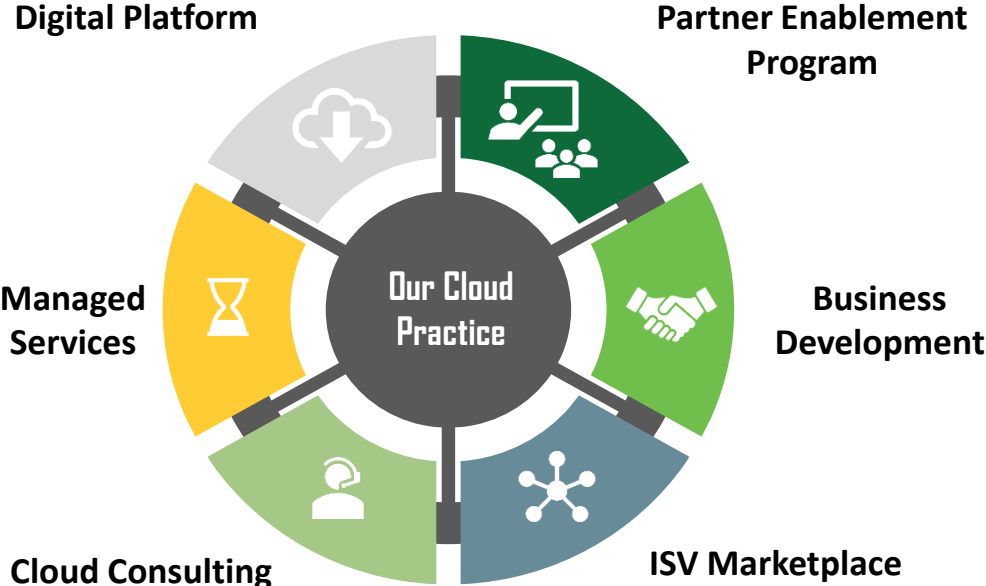


Clients

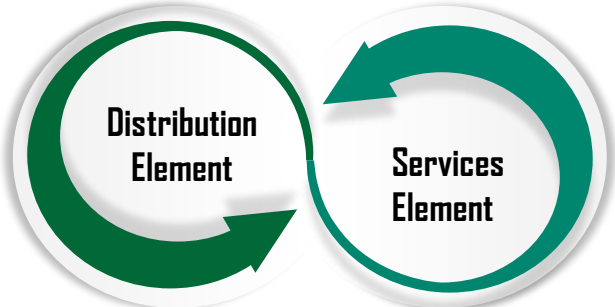


*Illustrative

Our Cloud Practice



Our business



Down-selling of Cloud products



ORACLE

Redington team provides Managed Services, focussing on SME/Mid Market clientele

DIGITAL PRINT SERVICES



Exclusive Distributor of
HP Indigo's "Digital
Printing Press" in India

REVENUE MODEL



Distribution of Printing Press



Annuity revenues from clicks



Parts & Labour



Ranked Grade
"AA" by HP
Indigo
(First in the
world)

3D PRINT SERVICES



Set up 3D Printing
Facility in Chennai



On-Demand Manufacturing



Prototyping



Scanning

Fueling Growth In a Challenging Business



IT CONSUMER

PC Shipments decline

- Enabling better product mix with higher ASP
- Market share gains

IT ENTERPRISE

*Gradual pickup in Corporate capex
and Govt Projects*

- Establishing presence in Cloud
- Increased value added services
- Systematic approach devised to participate in Government Projects

MOBILITY

Volatile Industry

- Association with MNC brands with clear long term strategy

OVERSEAS

Geo-political tensions

Three Commandments

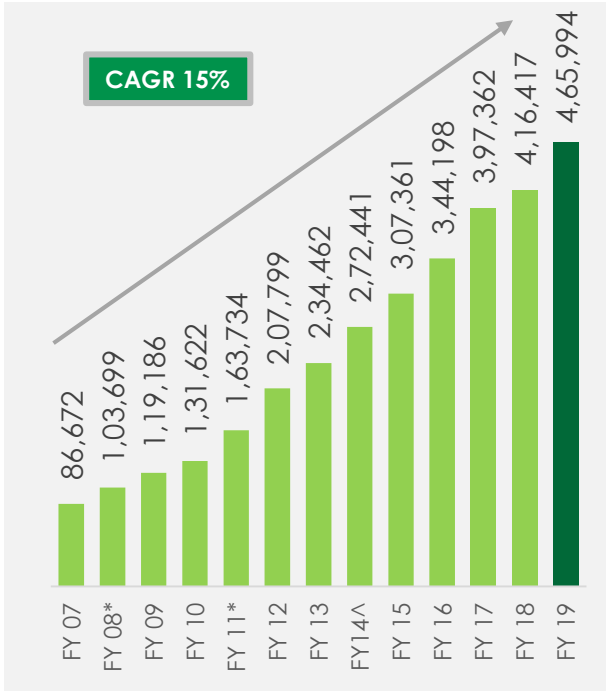
- Protect capital fiercely
- Be absolutely paranoid about risk
- Reduce costs as much as possible

