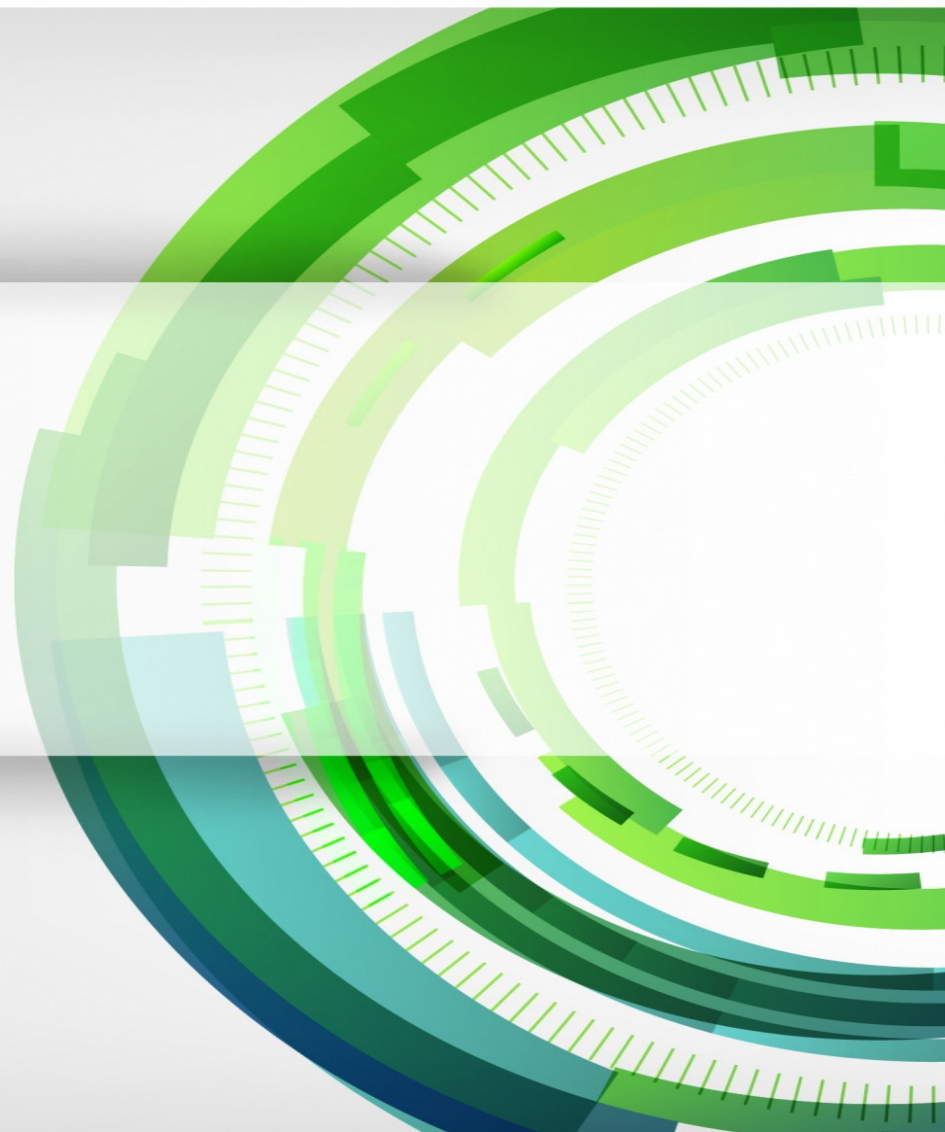




Creative Peripherals and Distribution Limited

**Investor Presentation
May 2017**





Disclaimer



Creative Peripherals

This presentation has been prepared by Creative Peripherals and Distribution Limited (the “Company”) solely for information purposes and does not constitute any offer, recommendation or invitation to purchase or subscribe for any securities, and shall not form the basis or be relied on in connection with any contract or binding commitment what so ever. No offering of securities of the Company will be made except by means of a statutory offering document containing detailed information about the Company.

This Presentation has been prepared by the Company based on information and data which the Company considers reliable, but the Company makes no representation or warranty, express or implied, whatsoever, and no reliance shall be placed on, the truth, accuracy, completeness, fairness and reasonableness of the contents of this Presentation. This Presentation may not be all inclusive and may not contain all of the information that you may consider material. Any liability in respect of the contents of, or any omission from, this Presentation is expressly excluded.

Certain matters discussed in this Presentation may contain statements regarding the Company’s market opportunity and business prospects that are individually and collectively forward-looking statements. Such forward-looking statements are not guarantees of future performance and are subject to known and unknown risks, uncertainties and assumptions that are difficult to predict. These risks and uncertainties include, but are not limited to, the performance of the Indian economy and of the economies of various international markets, the performance of the industry in India and world-wide, competition, the company’s ability to successfully implement its strategy, the Company’s future levels of growth and expansion, technological implementation, changes and advancements, changes in revenue, income or cash flows, the Company’s market preferences and its exposure to market risks, as well as other risks. The Company’s actual results, levels of activity, performance or achievements could differ materially and adversely from results expressed in or implied by this Presentation. The Company assumes no obligation to update any forward-looking information contained in this Presentation. Any forward-looking statements and projections made by third parties included in this Presentation are not adopted by the Company and the Company is not responsible for such third party statements and projections.



Table of Contents

01

Company Overview

02

Industry Overview

04

Business Overview

05

Half Yearly & Annual Financial Highlights

06

Way Forward



Company Overview



Who we are

Specialists in Market Penetration & Distribution

for IT, Imaging, Lifestyle* and Security Companies

- ❑ Industry leader specialising in market entry for **global brands** in India
- ❑ Specialist in leveraging partners' market positioning and **enhancing partners' business value**
- ❑ **Fastest growing** national distributor 2014-15 (Digital Terminal)
- ❑ **Unique** distribution model, well-placed to capitalise on market opportunities
- ❑ FY17 Revenues of Rs 212 Crores

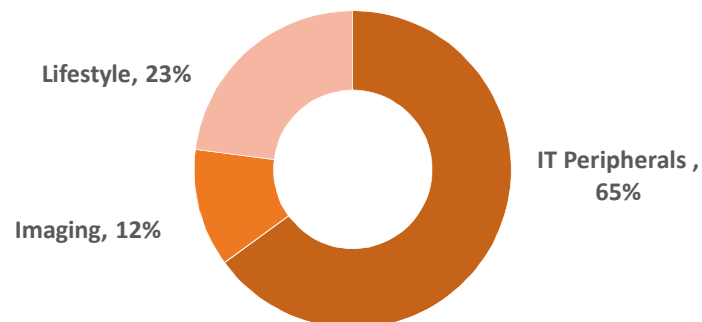
22+
Brands

3200+
Products

5000 +
Partners

* Electronic gadgets

Share of Revenue – FY17





Journey So Far

- Started 'Creative Computers' - proprietary trading concern with 02 employees

1992

- Microsoft Aggregator

- Star Business Award
- MICROSOFT Best Retailer Award
- EPSON Best Channel Partners Award

