Creative Peripherals

Date: 07th February, 2020

To,
The Manager
Listing Department
National Securities Exchange of India Limited
Exchange Plaza,
Bandra Kurla Complex,
Bandra (East)
Mumbai- 400051

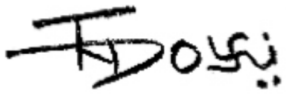
Sub: Creative Peripherals and Distribution Limited announces the un-audited standalone financial results for Q3 & 9M FY20

Dear Sir,

Please find attached Media Release regarding announcement of un-audited standalone financial results for Q3 & 9M FY20.

Thanking you,

Yours Faithfully,
For Creative Peripherals and Distribution Limited



Tejas Doshi
Company Secretary & Compliance Officer
ACS – 30828

Date: 07th January, 2020
Place: Mumbai

For more details please visit: www.ecreativeindia.com

Creative Peripherals

Media Release

26.4% YoY growth in 9M FY20 Total income – mainly driven by higher demand for Imaging & IT products- GoPro & Cooler Master

9M FY20 EBIDTA at Rs. 14.9 crore, YoY growth of 61.5%, on account increased contribution from high margin products like GoPro & Cooler Master

9M FY20 Net Profit at Rs. 8.1 crore, YoY growth of over 117.5%

Mumbai, 07th February 2020: Creative Peripherals and Distribution Limited (NSE: CREATIVE), market specialists for experiential products in IT, Imaging, Lifestyle, and Security domains with a pan-India presence, announced its un-audited Standalone financial results for the third quarter and nine month ended December 31st , 2019.

Key Standalone Financials (Rs. Crore) :-

Particulars	Q3 FY20	Q3 FY19	YoY%	9M FY20	9M FY19	YoY%
Total Income	129.48	99.97	29.51%	324.14	256.52	26.36%
EBIDTA	6.45	3.68	75.27%	14.92	9.24	61.53%
EBITDA Margin	4.98%	3.68%	130 bps	4.60%	3.60%	100 bps
Net Profit	3.62	1.45	150.50%	8.08	3.72	117.47%
Net Profit Margin	2.80%	1.45%	135 bps	2.49%	1.45%	104 bps
Basic EPS (in Rs.)	3.12	1.25	149.60%	6.97	3.20	117.81%

Performance Highlights for the quarter ended December 31st 2019:

- **Total Income** for the quarter was **Rs. 129.48 crore** in Q3 FY20, as against Rs. 99.97 crore in Q3 FY19, **a YoY growth of 29.51%,** mainly driven by rise in demand for new and existing Imaging & IT products including GoPro & Cooler Master

- **EBITDA** is at **Rs. 6.45 crore** in Q3 FY20 as against Rs. 3.68 crore in Q2 FY19, **YoY growth of 75.27%, on the back of higher margin brands such as Cooler Master & GoPro, offsetting higher employee costs on account of strengthening the sales and marketing teams**

- **EBITDA Margin** is **4.98%,** an **improvement of 130 bps YoY,** on account of higher contribution from high margin value-added products in Imaging & gaming

- **Net Profit** is **Rs 3.62 crore** in Q3 FY20 compared to Rs. 1.45 crore in Q3 FY19, **YoY growth of 150.50%**

- **Net Profit Margin** stood at 2.80**%,** an improvement of **135 bps**

- Basic EPS 3.12 YoY improvement of 149.60%

Performance Highlights for the nine-month ended December 31st 2019:

- **Total Income** for 9M FY20 was **Rs. 324.14 crore**, as against Rs. 256.52 crore in 9M FY19, a **YoY growth of 26.36%,** mainly driven by strong demand for Imaging & IT products including GoPro & Cooler Master supported by addition of new brands in the portfolio

- **EBITDA** is at **Rs. 14.92 crore** in 9M FY20 as against Rs. 9.24 crore in 9M FY19, **YoY growth of 61.53%**

- **EBITDA Margin** is **4.60%,** an **improvement of 100 bps YoY,** on account of higher contribution from high margin value added brands like Cooler Master & GoPro as well as addition of new product lines

- **Net Profit** is **Rs 8.08 crore** in 9M FY20 compared to Rs. 3.72 crore in 9M FY19, **YoY growth of 117.47%**

- **Net Profit Margin** is **2.49%,** an improvement of 104 bps **YoY**

- Basic EPS 6.97 YoY improvement 117.81%

Recent Key Developments: -

- The Company has announced plans to launch a digital platform for B2B as well as B2C segments that would enable the Company's existing and new customers to view, interact and transact with other customers on the platform. It would provide a one-stop-shop for all product and service requirements of Creative Peripherals' customers. Upon registration on the platform, the customers will be able to showcase their own inventory as well as view products in the inventory of Creative Peripherals, as well as that of other customers registered on the platform. This platform aims to deliver a common e-marketplace to view, interact and transact online. It also provides a unique feature of searching and retrieving details of past orders and invoices. A key differentiator of this platform as compared to generic B2B and B2C platforms is drop-shipment facility. This will allow any customer to place an order with the Company, and have it delivered at their respective customer's address. This will cut costs and expedite the delivery process. The platform will surely boost visibility and profitability of the company as a whole.