Financial Performance

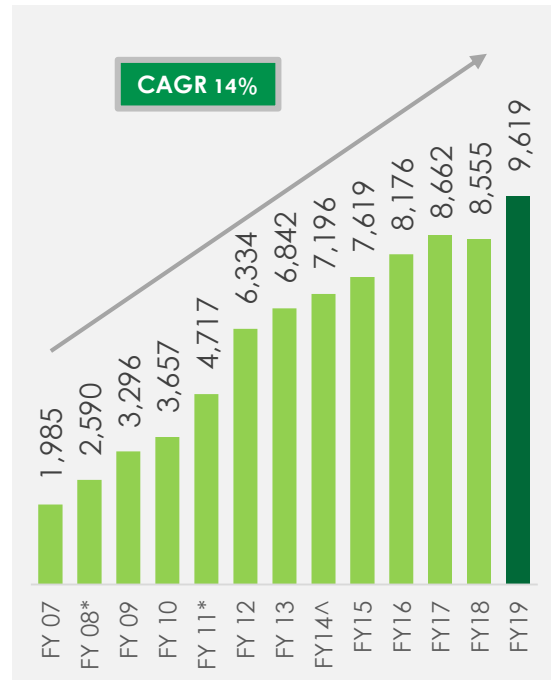


Performance Since Listing

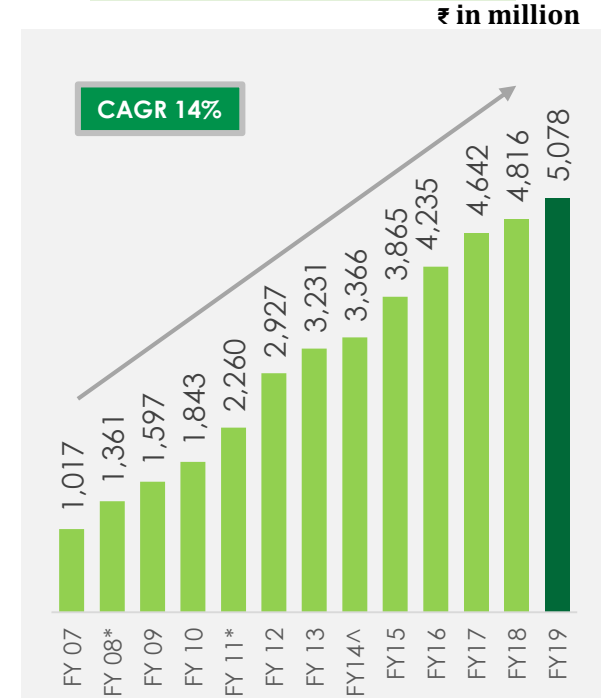
REVENUE



EBITDA



PAT

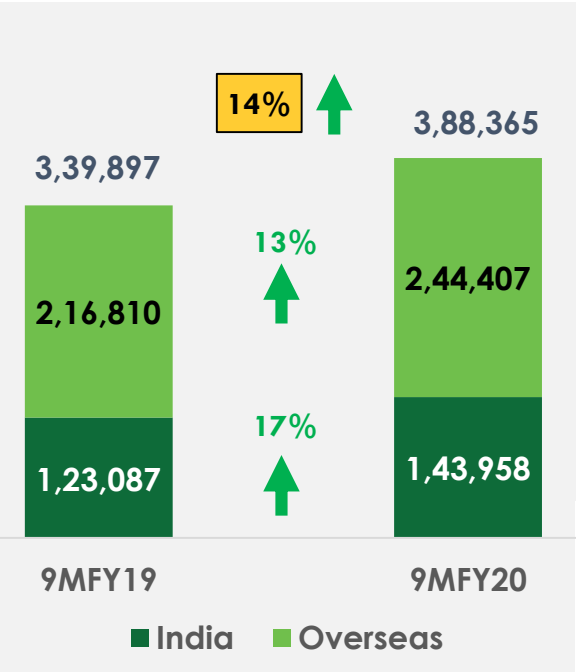


Performance By Market

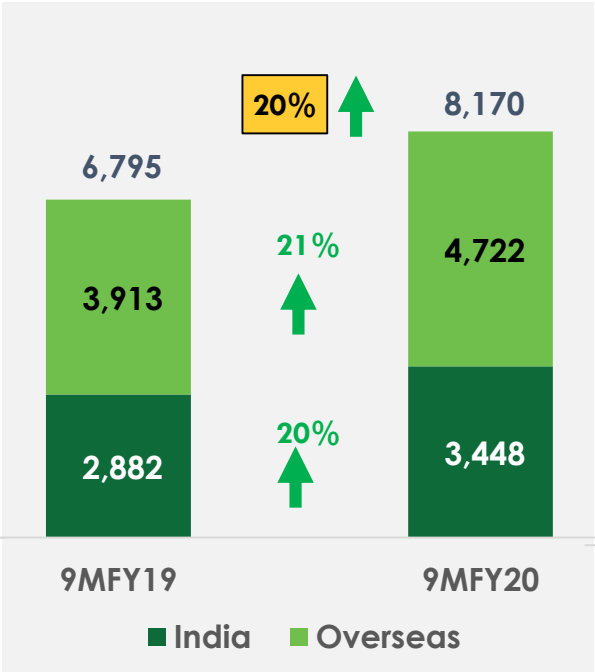


