

Dixon

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EARNINGS PRESENTATION

Q1, FY 19-20

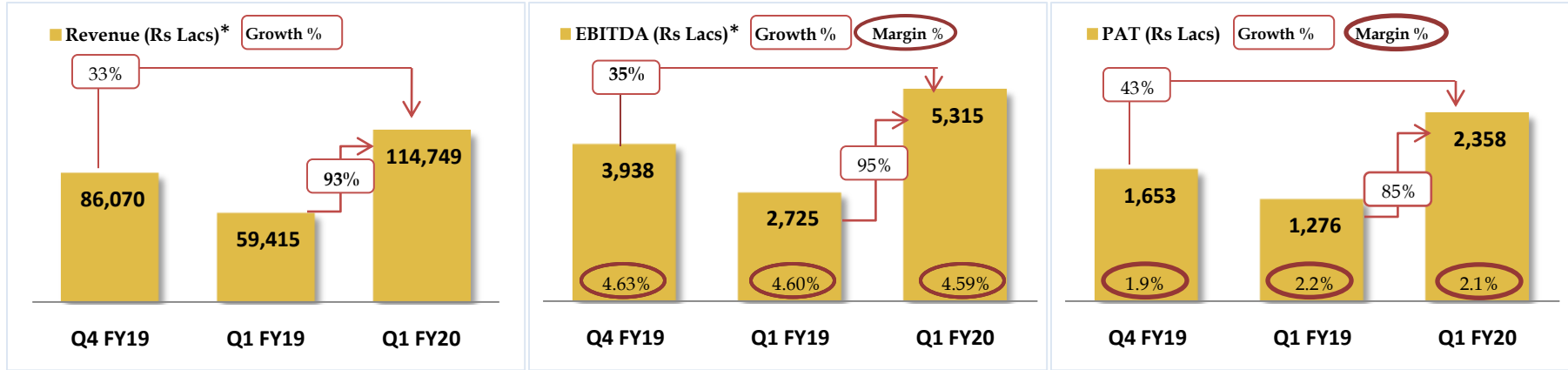
Certain statements in this communication may be 'forward looking statements' within the meaning of applicable laws and regulations. These forward-looking statements involve a number of risks, uncertainties and other factors that could cause actual results to differ materially from those suggested by the forward-looking statements.

Important developments that could affect the Company's operations include changes in the industry structure, significant changes in political and economic environment in India and overseas, tax laws, import duties, competition, inflationary pressures, litigation and labour relations.

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Key highlights of Q1, FY 19-20	04
Consolidated Results Summary	05
Segment Wise Performance	06
ODM Revenue Share & Segment wise ROCE	07
Expenditure Analysis	08
Key Financial Ratios	09

Key highlights of Q1, FY 19-20



Key Highlights of Q1, FY 19-20

Stellar YOY & QOQ revenue growth

- Q1, FY 19-20 revenue growth of 93% YOY & 33% QOQ led by stellar growth in Consumer electronics & Lighting Segment

Strong EBITDA & PAT growth

- Q1, FY 19-20 EBITDA growth of 95% YOY & 35% QOQ driven by strong performance of Consumer electronics & Lighting segment
- Strong Q1, FY 19-20 PAT growth of 85% YOY & 43% QOQ

Improvement in Working Capital Cycle

- Improvement in working capital days to negative 3 days in Q1, FY 19-20 as against positive 7 days in FY 18-19

Robust return ratios

- Robust return ratios with ROE & ROCE of 20.3% & 32% respectively (TTM Basis) in Q1, FY 19-20

*Revenue and EBITDA include other income

- The Mobile Phone Segment- Padget electronics became a 100% subsidiary during the quarter as against 50% in FY 18-19
- The Company has adopted Ind-AS 116 "Leases" effective April 1, 2019 & the effect of that is not material on profit and earnings per share for the quarter

Consolidated Results Summary

Particulars (INR Lacs)	Q1, FY 19-20	Q1, FY 18-19	% Change
Income	114,692	59,268	94%
Expenses	109,434	56,690	93%
Operating Profit	5,258	2,578	104%
Operating Profit Margin	4.6%	4.3%	0.3%
Other Income	57	147	-61%
EBITDA	5,315	2,725	95%
EBITDA Margin	4.6%	4.6%	-
Depreciation	761	460	65%
EBIT	4,554	2,265	101%
Finance Cost	985	513	92%
PBT	3,569	1,752	104%
PBT Margin	3.1%	3.0%	0.1%
Tax	1,211	476	154%
PAT	2,358	1,276	85%
PAT Margin	2.1%	2.2%	-0.1%

