

Date: 25th January 2024

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

Sub: Exclusive Trademark License / Franchise Agreement between Creative eCommerce Ventures Private Limited (a Wholly-owned Subsidiary of Creative Newtech Limited) and Cyberpower Inc., a prominent US-based customised Gaming PC maker giant, to manufacture and integrate gaming computers / Laptops.

Dear Sir,

We are pleased to share a copy of our press release announcing a trademark license/franchise agreement between Creative eCommerce Ventures Private Limited (a Wholly-owned Subsidiary of Creative Newtech Limited) and Cyberpower Inc., a prominent US-based gaming system.

The enclosed press release provides detailed insights into this strategic partnership's terms and implications, emphasising its positive impact on our product offerings.

For further details, please refer to the enclosed press release.

You are requested to take the same on record kindly.

Thanking you.

For Creative Newtech Limited



Tejas Doshi
Chief Compliance Officer and Company Secretary
ACS - 30828



25th January 2024, Mumbai

Business Update Release

Creative Newtech expands brand licensing business with US-based Cyberpower Inc.

Company's Subsidiary Signs Exclusive Trademark License / Franchise Agreement with Customized Gaming PC Maker Giant, Cyberpower Inc.



Mumbai, 24th January 2024: Creative Newtech Limited (NSE: CREATIVE), a leading market specialist in experiential products across IT, Gaming, Imaging, and Lifestyle domains, proudly announces a strategic milestone with the signing of a trademark license agreement between its wholly owned subsidiary, Creative Ecommerce Ventures Private Limited, and US-based gaming systems giant Cyberpower Inc.

Through this groundbreaking agreement, Creative will have exclusive rights to manufacture and integrate gaming computers based on its customers' customised requirements. The company is poised to retail Cyberpower's extensive range of gaming PCs, laptops, and ancillary products throughout the Indian market and other countries as mutually decided by both parties.

Key Highlights of the Partnership:

Make in India Manufacturing: Creative is revolutionising the 'Make in India' paradigm by manufacturing, producing, and integrating customised gaming systems based on individual customers' preferences in addition to directly retailing CyberpowerPC products. The company offers customers the opportunity to customise their gaming systems, which will be manufactured and integrated by Creative Newtech Limited. The logo of the CyberpowerPC brand will be proudly displayed on each custom-made product.

Exclusive Licensing: Creative gains Exclusive Rights to the CyberpowerPC brand, marking a significant leap in its market presence in India's burgeoning gaming industry.

Product Range: Through this agreement, we will exclusively introduce CyberpowerPC products, including Gaming PCs, Gaming servers, regular and Gaming Laptops, Gaming accessories, PC and high-performance gaming components, audio products, VR and AR products and accessories, gaming chairs, RGB LED lights and merchandise.

Long-Term Partnership: The agreement kicks off with a solid 5-year term, and to emphasise our dedication to a lasting and mutually beneficial partnership, we've included an automatic renewal provision. This clearly illustrates our firm commitment to establishing a long-term and highly mutually beneficial partnership.

This move further strengthens the company's gaming portfolio, a rapidly growing industry in India and other regions.

Market Opportunity

E-sports and digital gaming have been gaining momentum across India, among other regions. Rising disposable incomes, the development of popular game titles and access to online connectivity have spurred the market for gaming PCs, driven by the young gaming enthusiasts' demographic.

Online retail channels like Amazon are among the top platforms with the highest rate of searches for gaming PCs and equipment. Moreover, generic brands comprise almost 90% of the listings on such platforms.

As per industry reports, the Indian market for gaming PCs and equipment is estimated to have reached \$868 million in 2023 and is forecasted to grow to \$1.5 billion by 2027. The e-sports market in India was valued at \$165.7 mn in 2022, and is expected to grow at a CAGR of 17.2%. This is supported by the rising number of players, currently around 444.4 million in India. The Indian Government has also recognised e-sports as part of the multi-sports event category. Moreover, about 52% of consumers are under the age of 30, which is the target demographic.

This gives an upbeat outlook for brands like CyberpowerPC to penetrate and thrive in India.

Showcase of Products:



Management's Comment:

Commenting on this development, **Mr Ketan Patel, Chairman & Managing Director of Creative Newtech Limited**, said:

"I am pleased to share the exciting news about our recent partnership with Cyberpower Inc., a US-based customised gaming company. CyberpowerPC is well known for its superior gaming products. Over the past two decades, they have been a global leader in the digital gaming industry.

This agreement represents a significant milestone for Creative since it secures our exclusive right to showcase the CyberpowerPC brand on our products in India. CyberpowerPC is a highly respected name in the gaming industry, and this partnership allows us to be part of that legacy. This partnership significantly boosts our business of using famous brands on our products. In this kind of business, we are experienced, and the agreement demonstrates that. Moreover, it represents a higher margin and higher ROI business, which indicates that the business has the potential to be more profitable. We are honoured to be selected as the exclusive partner for such a prestigious global brand. As a company, we aspire to capture good market share in the current market opportunity as well as in the years to come. Because of the nature of business, it can generate substantial ROI and notable market share in the projected opportunity of USD 1.5 billion in 2027. We are committed to providing consumers and game enthusiasts all over India and neighbouring countries with the high-quality products CyberpowerPC is well known for.

