

TCI EXPRESS

LEADER IN EXPRESS

Press Release

July 30, 2019

TCI Express Limited

TCI House 69, Institutional Area, Sector - 32 Gurugram - 122001, Haryana, India

Resilient Financial Performance with 3.5% Revenue and 14.2% PAT Growth in Q1 FY2020

Gurugram, India, July 30, 2019: TCI Express Ltd. ("TCI Express"), market leader in express distribution in India, today announced its financial results for the quarter ended on June 30, 2019.

Performance Highlights: Q1 FY2020 vs. Q1 FY2019

- Revenue from operations of Rs. 256 Crores in Q1 FY2020 from Rs. 248 Crores in Q1 FY2019, growth of 3.5%
- EBITDA of Rs. 30 Crores in Q1 FY2020 from Rs. 27 Crores in Q1 FY2019, growth of 9.8%
- EBITDA margin at 11.6% in Q1 FY2020 compared to 10.9% in Q1 FY2019
- PAT of Rs. 18 Crores in Q1 FY2020 from Rs. 16 Crores in Q1 FY2019, growth of 14.2%
- PAT Margin at 7.2% in Q1 FY2020 compared to 6.5% in Q1 FY2019

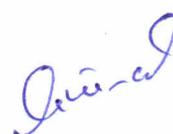
Commenting on the performance, Mr. Chander Agarwal, Managing Director, said:

"I am pleased to report that despite a subdued economic environment, TCI Express has delivered a resilient performance. During Q1 FY2020, Revenue from operations increased by 3.5% to Rs. 256 crores compared to Q1 FY2019. The Company delivered an EBITDA of Rs. 29.6 crores and margins expanded by 67 bps to 11.6% during the same period. Profit after tax of Rs. 18.4 crores in Q1 FY2020, represented an increase of 14.2 % on Y-o-Y basis. The revenue growth was driven by an increase in customers from the Small and Medium Enterprises (SME) sector. The margin improvement was attributable to operational efficiency and better working capital management.

In line with our long-term strategic objective, we are investing in our sorting centers. Approval for Pune and Gurgaon sorting centers are in place, the construction is expected to be completed by the end of the fiscal year and operations will commence from the beginning of FY2021. We have incurred capex of Rs. 2 crores during the quarter and reduce our target to Rs. 60 crores from earlier Rs. 80 crores for the full year. The capex will be incurred primarily for automation at our sorting center and will result in improving turnaround time, overall efficiency, enhanced profitability in the long run. The Company continues to strengthen its balance sheet and has repaid its entire debt. As a debt free entity, we will continue to generate superior returns for our shareholders with an optimum capital structure.

FY2020 started on a mixed note with major economic indicators remaining muted for the quarter. However, with the return of stable government at the center and specific policy initiatives for the logistics industry, we anticipate the industry to benefit from the economic revival post-election and budget. TCI Express continues to benefit from its diversified client base of SMEs and Corporates, strong partnership arrangement with Vendors and use of advanced business intelligence tools. We will continue to leverage our position to utilize and grow on the back of upcoming opportunities with our asset light model, customized solution offerings and superior customer support services.

The Company continues to move on its strategic path through its differentiated offerings and with the onset of festive season we look forward to deliver robust growth in the coming quarters."




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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 700 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.

Mukti Lal