2000

2004

- Constitutional Change to Pvt Ltd.
- Name changed to Creative Peripherals & Distribution Pvt. Ltd.
- EPSON-Best Performer award Inkjet printer & all in one

2005

- Bestowed with SENNEISHER Award

2011

- Received Distribution for Olympus Imaging India Pvt. Ltd.
- Forayed into imaging with distribution for Olympus
- Exclusive Photo Distribution from Vitec Group of Italy

2012

- Distribution license received for GoPro

2016

- Exclusive Distribution received from Honeywell

2017

- Change to Public Limited
- Listing on NSE- SME Platform
- Renewal of partnership agreement with Samsung



Key Team

Ketan Patel
Founder

- IIM - B Alumni with Engineering in Computer Technology from Mumbai University
- Expertises in business development, business strategy, planning, product marketing and people management
- Responsible for maintaining vendor relations & new product development

Purvi Patel
Chairman & Whole
Time Director

- She holds Diploma in Pharmacy with graduation in Computer Programming
- She also has various certificates in soft programming
- Her responsibilities include looking after human resource and finance

Vijay Advani
Managing Director

- He holds a degree in Bachelor of Commerce from University of Bombay
- His expertise lies in business planning & execution and key account management
- He has an experience of about more than 10 years in Value Added Distribution Industry.
- He has overall experience of more then 25 years in IT industry.

Ansuya Prasad Purohit
Chief Financial Officer

- He has done L.L.B. (Taxation) from Garhwal University
- Post graduation in Economics has 32 years experience in the field of Accounts and Finance in various segments of the industry.
- He possesses relationship management skills with abilities in liaising with Government bodies & banks for ensuring statutory compliances & smooth business operations
- He looks after the administration and finance operation of the Company



Awards & Recognitions



Creative Peripherals



"Best Channel Partners 03-04"
- Epson



"Best for printer"
- Canon



"Samsung Platinum Partner"



"Best distributor for year 2011"
- Sennheiser



"Best Fulfilment Award 2014"-
Reliance Go Digital



"CEIF Photo Fair 2015"



*"Smart Photography Award
2016" - Olympus*



*"Long Term Partnership Award
2017" – Sennheiser*



Industry Overview



Top trends in technology distribution industry

Advances in Cloud

- Distributors aiding Unified Cloud-based Billing for vendors
- Creating Cloud marketplaces for channel, including financing

Mobility Solutions

- Smart end-to-end channel solutions from warranties, servicing to reverse logistics
- Added value is margin accretive for businesses

Vertical Market Specialisation

- Dedicated teams for products and services, adding value for SME businesses
- Recruitment, education and integration of security solutions

Enterprise Focussed Services

- Developing complex solutions bundles on behalf of multiple vendors
- Helping solution providers migrate to Cloud, virtualisation, Big Data

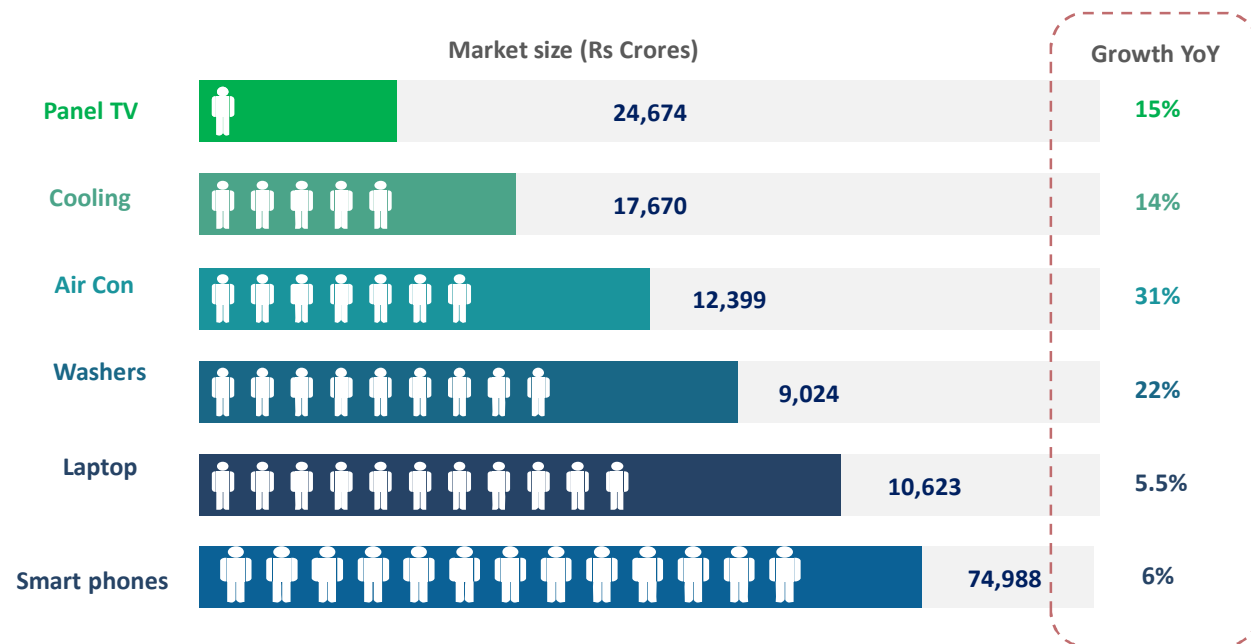
Indian electronics and hardware industry is expected to reach \$112-130 billion by 2018



Top trends in technology distribution industry

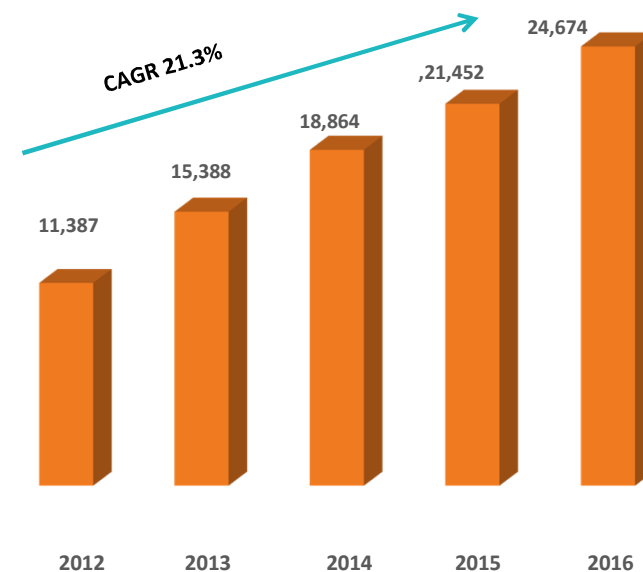


Creative Peripherals



Smartphones market has stabilized, incremental growth driven by Panel TVs, appliances and Laptops

