



Creative Peripherals

Date: 28th November 2019

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 Q2 & H1 FY20

Dear Sir,

Please find attached Media Release regarding announcement of un-audited Standalone financial results for Q2 & H1 FY20.

Thanking you,

Yours Faithfully
For Creative Peripherals and Distribution Limited

Tejas Doshi
Company Secretary & Compliance Officer
ACS – 30828

Date: 28th November 2019
Place: Mumbai

Creative Peripherals and Distribution Limited

Registered Office: 3rd and 4th Floor, Plot No 137AB, Kandivali Co Op Industrial Estate Limited, Charkop, Kandivali West, Mumbai – 400 067 | **Tel.:** 91-22-5061 2700 | **Email:** cs@ecreativeindia.com | **Website:** www.ecreativeindia.com | **CIN:** L52392MH2004PLC148754



Media Release

24.35 % YoY growth in H1FY20 Total income – mainly driven by increase in demand of Imaging & IT products, addition of new products and tie ups with a niche international brand – Cooler Master

H1 FY20 EBIDTA at Rs. 8.47 crore, YoY growth of 52.45%, on account increase in sales of GoPro and Cooler Master and increased contribution of higher margin products

H1 FY20 Net Profit at Rs. 4.46 crore, YoY growth of over 105.50%

Mumbai, 28th November 2019: Creative Peripherals and Distribution Limited (NSE-SME: 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 second quarter and half year ended September 30th, 2019.

Key Standalone Financials (Rs. Crore) :-

Particulars	Q2 FY20	Q2 FY19	YoY%	H1 FY20	H1 FY19	YoY%
Total Income	89.87	79.08	13.64%	194.66	156.45	24.35%
EBIDTA	4.18	2.84	47.28%	8.47	5.56	52.45%
EBITDA Margin	4.65%	3.59%	106 bps	4.35%	3.55%	80 bps
Net Profit	2.47	1.18	108.54%	4.46	2.17	105.50%
Net Profit Margin	2.74%	1.50%	124	2.29%	1.39%	90 bps
Basic EPS (in Rs.)	2.13	2.04	4.41%	3.84	1.87	205.35%

Performance Highlights for the quarter ended September 30th, 2019:

- **Total Income** for the quarter was **Rs. 89.87 crore** in Q2 FY20, as against Rs.79.08 crore in Q2 FY19, **a YoY growth of 13.64%**, mainly driven by increase in demand of Imaging & IT products, addition of new products and tie up with a niche international brand - Cooler Master

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- **EBITDA** is at **Rs. 4.18 crore** in Q2 FY20 as against Rs. 2.84 crore in Q2 FY19, **YoY growth of 47.28%**, despite higher employee costs on account of strengthening the sales team and increase in marketing activities for Creative Connect event
- **EBITDA Margin** is **4.65%**, an **improvement of 106 bps YoY**, on account of increased contribution from high margin value-added products in Imaging & IT
- **Net Profit** is **Rs 2.47 crore** in Q2 FY20 compared to Rs. 1.18 crore in Q2 FY19, **YoY growth of 108.54%**
- **Net Profit Margin** stood at **2.74%**, an improvement of **124 bps**
- Basic EPS 2.13 YoY improvement 4.41%

Performance Highlights for the half year ended September 30th, 2019:

- **Total Income** for H1 FY20 was **Rs. 194.66 crore**, as against Rs. 156.55 crore in H1 FY19, a **YoY growth of 24.35%**, mainly driven by increase in demand of Imaging & IT products, addition of new products and tie up with a niche international brand - Cooler Master
- **EBITDA** is at **Rs. 8.47 crore** in H1 FY20 as against Rs. 5.56 crore in H1 FY19, **YoY growth of 52.45%**
- **EBITDA Margin** is **4.35%**, an **improvement of 80 bps YoY**, on account of increased contribution from high margin value-added products in Imaging & IT as well as addition of new product lines
- **Net Profit** is **Rs 4.46 crore** in H1 FY20 compared to Rs. 2.17 crore in H1 FY19, **YoY growth of 105.50%**
- **Net Profit Margin** is **2.29%**, an improvement of **90 bps YoY**
- Basic EPS 3.84 YoY improvement 205.35%