₹ in million

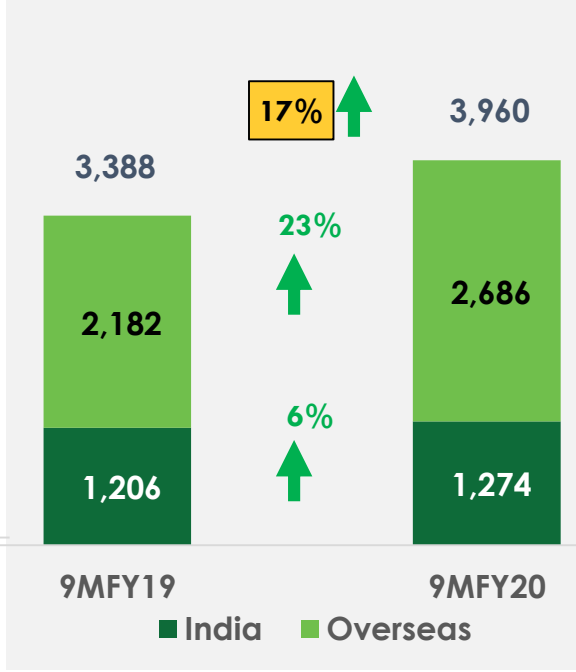
REVENUE



EBITDA



PAT

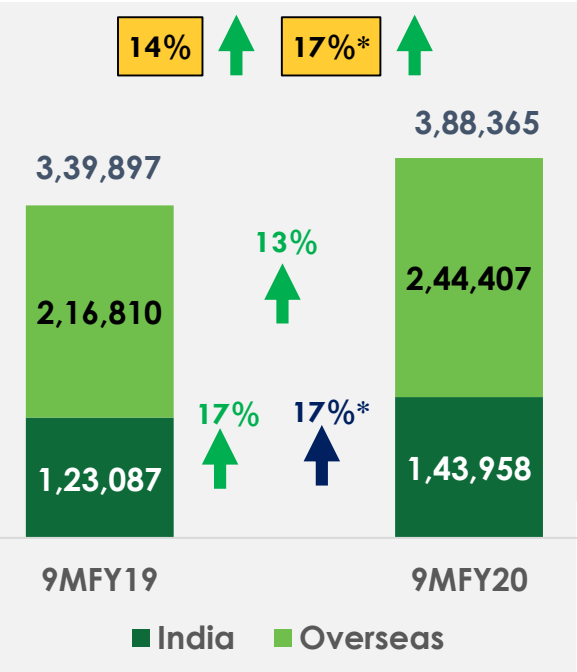


Performance By Market

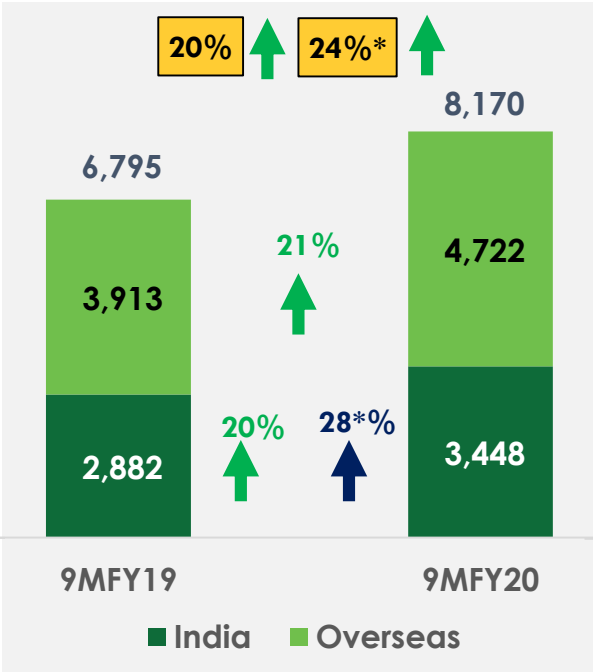


₹ in million

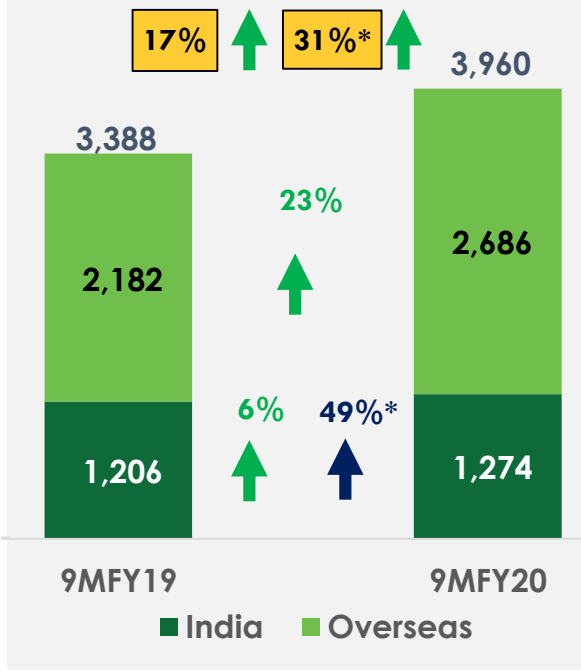
REVENUE



EBITDA