Panel TV Market Opportunity



Source: Gfk Nielsen Retail Audit Data, Dec 2016



Technology distributors have evolved, navigating challenges

	Cycle I 'Dawn of the PC era' 1970s-1980s	Cycle II Internet Grows Globally 1990s	Cycle III MSPs, Mobility advance 2000s	Cycle IV Digital disruption 2010- Current
Key Characteristics	• "Pick, pack and ship" • End-users chained to desktop	• Multivendor solutions • Distributor financing programs fund channels • Wireless technology, e-Commerce models	• Shift to "problem solving" • Mobile solutions • MSP models by retailers • Advanced services	• Distributors evolve in top categories • Converged infrastructure • Big Data, device management, Cloud and IoT
What was needed to succeed	• Capital • Scale	• Innovation • Skilled developers	• Capital • Expertise • Information sharing	• Access to partnerships • Scale & Skills • Customer intimacy, information network
Addressable market size	<\$100 BN	<\$300 BN	\$650 BN +	\$900 BN +
Key challenges	• Capital Intensive • Monolithic • Unresponsive	• Complex environment • High cost • Skills gap	• Extreme price-sensitivity • Lack of innovation • Skills gap	• Widening skills gap • Transformation pressure • Lack of brand strategy

Source: Global Technology Distribution Council, Industry Reports



Changing industry dynamics and distribution model

Risks & Challenges



E-tail allows vendors to skip distributors



Highest financial risk borne by distributors



Cloud delivery - possible substitute



Large retailers dictate price & conditions

What is needed?



Adjusting the distribution business model

Cross-Channel Distribution

Vendors

- Opportunity to boost retail
- Favours familiar products

- Integrate online & offline
- Co-operation not competition
- Brand strategy
- Improve close partnerships

- Address skills gap
- Customer intimacy
- Information network
- Build Scale

Channel Partners

- Direct contact for guidance
- Favours unfamiliar products



Business Overview



We are leading the Digital Disruption Cycle



Creative Peripherals

Scale & Skills

5000+ Partners

3200+ Products

26 Branches

135+ employees

22+ Brands

Integrated Distribution Model

100+ Trained, professional sales staff

Region-wise sales targets



Building customer intimacy and improving partnerships

1200+ Trainings conducted at shop level

POP Installations at point-of-sale locations

150+ On-ground events conducted for brand promotion

Reseller workshops and product demos

Technology – driven innovations and brand strategy

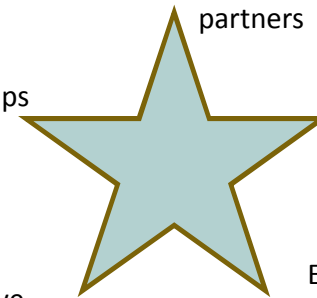
Enabling newcomers/channel partners to leverage specialized practice groups

Supporting ramp-up in multiple countries/regions with cost-effective scalable processes

Identifying right vendors & partners

Continually vetting tech landscape for ideal products and solutions

Ensuring vendors have right structure for global channel programs





Our Unique Distribution business model

Value Business

Market
Research

Strategic
Planning

Pre-Sales

Sales
Process

- Focused resources, dedicated sales & marketing specialists
- High-end, high value products
- Part of entire package sold to mainly corporate customers

- Fast-moving, high volume products
- Delivery at cost-effective prices
- Requires stocking across branches

Volume Business

Trade
Marketing
Support

Logistics &
Inventory Mgt

Credit &
Delivery

Business Segments

IT - Consumer

IT - Enterprise

Imaging

Lifestyle

Security



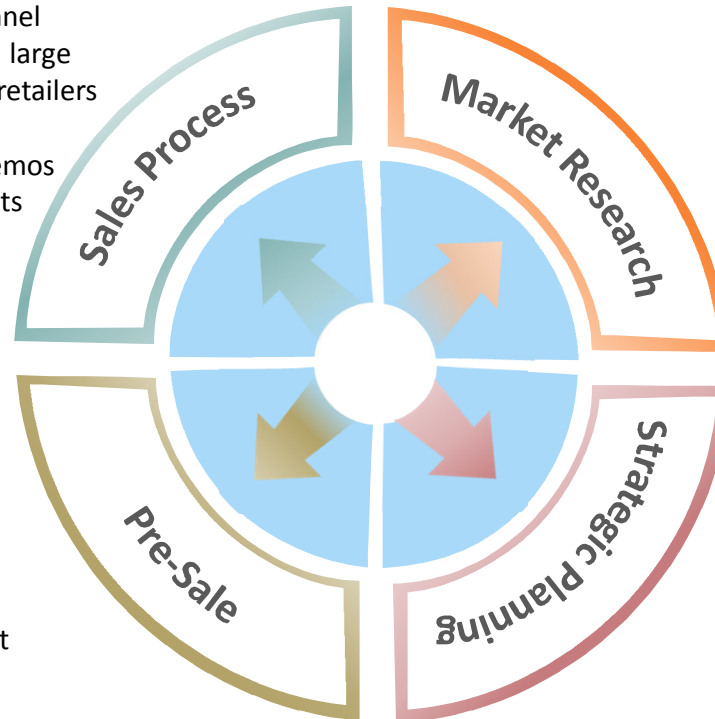
Integrated Distribution Model



Creative Peripherals

- Relationships with channel partners : E-Commerce, large format and specialized retailers
- Corporate Sales team
- Reseller workshop & demos
- Region-wise Sales targets

- Digital Cataloguing
- POP Installations
- Brand Awareness
- Customer Engagement



- Generating Brand Interest
- Location-wise market demand
- Market demand Analysis
- Competition Analysis

- ***Dedicated product sales specialists***
- ***Identification & Training of partners***
- ***On-site product implementation & support***
- ***Bundling products with ISVs***
- ***Marketing activities***

- Channel Strategy
- Sales Planning
- Quarterly Tracking
- Promotions
- Training & events



