

TCI Express Limited

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Resilient Financial Performance with 2.1% Income and 36.4% PAT Growth in Q3 FY2020**Board recommended second interim Dividend of Rs. 1.5 per share
Total Dividend of Rs. 3 per share and Pay out of 16.4% for 9M FY2020**

Gurugram, India, January 27, 2020: TCI Express Ltd. ("TCI Express"), market leader in express distribution in India, today announced its financial results for the quarter ended on December 31, 2019.

Performance Highlights: Q3 FY2020 vs. Q3 FY2019

- Revenue from operations of Rs. 268 Crores in Q3 FY2020 from Rs. 263 Crores in Q3 FY2019, growth of 2.0%
- EBITDA of Rs. 35 Crores in Q3 FY2020 from Rs. 32 Crores in Q3 FY2019, growth of 11.2%
- EBITDA margin at 13.1% in Q3 FY2020 compared to 12.0% in Q3 FY2019
- PAT of Rs. 26 Crores in Q3 FY2020 from Rs. 19 Crores in Q3 FY2019, growth of 36.4%
- PAT Margin at 9.5% in Q3 FY2020 compared to 7.1% in Q3 FY2019
- Board recommended second interim Dividend of Rs. 1.5 per share
- Total Dividend of Rs. 3 per share and Pay out of 16.4% for 9M FY2020

Commenting on the performance, Mr. Chander Agarwal, Managing Director, said:

"I am pleased to report that TCI Express has delivered a resilient performance in the quarter despite a weak macroeconomic environment impacting major sectors of the economy. Revenue from Operations were Rs. 268 crores in Q3 FY2020, an increase of 2.0% on Y-o-Y basis compared to Q3 FY2019. The Company delivered an EBITDA of Rs. 35 crores, growth of 11.2% and margins expanded by 107 bps to 13.1 % during the same period. Profit after tax was Rs. 26 crores in Q3 FY2020, representing an increase of 36.4 % on Y-o-Y basis, with margins of 9.5%. The revenue growth was driven primarily by increase in Small and Medium Enterprises (SME) customers. The margin improvement is a result of operational efficiency initiatives and better working capital management.

We continue to expand our geographical presence and opened 10 new branches in the quarter. The objective is to increase penetration in the metro cities and acquire SME customers. During the quarter, we implemented various initiatives to improve operational efficiency which resulted in higher capacity utilization and operational cost reduction. Construction of new sorting centre at Gurgaon was on halt due to NGT order but now the construction is back on track and we expect both of our new sorting centres to commence commercial operations from second quarter of next fiscal year.

Domestic economy in third quarter of FY2020, continued to face slowdown due to weakening industrial activity across sectors. Index for Industrial Production (IIP) turned positive in November after three months of contraction yet number of key use-based sectors such as consumer durables, capital goods, basic goods and infrastructure goods are still showing degrowth. Tighter credit conditions in the non-banking sector also resulted in weakening of domestic demand and subdued private consumption. Along with economic slowdown, Logistics sector also saw moderation due to political disturbance and protest in North and Eastern region.

We are hopeful that the government in its upcoming budget will introduce major stimulus package to revive manufacturing, address low consumption demand and support MSME's to improve overall business confidence.

We continue to pursue our long-term growth strategy, staying firmly focused on our unique value proposition, driving operational efficiency, consolidating partnership arrangement with Vendors and growing our SME client base to deliver robust growth in the coming quarters."



Press Release

January 27, 2020

About TCI Express:

TCI Express is India's leading time-definite express distributor, based on its unparalleled experience and deep domain-expertise that enables it to offer customized solutions to express delivery. The company has been growing rapidly and expanding its distribution network locally, with its current 800 offices covering more than 40,000 locations. TCI Express is well-equipped to offer time-definite solutions to 704 out of 712 districts in India with its wide spectrum of services comprising surface, domestic and international air, e-commerce, priority, and reverse express services. The company has special expertise in enabling solutions for clients in sectors like consumer electronics, retail, apparel &, lifestyle, automobile, pharmaceuticals, engineering, e-commerce, energy/power, and telecommunications. With a proven commitment to excellence and the pursuit of value-based policies to satisfy the aspirations of customers, vendors, employees, shareholders, and all other stakeholders in the express delivery industry, TCI Express has emerged as a frontrunner in a segment that is here to grow in the long-term.

For more information please contact:

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Safe Harbour:

This release contains statements that contain "forward looking statements" including, but without limitation, statements relating to the implementation of strategic initiatives, and other statements relating to TCI Express' 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, macroeconomic, 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. TCI Express undertakes no obligation to publicly revise any forward-looking statements to reflect future / likely events or circumstances.



A handwritten signature in blue ink, appearing to be "Ravi Gothwal" or similar, with a horizontal line underneath.