

Date: 14th February 2024

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

Sub: Creative Newtech Limited announces the unaudited Standalone financial results for Q3 & 9MFY24

Dear Sir,

Please find attached Media Release regarding announcement of unaudited standalone financial results for Q3 & 9MFY24.

Thanking you,

For Creative Newtech Limited



Tejas Doshi
Chief Compliance Officer and Company Secretary
ACS - 30828



Date: 14th February 2024

Place: Mumbai

Media Release – Standalone

19.84% YoY growth in Q3 FY24 Total income at Rs. 495.69 Cr. – spurred by demand for products from Samsung, Viewsonic, Cooler Master and Honeywell

Q3 FY24 EBIDTA at Rs. 10.47 Cr.

Q3 FY24 PAT at Rs. 5.79 Cr., YoY growth of 1.04%

Mumbai, 13th February 2024: 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 Standalone financial results for the third quarter and nine months ended December 31st, 2023.

Key Standalone Financials:

Particulars (Rs. Cr.)	Q3 FY24	Q3 FY23	YoY%	9M FY24	9M FY23	YoY%
Total Income	495.69	413.62	19.84%	1372.33	960.06	42.94%
EBIDTA	10.47	10.71	(2.24) %	28.45	27.34	4.08 %
EBITDA Margin	2.11%	2.59%	(48)bps	2.07%	2.85%	(78)bps
PAT	5.79	5.73	1.04 %	15.28	14.58	4.81 %
PAT Margin	1.17%	1.39%	(22)bps	1.11%	1.52%	(41)bps

Performance Highlights for the quarter ended 31st December, 2023:

- **Total Income** for the quarter was **Rs. 495.69 crore** in Q3 FY24, a **YoY increase of 19.84%**. High demand for brands like Samsung, Viewsonic, Cooler Master and Honeywell supported growth
- **EBITDA** was at **Rs. 10.47 crore** in Q3 FY24, while **EBITDA Margin** was **2.11%**, vis-à-vis 2.59% in Q3 FY23. A change in the product mix offset the reduction in other expenses, thereby exerting pressure on margins
- **PAT** was **Rs. 5.79 crore** in Q3 FY24, **YoY increase of 1.04%**. **PAT Margin** stood at 1.17%

Performance Highlights for Nine months ended 31st December, 2023:

- **Total Income** for nine months was **Rs. 1372.33 crore** in 9M FY24, a **YoY increase of 42.94%**. Continued demand for brands such as Samsung, Viewsonic, Cooler Master and Honeywell triggered growth
- **EBITDA** was at **Rs. 28.45 crore** in 9M FY24, **YoY growth of 4.08%**, primarily on the back of higher revenues
- **EBITDA Margin** was **2.07%**, vis-à-vis 2.85% in 9M FY23. A change in product mix during this period offset the reduction in other expenses (as a percent of sales), leading to lower margins
- **PAT** was **Rs. 15.28 crore** in 9M FY24, **YoY increase of 4.81%**. **PAT Margin** stood at **1.11%**

Recent Key Developments:

- Creative signed a brand licensing agreement with Cyberpower Inc. for their brand CyberpowerPC. Under this, the Company would offer a wide range of gaming computers and accessories under the CyberpowerPC brand.
- The Company entered into an agreement with Palred Electronics to distribute their pTron branded range of products in India covering smart wearables, audio and other mobile accessories
- Creative, through its subsidiary, tied up with PT Bintang Mas Rezeki Nusantara, a leading technology products distributor, to bring its range of Honeywell licensed products to Indonesia

Management Comment:

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

“Performance in the third quarter of this fiscal year was in line with expectations. Our growth trajectory has continued through this period, despite uncertainties in the global markets on a macro-level. We are seeing steady demand for several products which contributed to growth. Our brand selection strategies and niche portfolio help us stay a step ahead in the industry.

In the quarter ended December 2023, our standalone total income grew 19.84% YoY to Rs. 495.69 cr. EBITDA stood at Rs. 10.47 cr while PAT increased 1.04% YoY to Rs. 5.79 cr. Growth in top line was driven by products from Samsung, Honeywell, Cooler Master and View Sonic, among others. A change in the product mix had a bearing on the margin.

We remain very selective in terms of building our brand portfolio to leverage our networks for brands which have high scope for growth. Our EB segment continued to perform well this quarter as well, with revenue growing substantially.

During the quarter, we added pTron, a domestic brand under Palred Electronics, to our portfolio. This is a high volume product line covering a range of mobile accessories like Bluetooth audio, power banks, smart wearables etc.

Moreover, in a major milestone, we tied up with US-based Cyberpower Inc. under a brand licensing agreement for their CyberpowerPC brand. CyberpowerPC is a globally renowned name for high performance gaming computers and accessories. We are excited about this new tie up to bring their products to the Indian markets where there is already a high demand for e-sports products. CyberpowerPC joins Honeywell in our brand licensing portfolio and should help further boost profitability.

We have entered the last quarter of this fiscal on a positive note. 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 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 Newtech 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:

Creative Newtech Limited

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

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

**AdFactors PR
Investor Relations**

Ms. Savli Mangle
savli.mangle@adfactorspr.com

Mr. Rahul Trivedi
rahul.trivedi@adfactorspr.com



Creative Newtech Limited

(Formerly known as Creative Peripherals and Distribution Limited)

CIN - L52392MH2004PLC148754

An ISO 9001:2015 Certified Company

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.*