

Date: 29th October 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 un-audited consolidated financial results for Q2 & H1 FY25

Dear Sir,

Please find attached Media Release regarding announcement of un-audited consolidated financial results for Q2 & H1 FY25.

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: 29th October 2024

Place: Mumbai

Media Release – Consolidated

Q2 FY25 Total Income reported at Rs. 416.69 Crores – driven mainly by Samsung, ViewSonic, Cooler Master and Honeywell

Q2 FY25 EBIDTA at Rs. 17.55 Crores, YoY growth of 17.11%, on the back of higher sales of high margin products

Q2 FY25 PAT at Rs. 13.22 Crores, YoY growth of 26.41%

Mumbai, 29th October 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 un-audited Consolidated financial results for the second quarter and half year ended September 30th, 2024.

Key Consolidated Financials:

Particulars (Rs. Cr.)	Q2 FY25	Q2 FY24	YoY%	H1 FY25	H1 FY24	YoY%
Total Income	416.69	432.81	(3.73%)	722.17	904.15	(20.13%)
EBIDTA (Incl. Other Income)	17.55	14.99	17.11%	30.06	24.89	20.76%
EBITDA Margin	4.21%	3.46%	75 bps	4.16%	2.75%	141 bps
PAT	13.22	10.46	26.41%	22.31	16.34	36.53%
PAT Margin	3.17%	2.42%	75 bps	3.09%	1.81%	128 bps

Performance Highlights for the quarter ended September 30th, 2024:

- **Total Income** for the quarter was **Rs. 416.69 crore** in Q2 FY25, a **YoY decline of 3.73%**. Growth in the FMMSG segment was offset by muted performance in FMCT and EB segments.
- **EBITDA** was at **Rs. 17.55 crore** in Q2 FY25, **YoY increase of 17.11%**. **EBITDA Margin** was at **4.21%** in Q2 FY25, up by **75 bps**. Higher contribution from Honeywell and other operational efficiencies helped improve margin.
- **PAT** was **Rs. 13.22 crore** in Q2 FY25 compared to Rs. 10.46 crore in Q2 FY24, while **PAT Margin** stood at **3.17%**, higher by **75 bps**

Performance Highlights for the Half year ended September 30th, 2024:

- **Total Income** for the quarter was **Rs. 722.17 crore** in H1 FY25, a **YoY decline of 20.13%**. Growth in the FMSG segment was offset by muted performance in EB and FMCT segments.
- **EBITDA** was at **Rs. 30.06 crore** in H1 FY25, **YoY increase of 20.76%**. **EBITDA Margin** was at **4.16%** in H1 FY25, up by **141 bps**. Higher contribution from Honeywell and other operational efficiencies helped improve margin.
- **PAT** was **Rs. 22.31 crore** in H1 FY25 compared to Rs. 16.34 crore in H1 FY24, while **PAT Margin** stood at **3.09%**, higher by **128 bps**

Management Comment:

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

"The Company's performance in the second quarter was satisfactory. Amidst changing consumer trends and new product developments in the broader market, we are seeing steady demand for many of our brands.

In the half year ended September 2024, our consolidated total income was reported at Rs. 722.17 cr. EBITDA and PAT increased 20.76% and 36.53% YoY to Rs. 30.06 cr and Rs. 22.31 cr, respectively. Growth in margins was driven by operational efficiencies and higher contribution from Honeywell and FMSG brands.

As indicated in the past, we are increasingly focusing on our licensing ventures while continuing to build the distribution business.

Our Honeywell product suite, now comprising structure cabling, connectivity solutions, air purifiers, and home audio, is doing well. While air purifiers do exceptionally well during the peak season, the Home Audio segment is particularly promising given the rapid growth of India's audio market, and we are optimistic about establishing a robust presence.

To further broaden our reach, we recently partnered with quick-commerce platforms like Zepto, Swiggy Instamart, and Blinkit to enhance accessibility for our products such as air purifiers, home audio products, and connectivity cables.

Overall, we are optimistic about the second half of this fiscal. 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 relentless 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.*