Brands we work with



Creative Peripherals



Information Technology

- Samsung
- AOC
- Transcend
- Net Protector
- Printronix
- Rapoo
- Belkin
- Honeywell
- Viewsonic
- Bandridge
- Totolink



Imaging

- GoPro
- Manfrotto
- Olympus
- Nzxt
- Data Color
- GITZO



Lifestyle

- AOC TV
- Sennheiser
- Beats
- Skyworth TV
- Photofast
- Philips Signage



Security

- Vintron



Brands we work with



Creative Peripherals

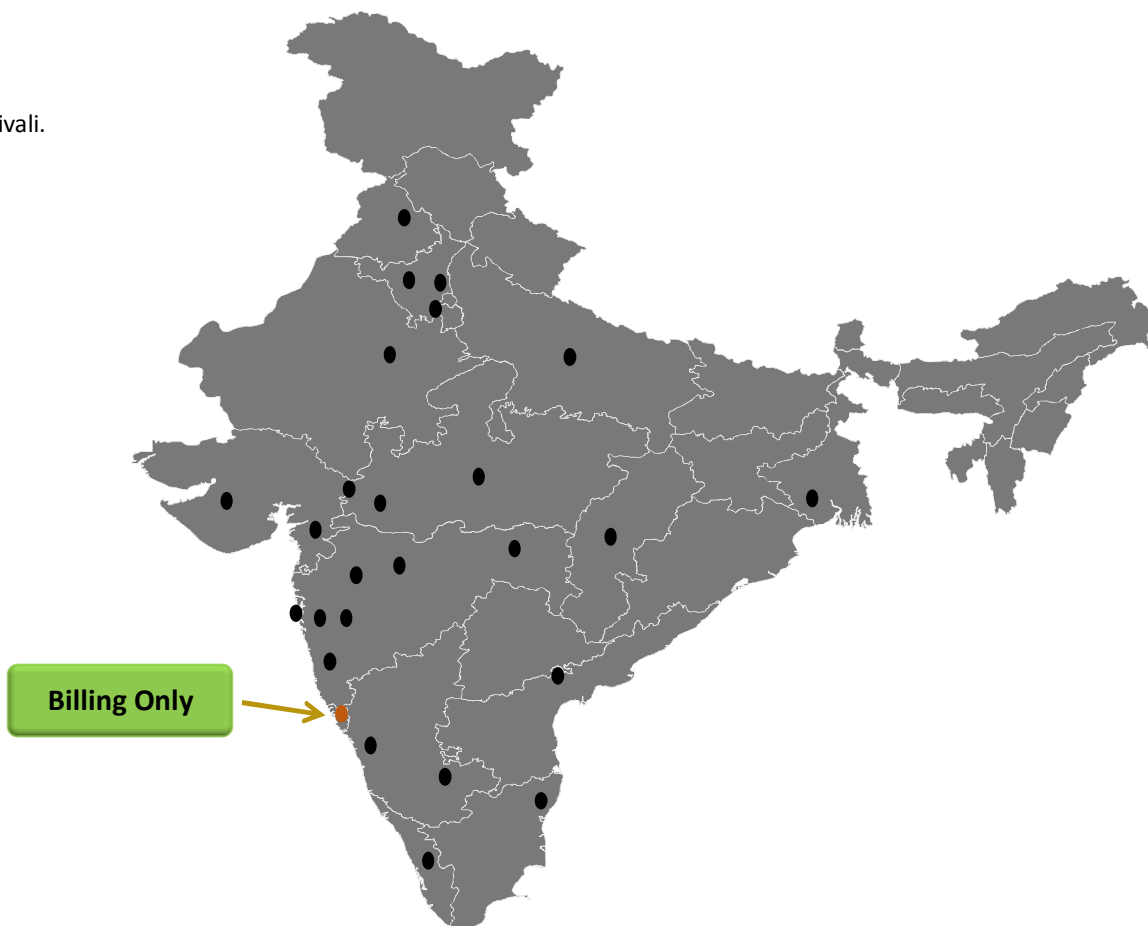
				
				
				
				
				



Geographical presence, network

Current Presence

- Mumbai- Lamington Road, Borivali.
- Ahmedabad
- Aurangabad
- Bangalore
- Bhopal
- Chennai
- Delhi
- Hyderabad
- Haryana
- Hubli
- Indore
- Jaipur
- Kolhapur
- Kolkata
- Kerala,
- Ludhiana
- Lucknow,
- Noida
- Nasik
- Nagpur
- Pune
- Raipur
- Rajkot
- Surat
- Goa



Extensive Reach

A network of 5,000+
partners, 26
branches, 135+
employees



Operations - process improvements

Training



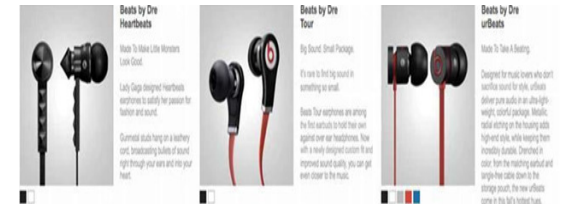
- **100+** Trained, professional sales staff
- **1,200+** Trainings conducted at shop level

Events



- **150+** On-ground events conducted for brand promotion

Promotions



- Digital Catalogues
- POP Displays



Creative Peripherals



Infrastructure & warehousing



Creative Peripherals

Mother Warehouse @ Bhiwandi, Maharashtra



Dispatch all over India from Central warehouse

- Services offered: Warehousing and Transportation
- Area : 12,000 Sq. ft.
- Transactions handled: Dispatches of 1,000 tonnes per annum, Inward transactions of 2,500 tonnes per annum
- Safety measures: Camera and Fire fighters
- Systems & processes: Systems for inward & outward, packing and stock keeping (FIFO system for outward)

