



Creative Peripherals

Date: 27th August, 2020

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

Sub: Announcement on 'Vision 2023'.

Dear Sir,

We are pleased to enclose a copy of press release regarding the Company's announcement on its 'Vision 2023'.

Kindly take the same on record.

Thanking you,

Yours Faithfully

For Creative Peripheral and Distribution Limited

Tejas Doshi
Company Secretary & Compliance Officer
ACS - 30828

Date: 27th August, 2020

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



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Business Update Release

Creative Peripherals’ “Vision 2023”

Company to cross Rs. 1,000 cr turnover by 2023

Three Pillar Strategy: Brand Licensing, Market Entry & Penetration for Niche Brands, Online Digital Platform – Ckart

Mumbai, 27th August 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, is pleased to share its ‘Vision 2023’.

As part of Vision 2023, the Company aims to reach a turnover of Rs. 1,000 cr by the year 2023, while growing profit margins. To achieve this goal, the Company has a robust strategy in place to drive sustainable growth.

Creative Peripherals’ business model revolves around a **three-pillar strategy**:

1. **Brand Licensing** – The Company undertakes contract manufacturing for Honeywell for a wide range of their consumer- and enterprise-products and has a geographical reach in 29 countries across APAC and the Middle East. The Company plans to add to this licensing line of business with other major global brands.
2. **Market Entry & Penetration for Niche Brands** – Creative already has a portfolio of over 20 brands which are market leaders in their categories. The Company continually refreshes its bouquet of brands with niche high-margin products that are relevant to current market trends and have scope for market expansion.
3. **Ckart** – Creative’s latest offering to the industry is this new online digital B2B eCommerce platform. Ckart hosts the Company’s entire client-base online, and enables customers to view, share and transact in their products amongst each other. The platform allows inventory of products that may not directly be under Creative’s portfolio, thereby expanding the Company’s product domain. Value added services such as drop-shipment, invoicing and allowing individual customer sites, make this platform unique and an attractive proposition for all customers in the supply chain. Ckart is fast and easy to use, and we expect it to help expand our customer-base substantially. This platform will also help increase top line and reduce our working capital cycle.

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Leveraging Digital & Non-Digital Assets

Creative has robust assets of both digital as well as non-digital nature.

- The Company's existing **distribution network** deeply penetrates numerous geographies across India and countries in APAC and the Middle East. We aim to leverage this strength to enable more niche brands to enter and expand in new markets. Moreover, our expertise in **licensed manufacturing** will also be well-used as we bring more brands under this business model.
- Creative's **digital assets** primarily revolve around **Ckart**, our digital platform. As the platform gains momentum with more customers and transactions, we aim to utilize this technical know-how to expand the platform with additional functionalities and services, which would yield new revenue streams. For instance, Ckart already offers drop-shipment facility. The Company may also offer virtual warehousing services to customers after a certain period of time. The services may either be incorporated into Ckart, or may be offered via new digital platforms.

Creative is making huge strides in all these focus areas, and together, these business lines will drive sustainable growth for the Company in the coming years, making our Vision 2023 a reality.

Management Comment:

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

"Creative Peripherals has come a long way over the past decades. During our growth story, the last few years have been exceptionally active and fruitful, as our Company reached many milestones during this time. We have sustained through various market headwinds including the COVID-19 pandemic.

Looking ahead, I am very excited to share our 'Vision 2023' with you all. In our future roadmap for the next few years, we foresee Creative Peripherals to reach a turnover of Rs. 1,000 cr by 2023, from Rs. 459 cr in 2020. This growth trajectory is based on sound strategy, robust business operations, and confidence in ourselves and our partners.

Over the years, our business has diversified beyond traditional distribution. To drive sustainable growth, we have a three-pillar strategy. Our focus is on expanding our licensed manufacturing business with new brands, such as what we do for Honeywell; leverage our market entry and penetration expertise with niche high-margin brands; and become the one-stop-shop for all customers through Ckart – our online digital B2B eCommerce platform.

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We are making tremendous progress in all of these three areas, aimed to achieve sustainable growth and make our 'Vision 2023' a reality. I would like to thank all our employees and stakeholders for their continued hard work and support in our growth, which enables us to set and achieve such 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

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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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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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