- The Company signed **distribution agreements with BaByliss, PNY Inc. and Panasonic**

  - The venture with BaByliss marks the Creative's entry in personal grooming sector in India, citing a huge demand for grooming products in the country. BaByliss is a France-based prestigious global brand that specializes in hair care and grooming products, primarily for women. It is a market leader in personal grooming related consumer electronics category. Creative Peripherals will be the authorized online and offline distributor for a range of niche BaByliss products across India. The product portfolio would comprise of hair dryers, straighteners, airbrushes, curlers and grooming/trimming products.

  - Creative Peripherals would be the distributor of three categories of PNY products across India. The Company will distribute NVIDIA® GeForce® and NVIDIA® Quadro® professional graphics cards, as well as PNY solid state drives (SSD). PNY Technologies is a multinational company that specializes in manufacturing computer storage/memory solutions, graphics cards, mobile workstations and related products. Founded in 1985, the Company has established itself as a global brand for high-performance computer parts especially for gaming and visualization applications.

  - The Company has bagged an exclusive distribution contract with Panasonic across the Western region, Madhya Pradesh, Chhattisgarh and Rajasthan. Panasonic is a globally renowned brand and among the leading consumer electronics companies in the world. Their product portfolio available with Creative comprises of a wide range of wired and wireless headphones and speakers including hi-resolution, noise cancelling, sports and various other types. This agreement further expands our stronghold in the premium entertainment and peripheral devices segment.

Management Comment:

Commenting on performance, **Mr. Ketan Patel, Chairman & Managing Director of Creative Peripherals & Distribution Ltd. said:**

"I am happy to share that our financial performance for Q3 FY20 has been in line with our expectations. We delivered over 29% growth in topline Y-o-Y, 61.8% EBITDA growth and a staggering 115.7% Y-o-Y PAT growth in Q3 FY20. This is primarily driven by our growing product portfolio, and more contribution of higher-margin value-added products in the imaging and IT segments such as GoPro, Cooler Master and Viewsonic. We witnessed unprecedented demand for the new GoPro 8, since its launch in October 2019.

This is an exciting time for us, as the Company continues to expand its presence geographically, as well as among more and more international brands. We recently signed a distribution agreement with Panasonic for their range of premium audio products. This not only reflects the

confidence that global brands place in us, but also enables us to build further on our stronghold in the domestic market.

We are very excited about our latest endeavour – an online digital platform. We will host our entire client-base to showcase and trade their products on our platform. This would not only increase visibility and availability of products, but also facilitate clients to trade in products which are otherwise not on our portfolio, thereby expanding our domain. The platform is a win-win solution for everyone in the supply chain, and would translate into higher profitability for Creative Peripherals.

Our Company has grown significantly since migrating to the NSE main board last August, including in terms of greater visibility in the market. The larger platform that the main board provides, is better suited for the Company as we scale up across international markets and take up larger projects.

We strive to be the go-to market entry specialist for experiential brands seeking entry into the Indian markets. I would like to thank our team and all our stakeholders for their invaluable support and belief in us which drives us to set & achieve higher benchmarks."

Company Overview

Established in 1992, Creative Peripherals and Distribution Limited is a well-established company in India's Information and Communication Technology distribution market. Through a robust network of partners and distribution channels, the Company has made a strong foothold in the IT distribution market in the country. The Company has an omni-channel network across all three channels of online, offline and retail trade.

Creative Peripherals specializes in market entry and penetration for global brands. The Company offers demographic intelligence, and enables the formulation and execution of marketing strategies for its clients. In addition to such services, Creative continues to focus on timely delivery, diversification of its product portfolio, sustained long-term relationships with its channel partners, and extending value-added services over and above distribution.

These efforts have enabled the Company to win long running contracts as well as garner accolades in the Industry as amongst the best distributors in India by leading brands. Creative Peripherals is associated with over 20 renowned brands globally. These brands encompass a wide range of applications and help the Company to cater to a broad array of customers, both in the consumer and industrial businesses. Moreover, the Company is well-positioned to leverage the changing trends in the technology industry and be a part of the paradigm shift towards digitization in India.

Creative Peripherals has a unique value-added business model. They provide end-to-end solutions, from market research and competition analysis for brands, to import, distribution,

sales and servicing for the brand. Additionally, the Company suggests and executes marketing strategies and recommends viability in specific regions across India for their clients. This is enabled by specialized skill sets, local insights and experience, along with relevant market intelligence. Creative Peripherals also prepares strategic plans for market entry for foreign brands and their target category.

Furthermore, the Company conducts pre-sales and marketing activities for the success of the brand as well as to enable the channel partners to leverage their expertise and bottom line. Creative Peripherals works closely with partners across channels including Large Format Retail (LFR), e-commerce and specialized retailers. The Company is one of the few large distributors who conduct specialized training modules, events and promotional activities at the ground level with channel partners. They also conduct workshops and demos for resellers. This is possible due to the dedication and experience of the corporate and sales teams which constantly track latest market developments to build a closer market connect.

The Company's wide reach and superior logistics capabilities helps it provide end-to-end services including warranty and post-warranty, high-level repair services, and response centres, among others. Such expertise and superior quality of service has led to increased confidence of brands, many of which have chosen Creative Peripherals as exclusive partners and have been with the Company since over five years. The Company focuses on higher operational efficiencies and adding higher-margin and value-added products to its existing product portfolio and such brand associations are a concrete step in that direction.

For more details please visit: www.ecreativeindia.com

For further information please contact:

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