

Date: 17th May 2024

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

Sub: Creative Newtech Ltd. (formerly known as Creative Peripherals and Distribution Ltd.) announces the audited consolidated financial results for Q4 & FY24

Dear Sir,

Please find attached Media Release regarding announcement of audited consolidated financial results for Q4 & FY24.

Thanking you,
Yours Faithfully

For Creative Newtech Limited



Tejas Doshi
Chief Compliance Officer and Company Secretary
ACS - 30828



Date: 17th May 2024
Place: Mumbai

Media Release – Consolidated

FY24 Total Income at Rs. 1,740.9 Crores – YoY rise of 24.2% buoyed by demand for Samsung, ViewSonic, Cooler Master and Honeywell

FY24 EBIDTA at Rs. 69.2 Crores, YoY growth of 53.4%, on the back of higher sales

FY24 PAT at Rs. 48.3 Crores, YoY growth of 77.1%

Mumbai, 16th May 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 audited Consolidated financial results for the fourth quarter and financial year ended March 31st, 2024.

Key Consolidated Financials:

Particulars (Rs. Cr.)	Q4 FY24	Q4 FY23	YoY%	FY24	FY23	YoY%
Total Income	320.44	402.98	(20.48%)	1,740.91	1,402.25	24.15 %
EBIDTA (Incl. Other Income)	28.05	11.49	144.05 %	69.22	45.12	53.42 %
EBITDA Margin	8.75 %	2.85 %	590 bps	3.98 %	3.22%	76 bps
PAT	20.36	6.45	215.55 %	48.25	27.25	77.08 %
PAT Margin	6.35 %	1.60%	475 bps	2.77 %	1.94%	83 bps

Performance Highlights for the quarter ended March 31st, 2024:

- **Total Income** for the quarter was **Rs. 320.44 crore** in Q4 FY24, a **YoY decline of 20.48%**. Growth in the FMSG segment was offset by muted performance in EB segment.
- **EBITDA** was at **Rs. 28.05 crore** in Q4 FY24, **YoY increase of 144.05%**. **EBITDA Margin** was at **8.75%** in Q4 FY24, up by **590 bps**. Higher contribution from Honeywell and other operational efficiencies helped improve margin.
- Other Income in Q4 FY24 includes Rs. 9.90 cr from profit earned from slump sale of Ckart
- **PAT** was **Rs. 20.36 crore** in Q4 FY24 compared to Rs. 6.45 crore in Q4 FY23, while **PAT Margin** stood at **6.35%**, higher by **475 bps**

Performance Highlights for Full Year ended March 31st, 2024:

- **Total Income** for full year was **Rs. 1,740.91 crore** in FY24, a **YoY increase of 24.15%**. Strong growth in EB and FMSG segments was supported by demand for brands like Samsung, Cooler Master, ViewSonic and Honeywell.
- **EBITDA** was at **Rs. 69.22 crore** for FY24, **YoY increase of 53.42%**. **EBITDA Margin** was at **3.98%** for FY24. Improved operational efficiencies and higher contribution from Honeywell helped improve margins.
- **PAT** was **Rs. 48.25 crore** in FY24 compared to Rs. 27.25 crore in FY23, while **PAT Margin** stood at **2.77%**
- Board recommends dividend at 5%, i.e. Re. 0.5/- per equity share of face value Rs. 10/- each, subject to shareholders' approval

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
- Creative strategically undertook a slump sale of its Ckart division for a consideration of Rs. 10 cr. The Company earned profit of Rs. 9.90 cr from this sale, which is included in Other Income
- Creative Newtech acquired 1,066 shares of Secure Connection Ltd (Hong Kong subsidiary) on preferential basis for a non-cash consideration against share swap of 57,325 equity shares of Creative Newtech at a rate of Rs. 785/- per equity share

Management Comment:

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

"We have closed the financial year on a strong note. Amidst changing consumer trends and new product developments in the broader market, we are seeing steady demand for many of our brands, which contributed to growth."

We continue to monitor market trends closely to identify under-penetrated and high growth potential brands, to maintain a cutting-edge portfolio.

In the year ended March 2024, our consolidated total income increased 24.2% YoY to Rs. 1,740.9 cr. EBITDA and PAT increased 53.4% and 77.1% YoY to Rs. 69.2 cr and Rs. 48.3 cr, respectively. Growth in top line was driven by our EB and FMSG segments, especially from Samsung, Honeywell, Cooler Master and View Sonic, among others. Operational efficiencies and higher contribution from Honeywell helped improve margins.

Over the last few months, we added several new brands in our portfolio, such as pTron, a domestic brand under Palred Electronics.

Another major milestone last quarter was our tie-up with US-based Cyberpower Inc. under a brand licensing agreement for their CyberpowerPC brand. E-Sports is a fast-growing industry in India and we expect high demand for these products in the coming quarters. CyberpowerPC joins Honeywell in our brand licensing portfolio and should help further boost profitability.

We also strengthened our distribution network in Indonesia through a strategic tie-up, to boost Honeywell sales in that region.

Overall, we have entered the new financial year on an optimistic 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 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.*