Key features

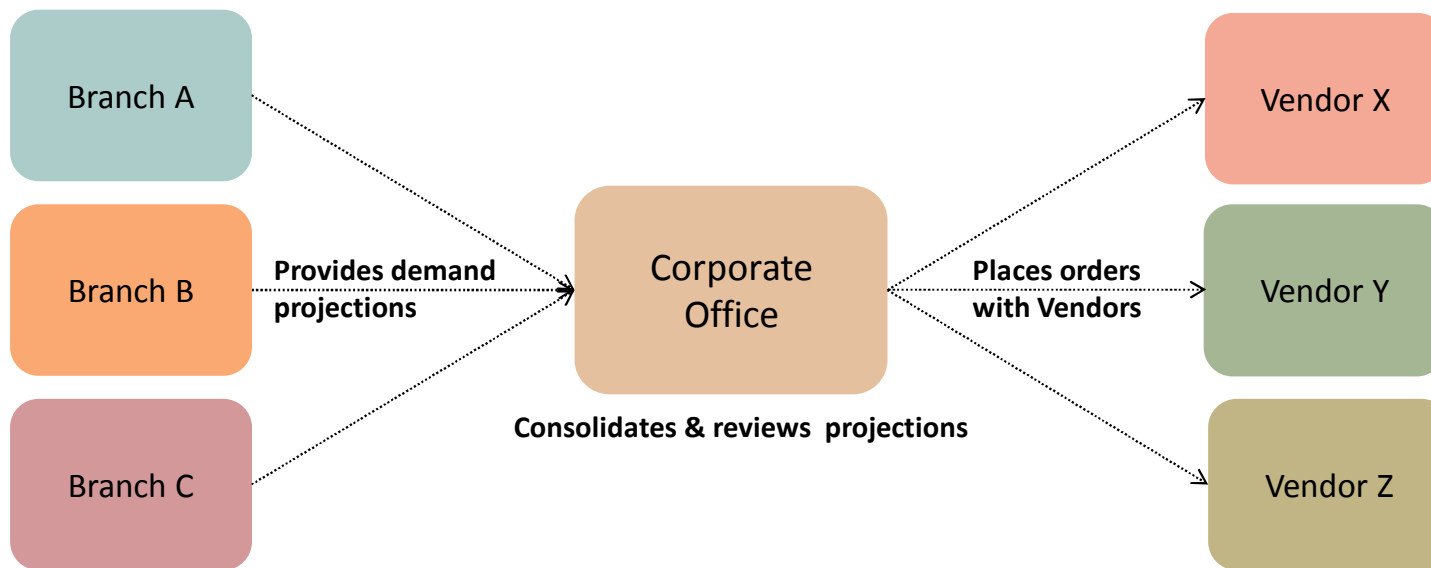
- Fast and on-time delivery
- Can arrange dispatch from single unit to container
- Tie-ups with reputed transporters and couriers
- Trained and experienced staff



Inventory and Receivables Management



Creative Peripherals



Inventory Management

- Continuous monitoring of stock over-ageing
- Physical verification by internal team from finance dept
- Annual audit of each warehouse

Receivables Management

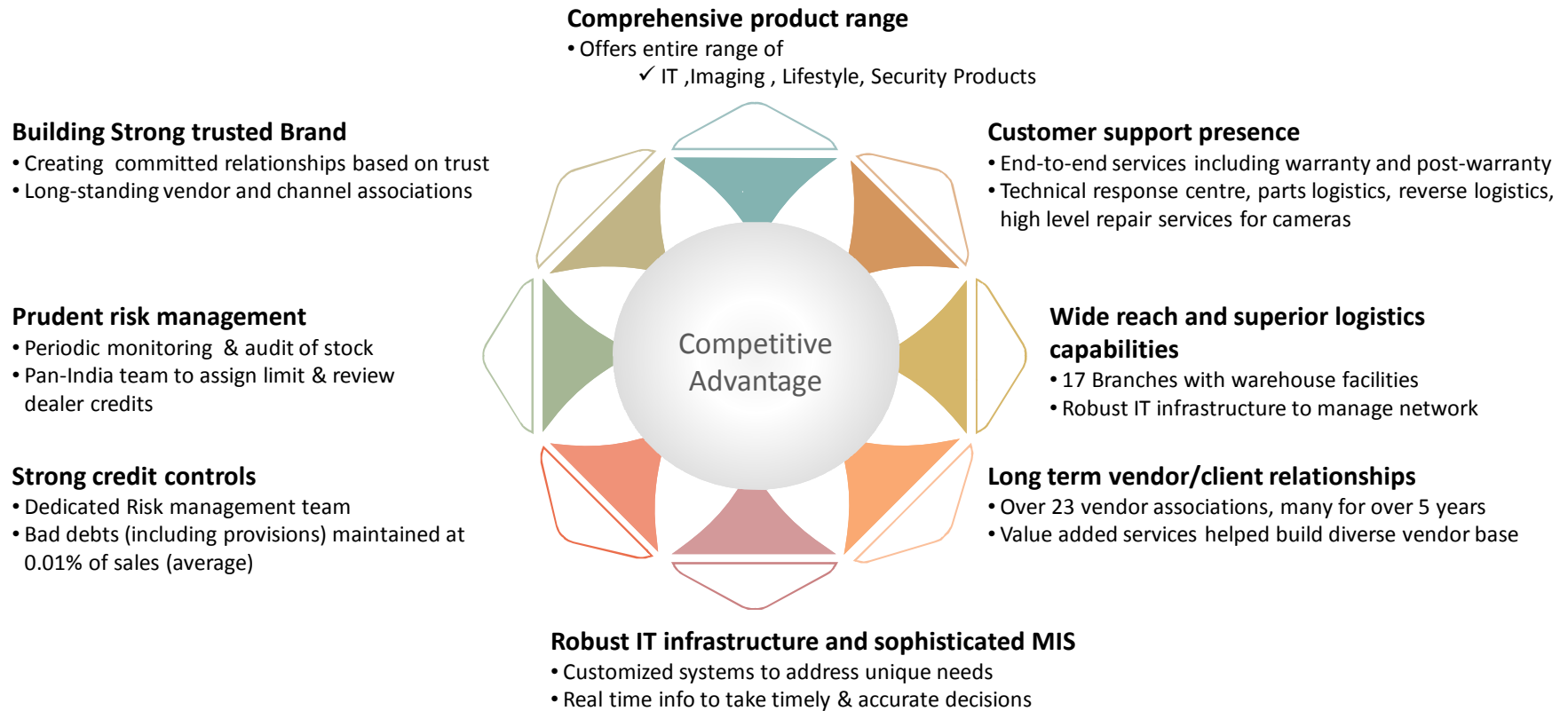
- Credit assessment to assign dealer credit limit
- Dealer accounts reviewed & monitored periodically
- Credit team present across India