As part of our product line-up, we will offer a wide variety of items, including PCs and laptops, servers, AR/VR, connectivity and audio products, and various gaming accessories. The addition of Cyberpower to our gaming and esports collection will enable us to reach new heights. We are witnessing the global boom in esports and gaming, and we are confident that we are only at the very beginning of this thrilling expansion, where the prowess of esports athletes adds an additional layer to our dynamic portfolio.

I would like to extend my sincere gratitude to the Cyberpower and Creative teams for their hard work and dedication to our shared goals. We are poised to revolutionise and lead the way as key industry players. This partnership is not just a collaboration; it is the birth of a powerhouse that will deliver amazing gaming experiences to fans in India and neighbouring countries. Brace yourselves for a new era of gaming and esports.”

Commenting on this development, **Mr. Eric Cheung, CEO of Cyberpower Inc.**, said:

“We are super excited to announce our new partnership with Creative Newtech Limited. A company listed on the National Stock Exchange of India has had a market presence for over 3 decades in India and worldwide. Creative excels in facilitating the entry and penetration of global brands into various markets. The company provides valuable demographic intelligence and empowers clients with the formulation and execution of effective marketing strategies. Alongside these services, Creative maintains a steadfast commitment to timely delivery, diversification of its product portfolio, nurturing enduring relationships with channel partners, and offering value-added services beyond distribution.

Excited about our journey into new horizons, at Cyberpower Inc., we envision a global presence focusing on India. The country's massive esports and gaming community makes it our top choice in Asia. We see India not just as a market but as a vibrant hub for enthusiasts who share our passion.

Choosing Creative Newtech for this venture is a strategic move. Their innovative solutions align perfectly with our goals, ensuring we bring the latest and greatest to our users. This partnership is more than a deal; it's a commitment to providing exciting gaming experiences to the Indian gaming community. We believe in the potential of this market and are thrilled to embark on this journey with Creative Newtech, marking a significant step toward our vision of global expansion.”

[About Cyberpower Inc. \(www.cyberpowerpc.com \)](http://www.cyberpowerpc.com)

Founded in 1998, Cyberpower Inc., headquartered in California, USA, is a prominent company specialising in tailor-made, high-performance personal computers and accessories. With a primary focus on gaming applications, the company has gained recognition through its 'CyberpowerPC' brand. This brand has become synonymous with a wide range of gaming products, including laptops, PCs, equipment, accessories, and peripherals. Thanks to its commitment to delivering cutting-edge and customised solutions, the company has solidified its presence as a key player in the digital gaming hardware industry. Over the years, the company has built a reputation for providing top-notch gaming experiences, and its products are known for their performance, innovation, and reliability.

The CyberpowerPC brand, under which the company operates, has successfully carved out a niche in the market, establishing itself as one of the leading names in the gaming hardware industry. With a focus on meeting the specific needs of gamers, Cyberpower Inc. continues to evolve and innovate, ensuring that its products remain at the forefront of technological advancements in the gaming world.

About Creative eCommerce Ventures Private Limited:

Creative Ecommerce Ventures Private Limited, a wholly-owned subsidiary of Creative Newtech Limited, stands at the forefront of the company's foray into the digital realm. It serves as a cornerstone in the strategic expansion, with a primary emphasis on computer peripherals, gaming systems, and esports products. As the technological landscape continues to evolve, the subsidiary has undertaken a mission to keep pace and lead, positioning itself as a key player in propelling Creative Newtech Limited towards enduring success in the dynamic digital world.

This subsidiary plays a pivotal role in navigating the digital transformation, leveraging its expertise to tap into the burgeoning market of gaming computer peripherals. With a focus on esports products, it aligns itself with the ever-growing demand for innovative solutions in the gaming industry. By staying adaptable and forward-thinking, Creative Ecommerce Ventures Private Limited contributes significantly to the overall digital strategy of Creative Newtech Limited, ensuring the company remains at the forefront of digital innovation and market trends.

About Creative Newtech Limited:

Established in 1992, Creative Newtech Limited (formerly known as Creative Peripherals and Distribution Limited) is a well-established company in India's Information and Communication Technology market. The company has made a strong foothold in the country's IT distribution market through a robust network of partners and distribution channels. The company has an omnichannel network across all three online, offline, and retail trade channels.

Creative specialises 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 focuses 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 and 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 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 digitisation in India.

Creative Newtech has a unique value-added business model. They provide end-to-end solutions, from brand market research and competition analysis to import, distribution, sales, and servicing. Additionally, the company suggests and executes marketing strategies and recommends viability for its clients in specific regions across India. Specialised skill sets, local insights and experience, and relevant market intelligence enable this. 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 brand's success, enabling channel partners to leverage their expertise and bottom line. Creative works closely with partners across channels, including Large Format Retail (LFR), e-commerce and specialised retailers. Creative is one of the few large companies that conduct specialised 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 the latest market developments to build a closer market connection.

The company's broad reach and superior logistics capabilities help it provide end-to-end services, including warranty and post-warranty, high-level repair services, and response centres, among others. Such expertise and excellent quality of service have led to increased confidence of brands, many of which have chosen Creative as exclusive partners and have been with the company for over five years. The company focuses on higher operational efficiencies and adding higher-margin and value-added products to its existing product portfolio. 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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