

Date: May 23, 2022

To,
Listing Department
National Stock Exchange of India Limited
Exchange Plaza, Plot No. C/1, G Block,
Bandra Kurla Complex,
Bandra East, Mumbai- 400051

Symbol: CREATIVE

Dear Sir,

Sub: Creative Newtech Limited (formerly known as Creative Peripherals and Distribution Limited) announces the Audited Consolidated Financial Results for Q4 & FY22

Please find attached Media Release regarding announcement of audited consolidated financial results for Q4 & FY22.

You are requested to take the same in your records.

Thanking You,

For Creative Newtech Limited

(Formerly known as Creative Peripherals and Distribution Limited)



Tejas Doshi
Chief Compliance Officer & Company Secretary
ACS - 30828



May 23, 2022, Mumbai

Media Release – Consolidated

FY22 financial performance reflects less than 11 months of operations due to lockdown during initial months

FY22 Total Income at Rs. 947.81 Cr. – driven by demand for FMCT and EB segments – mainly Samsung, Cooler Master & PNY

FY22 EBIDTA at Rs. 32.62 Cr., YoY growth of 74.15% mainly driven by higher sales

FY22 Net Profit at Rs. 19.26 Cr.

Mumbai, 23rd May 2022: Creative Newtech Limited (NSE: CREATIVE), market specialists for experiential products in IT, Imaging, Lifestyle, and Security domains with a pan-India presence, announced its audited consolidated financial results for the fourth quarter and full year ended March 31, 2022.

Key Consolidated Financials:

Particulars (Rs. Cr.)	Q4 FY22	Q4 FY21	YoY%	FY22	FY21	YoY%
Total Income	268.36	178.87	50.03%	947.81	526.32	80.08%
EBIDTA (Incl. Other Income)	9.28	7.56	22.75%	32.62	18.73	74.15%
EBITDA Margin	3.46%	4.22%	(76 bps)	3.44%	3.56%	(12 bps)
Net Profit	5.23	4.39	19.18%	19.26	9.41	104.61%
Net Profit Margin	1.95%	2.45%	(50 bps)	2.03%	1.79%	24 bps

Performance Highlights for the quarter ended March 31, 2022:

- **Total Income** for the quarter was **Rs. 268.36 crore** in Q4 FY22, a **YoY increase of 50.03%**. Growth was supported by strong demand for brands such as Samsung, Cooler Master and PNY.
- **EBITDA** is at **Rs. 9.28 crore** in Q4 FY22, **YoY increase of 22.75%**. **EBITDA Margin** stood at **3.46%** in Q4 FY22. Higher sales promotions expenses offset the benefit of changed product mix, impacting margin growth.

- **Net Profit** is **Rs. 5.23 crore** in Q4 FY22 compared to Rs. 4.39 crore in Q4 FY21, while **Net Profit Margin** stood at **1.95%**

Performance Highlights for the year ended March 31, 2022:

- **Total Income** for the period was **Rs. 947.81 crore** in FY22, a **YoY increase of 80.08%**, mainly since last financial year was impacted by the nationwide lockdown. Robust demand for brands such as Samsung, Cooler Master and PNY also supported growth.
- **EBITDA** is at **Rs. 32.62 crore** in FY22, **YoY increase of 74.15%**. **EBITDA Margin** is **3.44%**. Higher sales promotion expenses and export freight expenses had a bearing on margins.
- **Net Profit** is **Rs. 19.26 crore** in FY22 compared to Rs. 9.41 crore in FY21, while **Net Profit Margin** stood at **2.03%**

Recent Key Developments:

- Creative signed agreement with **Fujifilm** to distribute their '**Instax**' range of cameras and accessories across India.
- Company signed distribution agreement with **Hyperice Inc.** (amongst a leading health & fitness brand, endorsed by Virat Kohli) to offer range of percussion and thermal technology products across India.
- Creative signed distribution agreements with Insta360 for range of cameras, and with Hama Germany for their photography products.
- Creative signed distribution agreements with **Colorful Technology** to distribute SSDs, and with **MSI** to supply mini-PCs and desktop range.
- Creative tied up with **Reliance Retail** to distribute a range of audio and home appliance products branded under Disney and Marvel labels, as well as lights, bulbs, fans and small domestic appliances by BPL & Kelvinator.

Management Comment:

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

"The markets have continued to recover during Q4, as luckily the third wave of the pandemic was not as strong as the previous ones. Increase in online activities has also spurred demand for IT and lifestyle consumer products.

In the quarter ended March 2022, we reported a 50.03% YoY growth in total income at Rs. 268.36 cr, with EBITDA and net profit growing 22.75% and 19.18% YoY to Rs. 9.28 cr and Rs. 5.23 cr, respectively. This growth was primarily supported by demand for new and existing products from brands like Samsung, Cooler Master and PNY, along with higher overseas sales. Some of the recent additions in our portfolio include Insta360, Fujifilm and Hyperice Inc. Synergies from our Honeywell portfolio are also beginning to show as we have received certification for distribution in various countries. The benefits of this line of business are beginning to show and will boost our growth in the next fiscal.

As consumer sentiment and overall market scenario improves post the pandemic, we are well positioned to cater to the domestic as well as international markets while keeping a lean and efficient business model, thereby ensuring long-term, sustainable growth for all stakeholders. I would like to thank the entire team for their dedication and for coming together during such uncertain times."

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 centers, 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:

Creative Newtech Limited

Mr. Tejas Doshi
Chief Compliance Officer & Company Secretary
cs@creativenewtech.com

Mr. Abhijit Kanvinde
Chief Financial Officer
abhijit@creativenewtech.com

Ernst & Young LLP Investor Relations

Ms. Rhea Dharia
Rhea.Dharia@in.ey.com

Ms. Nikita Atri
Nikita.Atri@in.ey.com

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.*