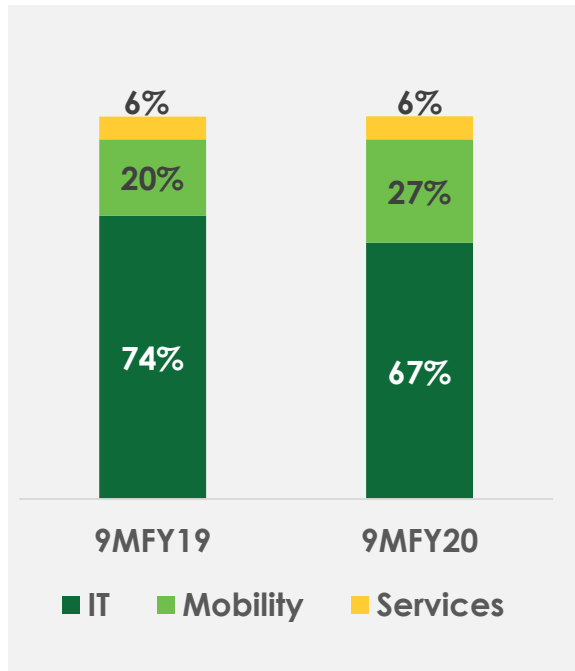
PAT



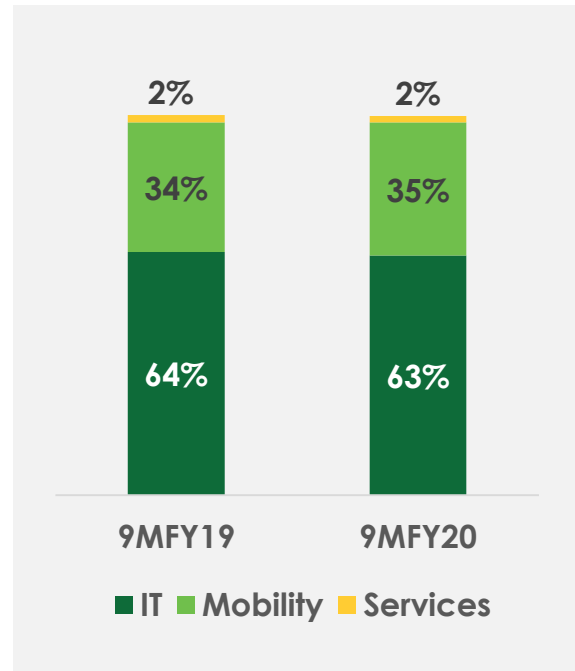
*Growth excluding ProConnect India

Performance By Vertical

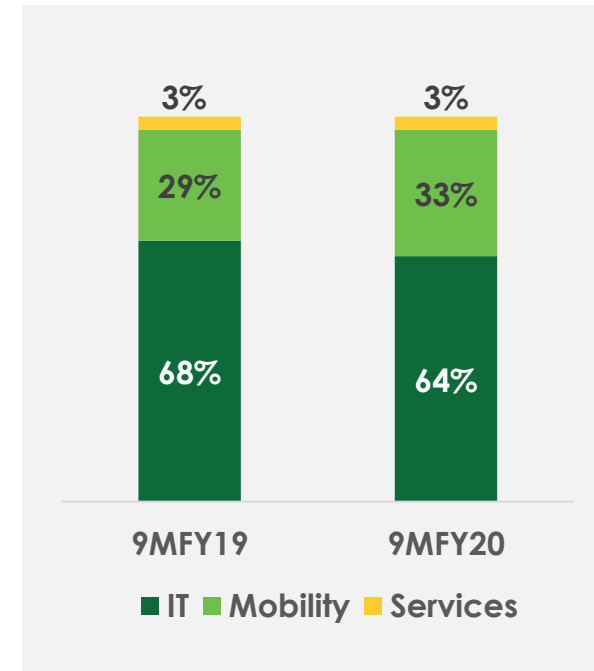
INDIA



OVERSEAS

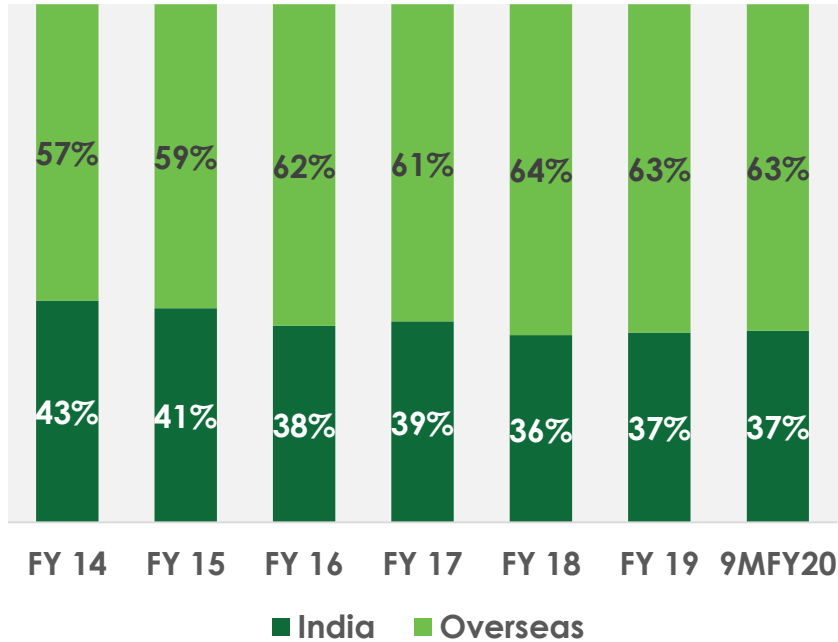


CONSOLIDATED

