



Creative Peripherals

Date: 04th September 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 and consolidated financial results for Q1 FY21

Dear Sir,

Please find attached Media Release regarding announcement of un-audited consolidated financial results for Q1 FY21.

Thanking you,

Yours Faithfully

For Creative Peripheral and Distribution Limited

Tejas Doshi
Company Secretary & Compliance Officer
ACS - 30828

Date: 04th September, 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@creativeindia.com |

Website: www.ecreativeindia.com | **CIN:** L52392MH2004PLC148754



Media Release

Total Income at Rs. 64.53 cr – sustained by demand for Imaging & IT/Gaming products – GoPro, Cooler Master & Samsung

Q1 FY21 EBIDTA at Rs. 1.90 crore – contribution of high margin products offset by employee and fixed costs during lockdown

Q1 FY21 Net Profit at Rs. 0.58 crore

EPS Reported at Rs. 0.45

Mumbai, 3rd September 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 consolidated financial results for the first quarter ended June 30th, 2020.

Key Consolidated Financials (Rs. Crore) :

Particulars	Q1 FY21	Q1 FY20	YoY%	FY20	FY19	YoY%
Total Income	64.53	104.80	(38.42%)	459.06	370.72	23.83%
EBIDTA (Incl. Other Income)	1.90	4.30	(55.88%)	16.82	13.32	26.28%
EBITDA Margin	2.94%	4.10%	(116 bps)	3.66%	3.59%	7 bps
Net Profit	0.58	1.99	(71.12%)	7.76	5.81	33.49%
Net Profit Margin	0.89%	1.90%	(101 bps)	1.69%	1.57%	12 bps
Basic EPS (in Rs.)	0.45	1.72	(73.84%)	6.78	5.01	35.33%

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

- **Total Income** for the quarter was **Rs. 64.53 crore** in Q1 FY21, as against Rs. 104.80 crore in Q1 FY20, a **YoY decrease of 38.42%**, mainly due to the nationwide lockdown during most of this quarter, hampering the entire supply chain. Operations resumed gradually in the latter half of the quarter but at 20-30% capacity only.
- **EBITDA** is at **Rs. 1.90 crore** in Q1 FY21 as against Rs. 4.30 crore in Q1 FY20, **YoY decrease of 55.88%**. Continued employee and fixed expenses despite lower sales led to contraction in EBITDA margins. **EBITDA Margin** is **2.94%**, vis-à-vis 4.10% in Q1 FY20

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- **Net Profit** is **Rs. 0.58 crore** in Q1 FY21 compared to Rs. 1.99 crore in Q1 FY20, **YoY decline of 71.12%**
- **Net Profit Margin** stood at **0.89%**

Recent Key Developments:

- 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
- The Company signed **distribution agreements with Panasonic and BaByliss**

Management Comment:

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

“Like every other industry and sector, our Company also faced headwinds from the nationwide lockdown during most of this quarter due to the COVID-19 pandemic. We had factored this effect and expected a contraction in our business and financial performance for Q1 FY21. Our topline was Rs. 64.53 cr, with an EBITDA and PAT of Rs. 1.90 cr and Rs. 0.58 cr, respectively, in Q1 FY21. This represents operations of less than two months, since we started reopening gradually by end of April, and at 20-30% capacity. However, I am happy to share that even during such times we have remained profitable, which reflects our Company’s resilience and adaptive capabilities.

On the business front, we have continued to see demand for imaging, IT and gaming products during this period, especially since online channels reopened sooner than brick and mortar stores. We retained all our workforce and continued to incur fixed expenses during the lockdown, which adversely affected EBITDA margins. Moreover, to contribute to our nation’s fight against COVID-19, we launched our own ‘B-Safe’ range of personal medical products that have gained traction since launch.

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I am happy to share that we renewed our licensing agreement with Honeywell for another five years, as well as signed up for distribution of their products across 29 countries, covering the APAC and Middle East regions. Our deep and long-term association with Honeywell reflects the unique value that such a Fortune-100 company sees in us, and would set an example for other global brands wishing to adopt the licensing business model.

On a brighter note, we launched our own inhouse-developed online digital B2B eCommerce platform – Ckart – in August. We are very excited about this platform and expect it to drastically enhance our top line and profitability. Ckart will benefit our existing customers as well as help expand our client-base. Especially during these current times as more businesses are going digital, this platform is a future-ready offering.

We continue to 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

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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 centers, 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:

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