



Creative Peripherals

Date: 12th November 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 Q2 & H1 FY21

Dear Sir,

Please find attached Media Release regarding announcement of un-audited standalone financial results for Q2 & H1 FY21.

Thanking you,

For Creative Peripheral and Distribution Limited

Tejas Doshi
Company Secretary & Compliance Officer
ACS – 30828

Date: 12th November 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



Media Release

25.7% YoY growth in Q2 FY21 Total income at Rs. 112.96 cr – mainly driven by higher demand for Imaging, IT & Gaming products – Samsung Cooler Master & PNY

Q2 FY21 EBIDTA at Rs. 4.48 crore, YoY growth of 7.15%, on account of operational efficiencies and increased contribution from high margin products like GoPro & Cooler Master

Q2 FY21 Net Profit at Rs. 2.44 crore, Basic EPS at Rs. 2.10

Mumbai, 12th November 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 second quarter and half year ended September 30th, 2020.

Key Standalone Financials (Rs. Cr.):

Particulars	Q2 FY21	Q2 FY20	YoY%	H1 FY21	H1 FY20	YoY%
Total Income	112.96	89.87	25.70%	176.34	194.66	(9.41%)
EBIDTA	4.48	4.18	7.15%	6.31	8.47	(25.55%)
EBITDA Margin	3.96%	4.65%	(69 bps)	3.58%	4.35%	(77 bps)
Net Profit	2.44	2.47	(1.22%)	2.96	4.46	(33.69%)
Net Profit Margin	2.16%	2.74%	(58 bps)	1.68%	2.29%	(61 bps)
Basic EPS (in Rs.)	2.10	2.13	(1.41%)	2.55	3.84	(33.59%)

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Performance Highlights for the quarter ended September 30th, 2020:

- **Total Income** for the quarter was **Rs. 112.96 crore** in Q2 FY21, a **YoY increase of 25.70%**, mainly driven by strong demand for existing brands such as Samsung, expansion of Honeywell product portfolio, and addition of new brands like Cooler Master and PNY.
- **EBITDA** is at **Rs. 4.48 crore** in Q2 FY21, **YoY growth of 7.15%**. Higher revenue coupled with cost reduction exercises led to improvement in EBITDA.
- **EBITDA Margin** is **3.96%**, vis-à-vis 4.65% in Q2 FY20
- **Net Profit** is **Rs. 2.44 crore** in Q2 FY21, **YoY decrease of 1.22%**. **Net Profit Margin** stood at **2.16%**
- **Basic EPS** is **Rs. 2.10**

Performance Highlights for the half year ended September 30th, 2020:

- **Total Income** for the half year was **Rs. 176.34 crore** in H1 FY21, a **YoY decline of 9.41%**, mainly due to the nationwide lockdown during the first quarter, hampering the entire supply chain. Operations resumed gradually but at lower capacity
- **EBITDA** is at **Rs. 6.31 crore** in H1 FY21, **YoY decline of 25.55%**. Continued employee and fixed expenses despite lower sales, coupled with higher raw material expense due to changing product mix, led to contraction in EBITDA margins
- **EBITDA Margin** is **3.58%**, vis-à-vis 4.35% in H1 FY20
- **Net Profit** is **Rs 2.96 crore** in H1 FY21, **YoY decrease of 33.69%**. **Net Profit Margin** stood at **1.68%**
- **Basic EPS** is **Rs. 2.55**

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Recent Key Developments:

- Creative Peripherals expanded its licensing agreement with **Honeywell** to include **air purifiers** for **10 countries** across the world
- The Company **signed a distribution agreement with ZEISS** to distribute binoculars and monoculars across India
- The Company **launched Ckart – an online digital B2B eCommerce platform** which will help in expanding customer- and product-base
- Creative Peripherals launched **B-Safe** – its own brand of personal medical products, which include infrared thermometers, thermal scanners, pulse oximeters and masks
- The Company **renewed its licensing agreement with Honeywell** for another five years, and **expanded distribution reach to 29 countries** across APAC and the Middle East
- Creative Peripherals **expanded its distribution agreement with Honeywell** to include structured cabling solutions

Management Comment:

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

“Despite the overall economic headwinds, we reported an 25.70% year-on-year growth in topline, while EBITDA grew 7.15% year-on-year to Rs. 4.48, in Q2 FY21. This reflects our Company’s resilience and operational agility in the face of market adversities. Growth was primarily driven by our growing product portfolio, with demand for existing and new brands in IT, gaming and Imaging, such as Samsung, Cooler Master, PNY and GoPro. We have witnessed unprecedented demand for Cooler Master products as well as for the newly launched GoPro Hero 9.

While the lockdown due to the COVID pandemic impacted our business significantly, especially in the first quarter, we are gradually recovering from the setback and are regaining momentum. Driven even more so, by the digitization trend that this lockdown has triggered, we expect a strong uptake in demand for most of our products.

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During this quarter, we have seen a growth in new orders on Ckart, our new unique B2B eCommerce platform, from existing as well as new customers. We expect Ckart to gain popularity and translate into improved operational efficiency for our Company. We also refreshed our portfolio with several new brands, including ZEISS and Edelkrone, and some new products such as air purifiers from Honeywell. These new additions further expand and diversify our offering and give us more depth into the lifestyle and other high-margin segments. Most of these brands are niche market-leaders in their category and it makes us proud to be their partner of choice.

Our strategy and roadmap remain clear and we are poised to withstand market cycles. We strive to be the go-to market entry specialist for experiential brands seeking entry into the Indian markets, as well as be the one-stop-shop for all customers through Ckart. 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

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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.

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For more details please visit: www.ecreativeindia.com

For further information please contact:

<p><i>Company:</i></p> <p>Abhijit Kanvinde</p> <p>Chief Financial Officer</p> <p>Creative Peripherals and Distribution Ltd.</p> <p>E-mail: abhijit@ecreativeindia.com</p>	<p><i>Investor Relations:</i></p> <p>Rahul Trivedi / Anviksha Konnure</p> <p>Bridge Investor Relations Pvt. Ltd.</p> <p>Email: rahul@bridge-ir.com / anviksha@bridge-ir.com</p>
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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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