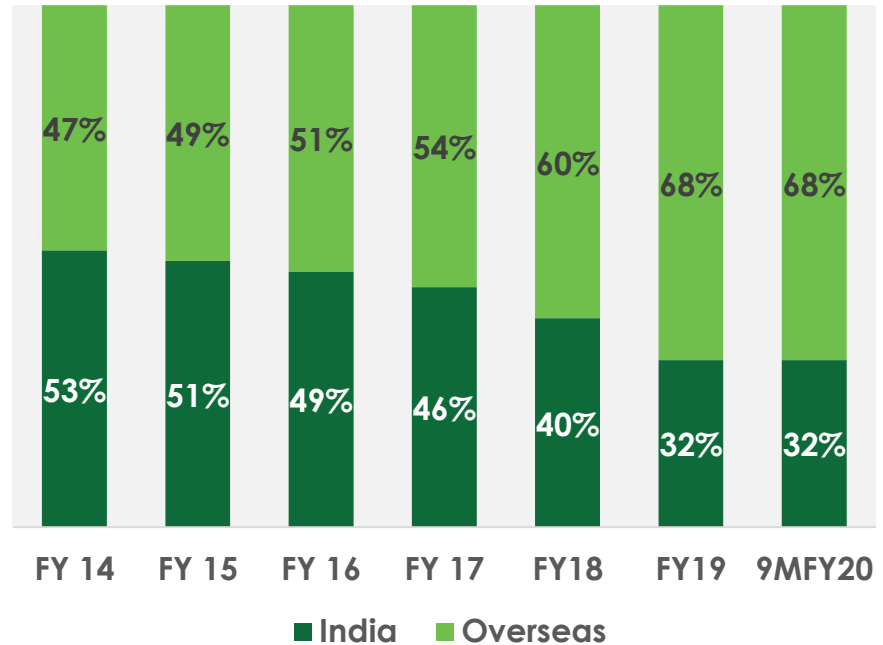


Geographical Contribution

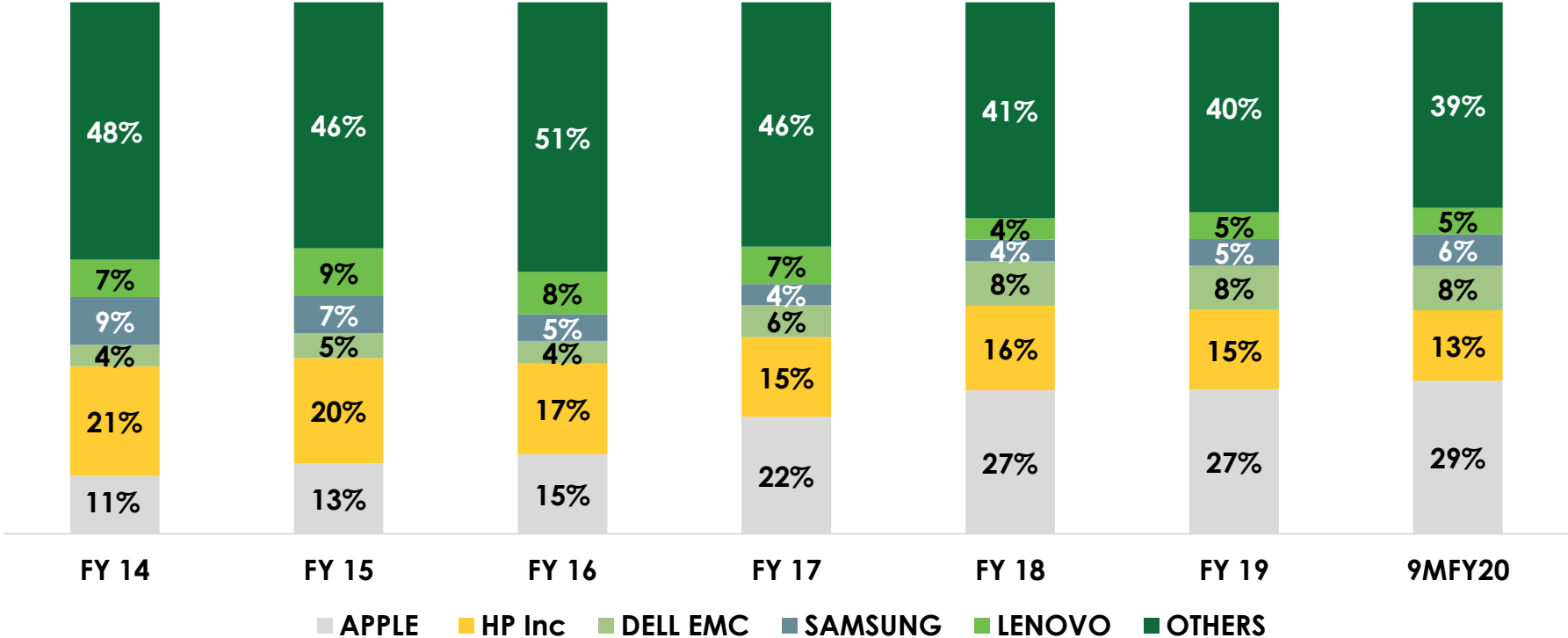
REVENUE



PAT

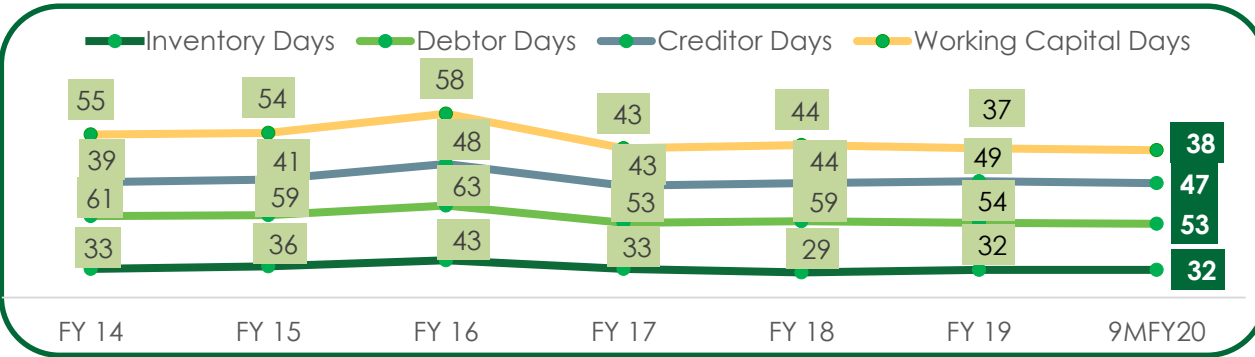


Top 5 Vendors



Note: Effect of Dell EMC merger is shown partly in FY17 figures and fully in FY18 figures