Key Competitive Advantages

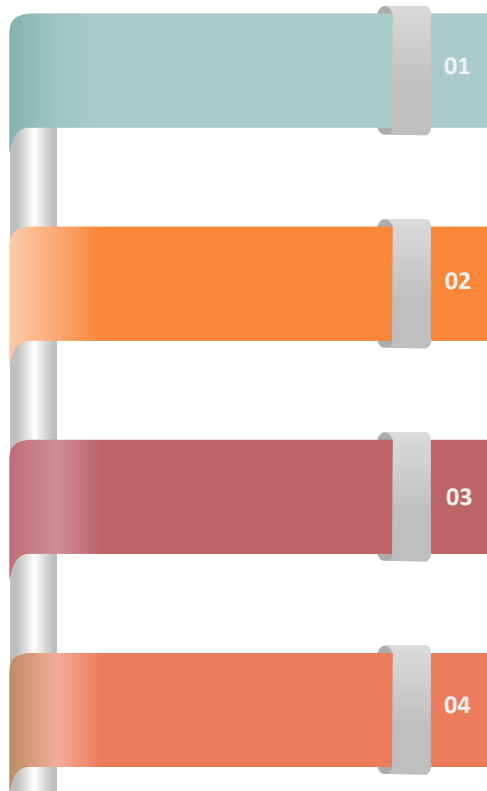


Creative Peripherals





Key Achievements



01 60% growth in number of partners year on year for Sennheiser, along with 42% growth in turnover for retail since partnering with CPDPL

02 40% growth in number of partners over the years, with 35% increase in turnover for retail for Beats (exclusively distributed by Creative Peripherals)

03 25% growth in turnover for retail was seen by AOC monitors and TV, after partnering with Creative Peripherals

04 48% increase in turnover in retail for Bandridge, after partnering with Creative Peripherals



**Half Yearly & Annual
Financial Highlights**



Performance Highlights

H2 FY17 v/s H1 FY17

32% ↑

Revenue Rs 120.56 Cr

44% ↑

EBITDA Rs 3.05 Cr

92% ↑

PAT Rs 0.88 Cr

FY17 v/s FY16

7% ↑

Revenue Rs 212.01 Cr

32% ↑

PBT Rs 1.34 Cr

19% ↑

PAT Rs 1.34 Cr

Robust growth across segments, particularly Imaging products



Key Financial Highlights



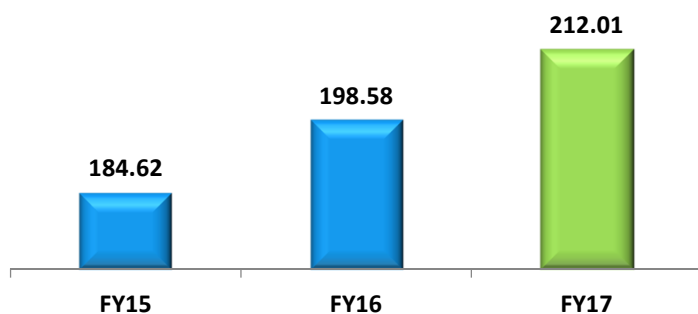
Creative Peripherals

Rs. Cr	H2 FY17	H1FY17	HoH%	FY17	FY16	YoY%
Total Income from Operations	120.56	91.45	32%	212.01	198.58	7%
Raw material	111.98	84.91		196.88	182.52	
Employee Cost	2.61	2.38		4.99	5.90	
Other Cost	2.93	2.05		4.98	4.98	
Total Expenditure	117.51	89.34		206.85	193.41	
EBITDA	3.05	2.11	44%	5.17	5.17	-
EBITDA Margin%	2.53%	2.31%		2.44%	2.60%	
Interest	1.55	1.36		2.91	3.36	
Depreciation	0.08	0.07		0.15	0.21	
Other Income	0.00	0.00		0.00	0.00	
Exceptional Item	0.00	0.00		0.00	0.00	
Profit Before Tax	1.42	0.69		2.11	1.60	
Tax	0.54	0.23		0.77	0.47	
PAT	0.88	0.46	92%	1.34	1.13	19%
PAT Margin%	0.73%	0.50%		0.63%	0.57%	
EPS in Rs.	3.31	2.29		5.75	7.51	

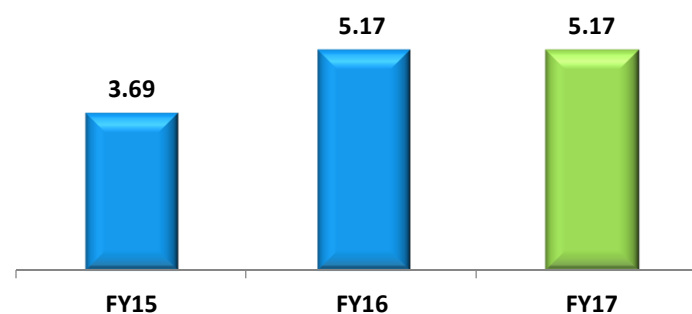


Annual Financial Highlights

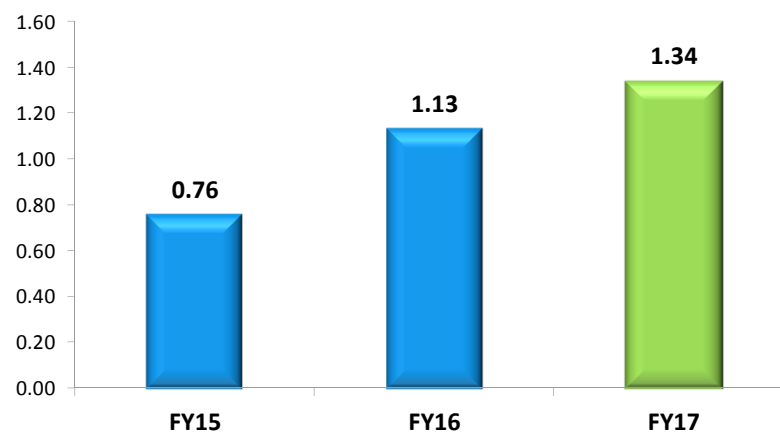
Revenue (Rs. Cr)



EBITDA (Rs. Cr)



PAT (Rs. Cr)



