

Date: 10th August 2023

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

Sub: Creative Newtech Limited (formerly known as Creative Peripherals and Distribution Ltd.) announces the unaudited Consolidated financial results for Q1 FY24

Dear Sir,

Please find attached Media Release regarding announcement of unaudited consolidated financial results for Q1 FY24.

Thanking you,
Yours Faithfully

For Creative Newtech Limited
(Formerly known as Creative Peripherals and Distribution Limited)



Tejas Doshi
Chief Compliance Officer and Company Secretary
ACS - 30828

Date: 10th August 2023

Place: Mumbai

Media Release – Consolidated

Q1 FY24 Total Income at Rs. 471.34 Cr. – YoY Growth of 93.15% driven by demand for products from Samsung, Viewsonic, Cooler Master and Honeywell

Q1 FY24 EBIDTA at Rs. 9.91 Cr., YoY growth of 29.37% mainly driven by higher sales

Q1 FY24 PAT at Rs. 5.88 Cr, YoY growth of 45.98%

Mumbai, 10th August 2023: Creative Newtech Limited (NSE: CREATIVE), market specialists for experiential products in IT, Imaging, Lifestyle, and Security domains with a pan-India presence, announced its unaudited Consolidated financial results for the quarter ended June 30th, 2023.

Key Consolidated Financials:

Particulars (Rs. Cr.)	Q1 FY24	Q1 FY23	YoY%	FY23	FY22	YoY%
Total Income	471.34	244.03	93.15%	1,402.25	947.81	47.95%
EBIDTA (Incl. Other Income)	9.91	7.66	29.37 %	45.12	32.62	38.31%
EBITDA Margin	2.10 %	3.14%	(104)bps	3.22%	3.44%	(22)bps
PAT	5.88	4.03	45.98 %	27.25	19.25	41.56%
PAT Margin	1.25 %	1.65%	(40)bps	1.94%	2.03%	(9)bps

Performance Highlights for the quarter ended June 30th, 2023:

- **Total Income** for the quarter was **Rs. 471.34 crore** in Q1 FY24, a **YoY increase of 93.15%**. Improvement in EB segment was supported by strong demand for brands such as Samsung, Cooler Master, Viewsonic and Honeywell.
- **EBITDA** was at **Rs. 9.91 crore** in Q1 FY24, **YoY increase of 29.37%**. **EBITDA Margin** was at **2.10%** in Q1 FY24. Change in the product mix offset the impact of operational efficiencies, leading to contraction of margins.
- **PAT** was **Rs. 5.88 crore** in Q1 FY24 compared to Rs. 4.03 crore in Q1 FY23, while **PAT Margin** stood at **1.25%**

Recent Key Developments:

- Creative raised funds through issue of warrants on preferential basis to members of the non-promoter group, including some employees of the Company
- Creative tied up with Razor Inc., a leading global gaming brand, to distribute its products in India
- Company won a distribution agreement with Cricut to offer their range of craft and cutting products in India

Management Comment:

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

"I am glad to say that we have begun the new fiscal year on a strong note. While markets continue to recover from macro-economic volatility and geo-political tensions, demand for several products has continued to grow. The shift towards digital technologies continues to drive demand. Our agile business model, selective strategies and niche portfolio helped us navigate this period successfully.

In the quarter ended June 2023, our consolidated total income grew 93.15% YoY to Rs. 471.34 cr. EBITDA and PAT increased 29.37% and 45.98% YoY to Rs. 9.91 cr and Rs. 5.88 cr, respectively. This growth was mainly driven by demand for products from brands like Samsung, Honeywell, Cooler Master and View Sonic, among others. A change in the product mix had a bearing on the margins.

We are selectively focusing on key niche brands where we see scope for growth while leveraging our widespread network. During this period, our EB segment performed well, with revenue growing substantially. Our recent brand additions, Cricut and Razor, are gaining traction in the market.

In line with our strategy, we continuously manage our brand portfolio to keep it relevant to ongoing and anticipated consumer trends. Our focus remains on keeping a lean business model and ensuring long-term, sustainable growth for all stakeholders.

I would like to thank the entire team for their dedication, which drives the Company forward."

Company Overview

Established in 1992, Creative Newtech Ltd (formerly known as Creative Peripherals and Distribution Ltd) 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 Newtech 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 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 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 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 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 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.creativenewtech.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.*