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Segment Wise Performance : Q1, FY 19-20 vs Q1, FY 18-19

Particulars (INR Lacs)	Q1, FY 19-20	Q1, FY 18-19	% change	Q1, FY 19-20	Q1, FY 18-19	% change
Revenues				% of Total Revenue		
Consumer Electronics*	50,978	22,275	129%	44%	38%	6%
Lighting Products	32,432	18,992	71%	28%	32%	-4%
Home Appliances	9,877	8,573	15%	9%	14%	-5%
Mobile Phones (100%/50%)**	14,370	7,321	96%	13%	12%	1%
Security Systems (50%)	6,793	672	911%	6%	1%	5%
Reverse Logistics	241	1,435	-83%	0.2%	2%	-1.8%
Total	114,692	59,268	94%	100.0%	100.0%	-
Operating Profit				Operating Profit Margin %		
Consumer Electronics	1,136	246	362%	2.2%	1.1%	1.1%
Lighting Products	2,540	1,445	76%	7.8%	7.6%	0.2%
Home Appliances	1,067	917	16%	10.8%	10.7%	0.1%
Mobile Phones (100%/50%)**	323	81	299%	2.2%	1.1%	1.1%
Security Systems (50%)	204	(46)	542%	3.0%	-6.8%	9.8%
Reverse Logistics	(11)	(65)	-83%	-4.6%	-4.5%	-0.1%
Total	5,258	2,578	104%	4.6%	4.3%	0.3%

*Including AC PCB Revenue of Rs 3,198 Lacs as against a Revenue of Rs 2,072 Lacs in the same period last year, a growth of 54%

** The Mobile Phone Segment- Padget electronics became a 100% subsidiary during the quarter as against 50% in FY 18-19

ODM Revenue Share (%) - Q1 FY 19-20 vs Q1, FY 18-19

Particulars (%)	Q1, FY 19-20	Q1, FY 18-19	% change
Consumer Electronics	8%	9%	-1%
Lighting Products	83%	34%	49%
Home Appliances	100%	100%	-

Segment Wise - ROCE (%)

Particulars (INR Lacs)	Capital Employed			ROCE *		
	Q1, FY 19-20	FY 18-19	% change	Q1, FY 19-20	FY 18-19	% change
Consumer Electronics	7,006	13,618	-49%	69%	37%	32%
Lighting Products	25,729	20,568	25%	30%	28%	2%
Home Appliances	9,953	12,041	-17%	29%	26%	3%
Mobile Phones (100%/50%) **	3,356	2,073	62%	39%	43%	-4%
Reverse Logistics	1,311	1,304	1%	na	na	na
Security Systems (50%)	1,537	1,472	4%	29%	11%	18%
Total	48,892	51,076	-4%			

*ROCE = Trailing 12 Months EBIT/ Average Capital Employed based on the Capital employed as on 30th June 19 & 30th Jun 18

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Expenditure Analysis : Q1, FY 19-20 vs Q1, FY 18 -19

Particulars (As a % of operating revenues)	Q1, FY 19-20	Q1, FY 18-19	Change %
Cost of Material Consumed*	88.6%	86.5%	2.1%
Employee benefit expenses	2.5%	3.1%	-0.6%
Finance Cost	0.9%	0.9%	-
Depreciation and Amortization Expense	0.7%	0.8%	-0.1%
Other expenses	4.3%	6.0%	-1.7%

Key Financial Ratios

Particulars	As on 30 th June 2019
Debtors days (A)	69
Inventory Days (B)	38
Creditors days (C)	110
Cash Conversion Cycle / Working Capital Days (A+B-C)*	(3)
ROCE (%)*	32.0%
ROE (%) **	20.3%

*Better Working capital management led by Inventory & creditors days

***ROCE** = Trailing 12 Months EBIT/ Average Net Capital Employed based on the Capital employed as on 30th June, 18 & 30th June, 19 . Balance IPO proceeds of Rs. 1,100 Lacs has been excluded for calculation of ROCE

****ROE** = Trailing 12 months PAT / Average Shareholder Funds based on the Shareholder Funds as on 30th June, 18 & 30th June, 19

THANK YOU