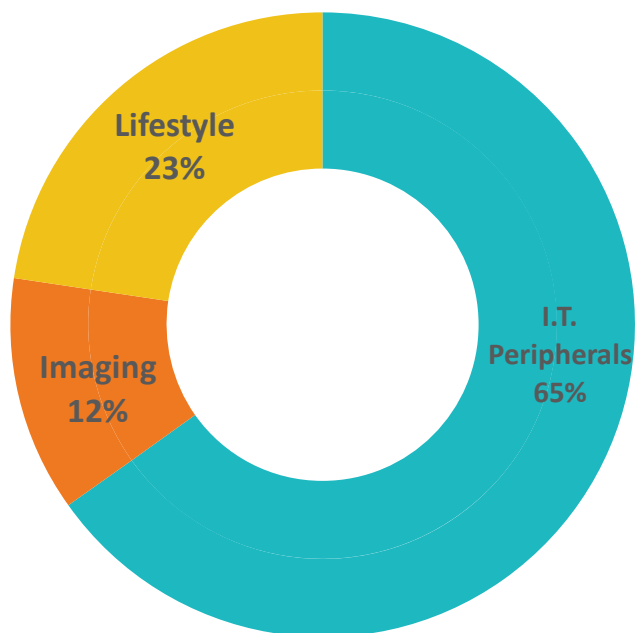


Revenue contribution – Business segments

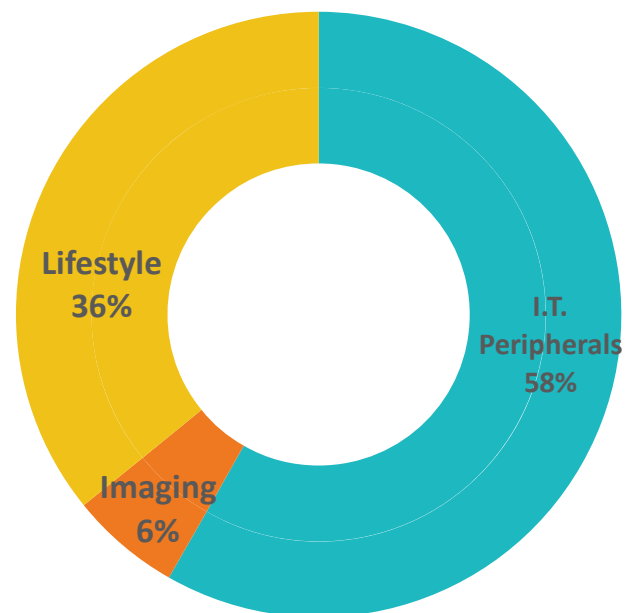


Creative Peripherals

FY2017



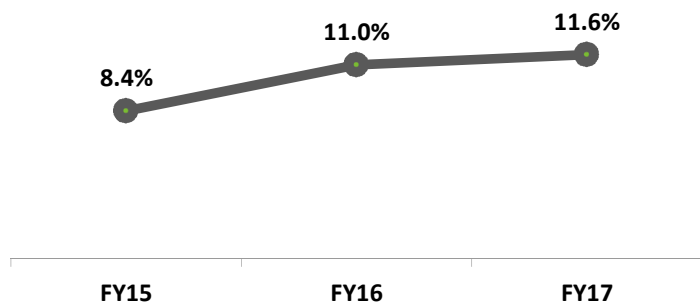
FY2016



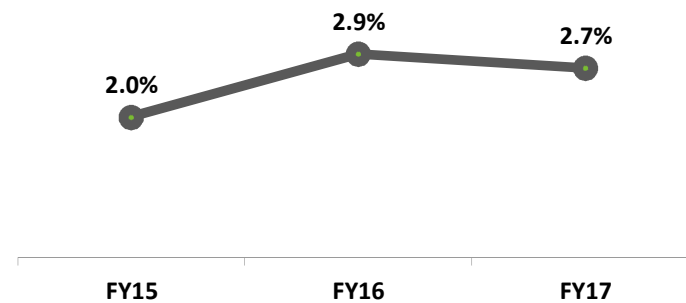


Consolidated Key Return Ratios

RoE(%)



RoA(%)



Return on Assets reflects impact of new high-end product additions in existing and new Security business segment during the financial year

RoE = Net Profit/Net Worth | RoA = Net Profit/Average Total Assets



Balance Sheet Highlights



Creative Peripherals

Rs. Cr	Mar-17	Mar-16
Shareholder's Funds	11.56	10.22
Share capital	4.00	2.00
Reserves & Surplus	7.56	8.22
Non-current liabilities	0.09	0.14
Long term borrowings	0.09	0.14
Defer Tax liabilities	0.00	0.00
Other Long-Term liabilities	0.00	0.00
Long-Term Provisions	0.00	0.00
Current liabilities	50.15	26.91
Short Term Borrowings	23.20	17.44
Trade Payables	23.15	6.20
Other Current liabilities	3.10	2.75
Short-term provisions	0.70	0.52
Total Equities & Liabilities	61.80	37.27

Rs. Cr	Mar-17	Mar-16
Non-current assets	0.55	0.47
Fixed assets	0.27	0.30
Deferred tax assets	0.19	0.17
Non-current Investments	0.00	0.00
Long-term loans & advances	0.00	0.00
Other non-current assets	0.00	0.00
Miscellaneous Expenses	0.09	0.00
Current assets	61.25	36.80
Inventories	20.94	12.95
Trade receivables	28.29	17.20
Cash & Cash equivalents	1.73	2.36
Short-term loans & Advances	10.29	4.28
Other Current Assets	0.00	0.00
Total Assets	61.80	37.27