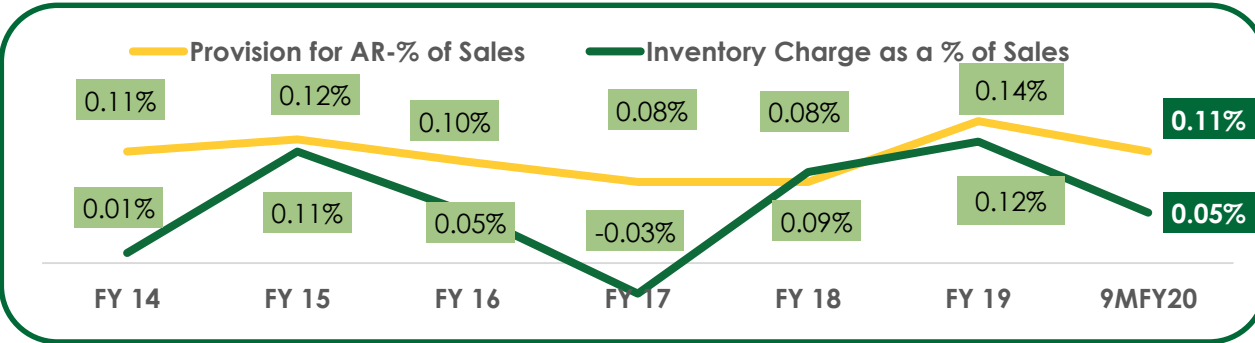
Key Operating Metrics



Working Capital Days at sustainable levels

Rs in mn	FY14	FY15	FY16	FY17	FY18	FY19	9MFY20
CFO	2,413	1,951	(1,922)	12,986	2,198	10,973	666
FCF	(389)	947	(5,054)	9,113	(565)	7,318	(3,004)