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Recent Key Developments: -

- The Company signed **distribution agreements with BaByliss, PNY Inc. and Cooler Master**
 - 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 prestigious global brand, which is a market leader in its 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, air-brushes, curlers and grooming/trimming products. BaByliss is a France-based multinational company that specializes in hair care and grooming products, primarily for women. Founded in 1990, the Company has established itself as a niche brand for grooming related consumer electronics. Its product portfolio includes hair dryers, smoothing brushes, straighteners, curling irons, multi-stylers, trimmers, clippers and other accessories.
 - 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. Headquartered in the USA, PNY maintains facilities in North America, Europe, Middle East, Asia and Latin America. Its wide product portfolio includes flash memory cards, USB and OTG drives, SSDs, computer memory upgrade modules, NVIDIA® consumer, NVIDIA Quadro professional graphics cards, HPC and AI solutions among many others.
 - Creative Peripherals would be the authorized distributor of a wide range of Cooler Master products across India. The product portfolio includes computer cases, power supplies and adaptors, thermal products (air/liquid cooling, case fans, thermal grease) and other peripherals such as mechanical keyboards, performance mice and headsets. Cooler Master is a Taiwan-based multi-national organization that specializes in computer cooling solutions and modular computer components. The Company, formed in 1992, offers a wide range of products including PC tower cases, ATX power supplies and adaptors, thermal solutions for computers, and peripherals like mice, keyboards and headsets. The Company caters to various end

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applications such as automotive, client devices, renewable energy, telecommunications, cloud computing and data centres.

- The **Company successfully migrated to the NSE Main Board** from the NSE-SME Exchange on 5th August 2019

Management Comment:

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

"I am very delighted to share that our financial performance for H1 FY20 has been in line with our expectations. We delivered nearly 24.35% revenue growth, over 52.45% and 105.50% in EBITDA & Net Profit respectively in H1 FY20. This growth has not only come in from products of our existing niche brands like Go Pro, Honeywell, Viewsonic to name a few but also addition of new products and tie up with a niche international brand - Cooler Master.

This year has been very exciting for our Company. Infact we recently also signed distribution agreements with BaByliss and PNY Inc. apart from Cooler Master brands to distribute their niche products across India. Our Company has emerged as a market entry specialist for with high value experiential brands which have huge potential in a market like India. A fast-paced increase in urbanisation and easily disposable incomes makes Indian markets very attractive to popular foreign brands. The agreements with Cooler Master and PNY Inc. strengthen our market presence in gaming and high-performance computer products. This venture with BaByliss marks our foray into new segment such as personal grooming. We see a huge demand for branded grooming products in India, which inspired us to select this brand. Grooming products are being used beyond the urban areas of the country, across tier-2 cities. These alliances are evidence of our Company's increasing popularity among the high value international brands and provides a growing platform in the global markets.

One more significant milestone that we achieved is our Company's successful migration to the NSE Main Board from NSE SME Exchange. We expect this to create better visibility for our Company to reach out to a wider investor community and enable us to achieve new and higher benchmarks. I would like to thank our channel partners, business partners, employees and all our stakeholders for their invaluable support and belief in us which drives us to set & achieve higher benchmarks."

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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.

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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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Note: *Certain statements in this document may be forward-looking statements. Such forward-looking statements are subject to certain risks and uncertainties like regulatory changes, local political or economic developments, and many other factors that could cause our actual results to differ materially from those contemplated by the relevant forward-looking statements. Further, past performance is not necessarily indicative of future results. Given these risks, uncertainties and other risk factors, viewers are cautioned not to place undue reliance on these forward-looking statements. The Company will not be in any way responsible for any action taken based on such statements and undertakes no obligation to publicly update these forward-looking statements to reflect subsequent events or circumstances.*

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