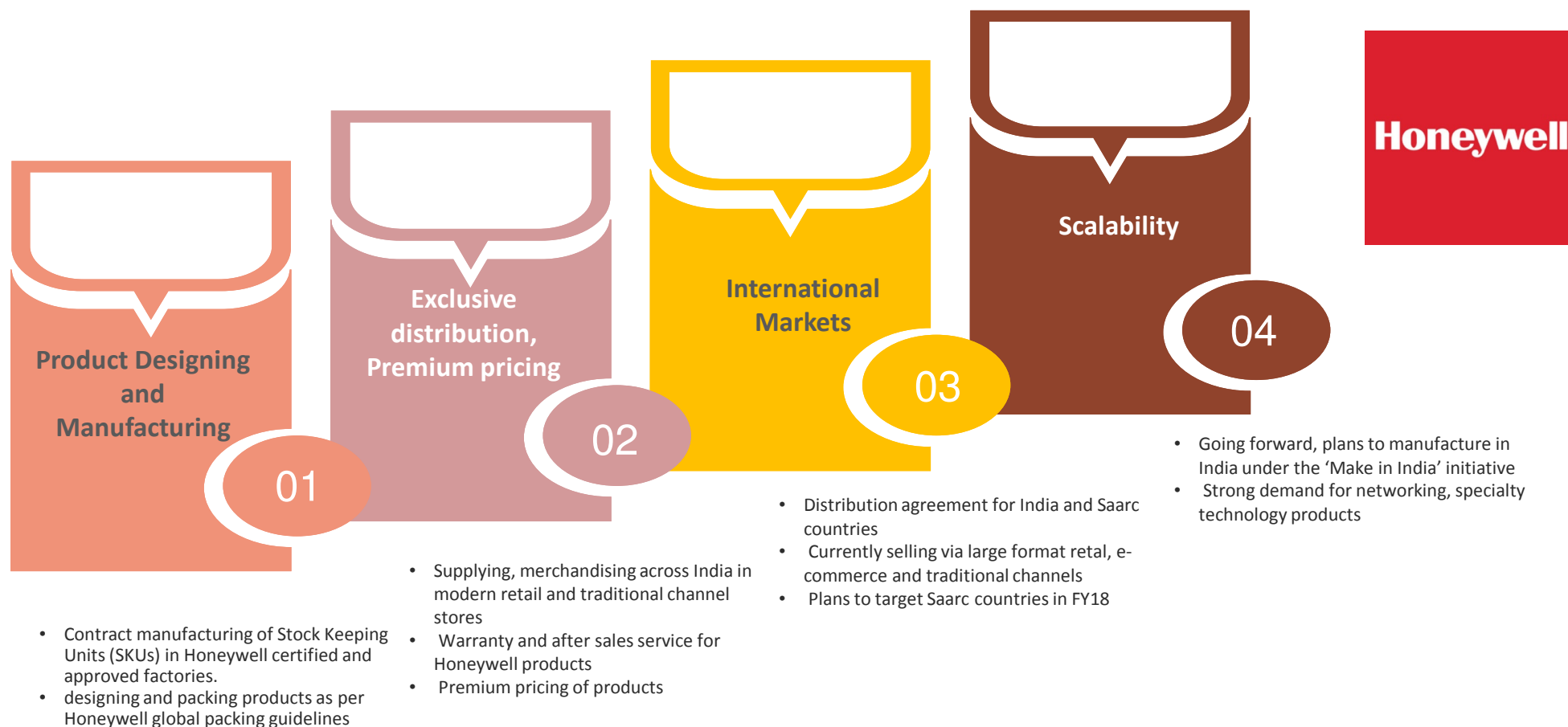
Way Ahead



Expanding on Exclusive Partnership with Honeywell



Creative Peripherals

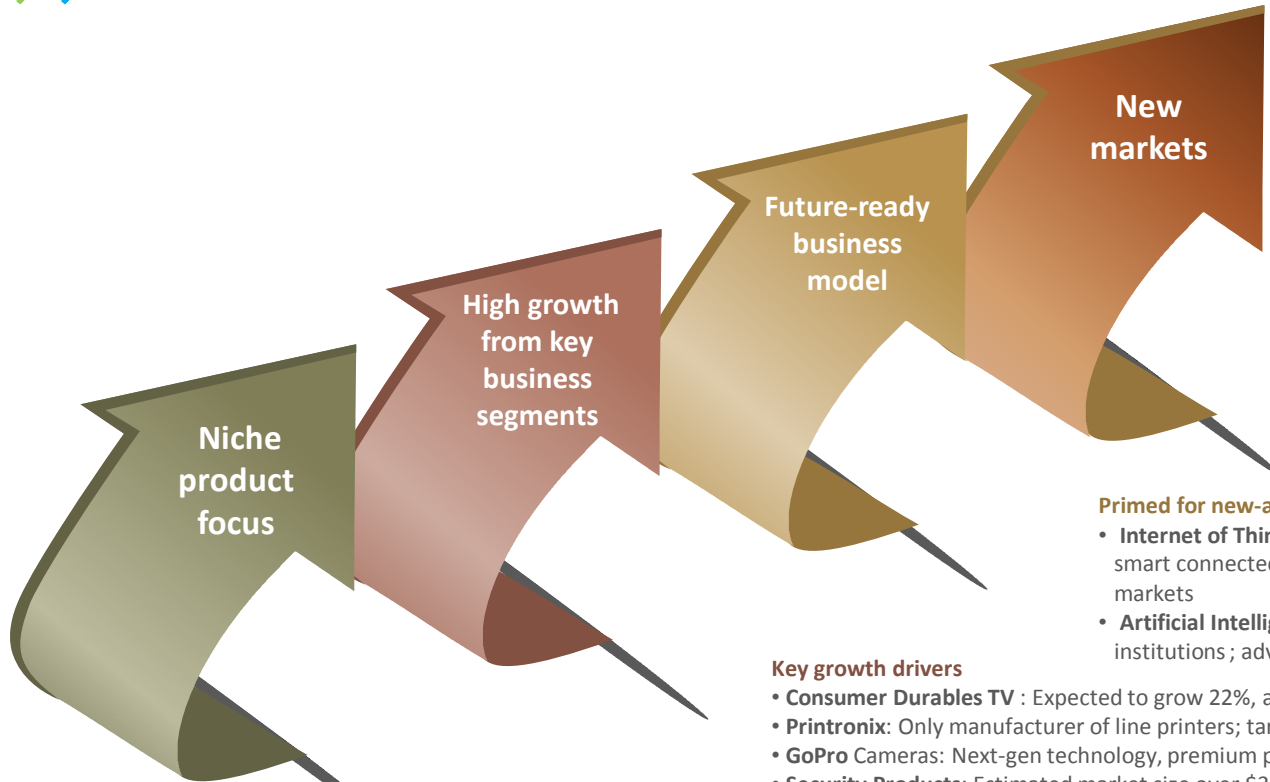




Future-ready business growth



Creative Peripherals



Niche product focus

High growth from key business segments

Future-ready business model

New markets

Value-add, high-end, high margin products

- Focus on select brands like GoPro, Manfrotto, Olympus
- Creating "Retail experience zones" for value add
- Target elite channel partners and end-user segments

Key growth drivers

- **Consumer Durables TV** : Expected to grow 22%, as smartphone market stabilises
- **Printronic**: Only manufacturer of line printers; target BFSI, logistics, pharma industries
- **GoPro Cameras**: Next-gen technology, premium pricing, target high-end users
- **Security Products**: Estimated market size over \$350 bn; exclusive distribution of premium brands

Expansion in new markets

- **Domestic market**: Smart Cities and Make in India boosting demand from OEMs as well as service providers; Smart Homes, Vehicles; Big Data and Analytics, Intelligent technology & hardware to drive future growth
- **International market**: Expanding in the Middle East and Saarc Countries

Primed for new-age customer behaviour

- **Internet of Things (IoT)**: Asia-Pacific investment projected over \$2.5 trillion by 2020; smart connected machines, augmented reality, cloud connectivity in enterprise markets
- **Artificial Intelligence(AI)**: Machine learning solutions and applications used across institutions; advanced robotics, wearables market size currently over \$35bn



Thank You

For further information, please contact:

Company :

Creative Peripherals Limited.

Mr. Ketan Patel
Founder

ketan@ecreativeindia.com

ecreativeindia.com

Investor Relations Advisors :

Bridge Investor Relations Pvt. Ltd.

Ms. Savli Mangle

Savli@bridge-ir.com

Ms. Ritu Jindal

Ritu@bridge-ir.com

www.bridge-ir.com