Cumulative generation of cash flows

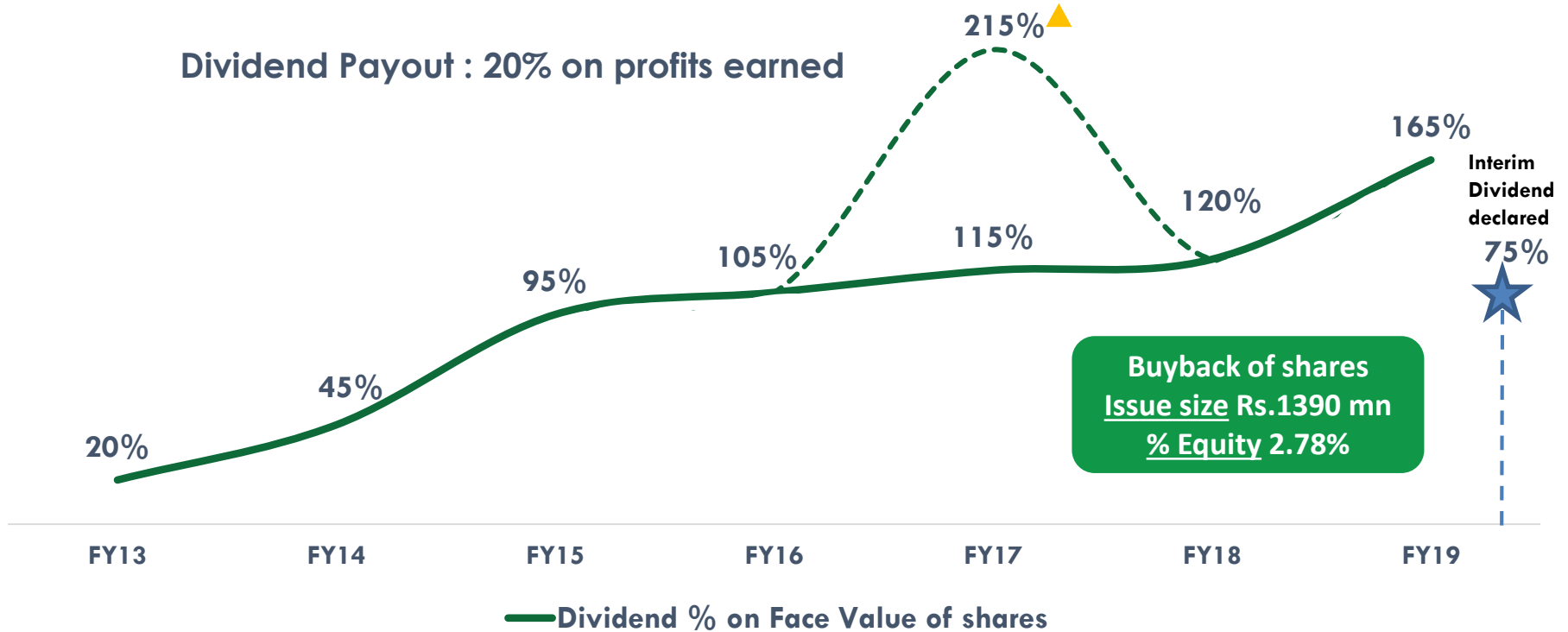


Ensuring Risk adjusted Returns

Consolidated Financials

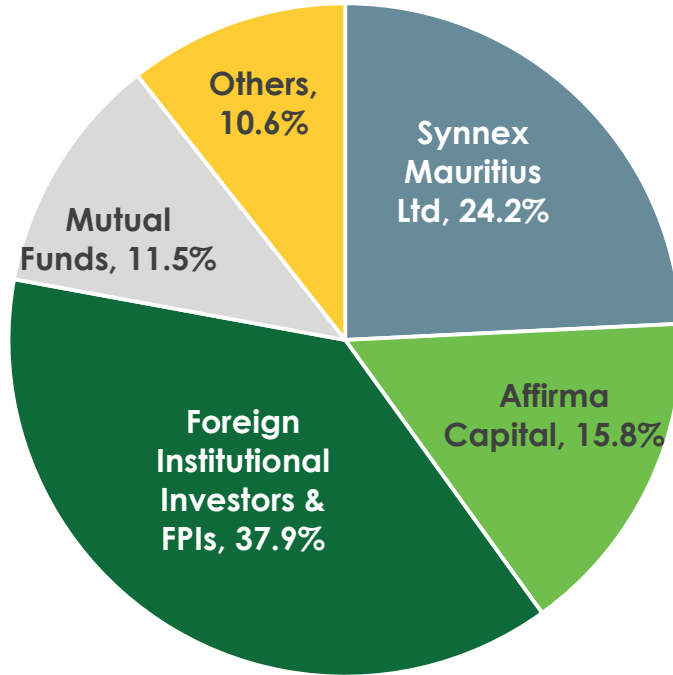
Particulars	9MFY20	FY19	FY18	FY17	FY16	FY15	FY14
Total Revenue	3,88,365	4,65,994	4,16,417	3,93,762	3,44,198	3,07,361	2,72,441
EBITDA	8,170	9,619	8,555	8,662	8,176	7,619	7,196
PAT	3,960	5,078	4,816	4,642	4,235	3,865	3,367
Networth	41,515	39,060	35,306	31,479	29,494	23,742	20,213
Capital Employed	66,680	55,581	53,472	50,252	56,659	44,468	39,938
EBITDA Margins	2.1%	2.1%	2.1%	2.2%	2.4%	2.5%	2.6%
PAT Margins	1.0%	1.1%	1.2%	1.2%	1.2%	1.3%	1.2%
ROCE	15.3%	16.5%	15.5%	15.2%	14.9%	17.2%	17.2%
ROE	13.2%	13.7%	14.5%	15.3%	15.6%	18.2%	19.1%
EPS (₹)	10.2	12.8	12.0	11.6	10.6	9.7	8.4
Book Value per share (₹)	106.1	99.8	87.7	78.2	73.2	57.6	48.8

Dividend Distribution



▲ Final dividend plus Special Interim Dividend declared

Shareholding Pattern (Dec 2019)



HDFC Mutual Fund



Fidelity Management & Research (FMR)



Franklin Templeton Investments



Fidelity International



ICICI Pru Life Insurance



Acacia Partners (Ruane Cunniff & Goldfarb)



Dimensional Fund Advisors



The Vanguard Group

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

Our Growth Drivers

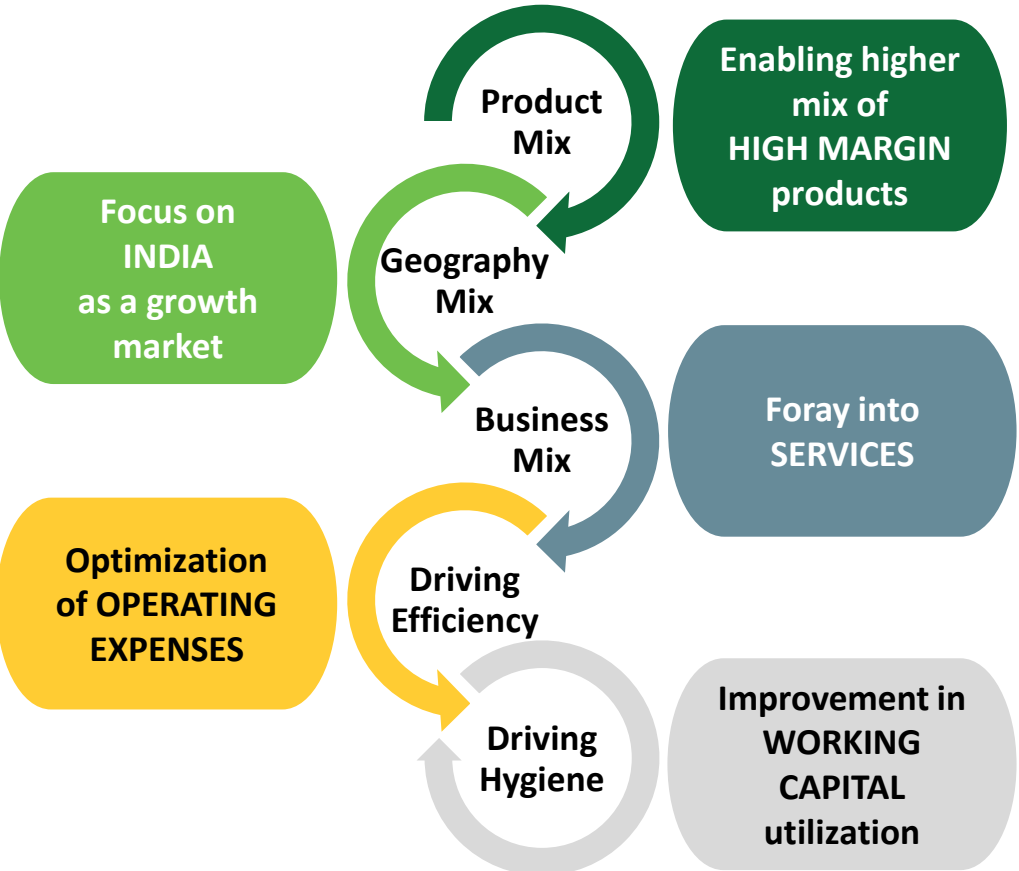


Revenue Growth Vectors



TARGET
3 year
Revenue
CAGR of
10% yoy

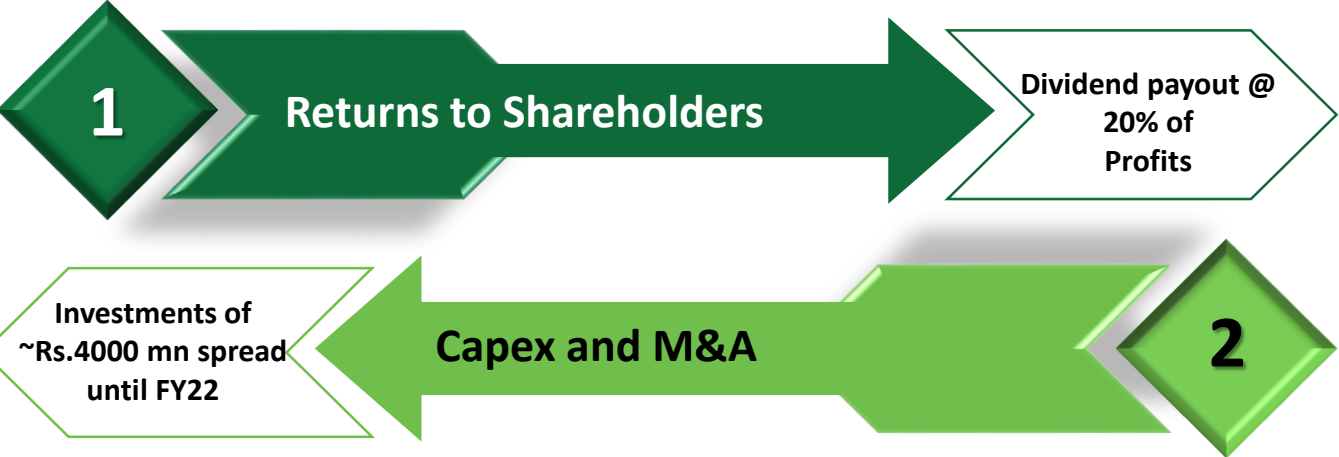
Margin Growth Vectors



$$\begin{matrix} \text{Improved Margin Trajectory} \\ + \\ \text{Improved WC turns} \\ = \\ \text{Improved ROCE} \end{matrix}$$

TARGET ROCE of 16-18% by FY21

Capital Allocation Priorities



NO FPO MADE

Debt Equity Ratio at 0.5

AA/A1+ Credit rating

Foundation for CSR @ Redington (Redington Foundation), a trust formed by Redington (India) Limited to implement various CSR activities towards the betterment of the society



Employability Skills Training

- ➔ Communication Skills
- ➔ Computer Skills
- ➔ Personality Development
- ➔ Office Etiquette
- ➔ Domain Knowledge Skills

Vocational Skills Training

- ➔ Disability inclusive support
Improving quality of
education through
Technology
- ➔ Sign Language for hearing
impaired
- ➔ Holistic self development
- ➔ Employment Generation

Equipping Activities

- ➔ Setting up smart class
rooms
- ➔ Monetary support to
students
- ➔ Recognition to teachers
- ➔ Revamping of School infra

Smart Schools

- ➔ Setting up Smart class
rooms
- ➔ Strategic association with
Schools for academic
upliftment
- ➔ Promoting schools in rural
areas

CONTACT US

Compliance Officer

M. Muthukumarasamy

Redington (India) Limited

**SPL Guindy House, 95 Mount Road,
Guindy, Chennai 600 032**

<https://www.redingtongroup.com>

CIN - L52599TN1961PLC028758

Investor Contact

Sowmiya M

Senior Manager – Investor Relations

sowmiya.manickam@redington.co.in

IR Materials - <https://redingtongroup.com/india/financials-and-reports/>



THANK YOU

