

Date: 27th May 2023

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

Sub: Creative Newtech Limited (formerly known as Creative Peripherals & Distribution Ltd.) announces the audited Standalone financial results for Q4 FY23

Dear Sir,

Please find attached Media Release regarding announcement of audited standalone financial results for Q4 & FY23.

Thanking you,

For Creative Newtech Limited
(Formerly known as Creative Peripherals and Distribution Limited)



Tejas Doshi
Chief Compliance Officer and Company Secretary
ACS - 30828



Date: 27th May 2023

Place: Mumbai

Media Release – Standalone

52.71% YoY growth in Q4 FY23 Total income at Rs. 397.74 Cr. – driven by demand for products from Samsung, Viewsonic, Cooler Master and Honeywell

Q4 FY23 EBIDTA at Rs. 11.29 Cr., YoY growth of 24.44%, on account of higher sales

Q4 FY23 PAT at Rs. 6.27 Cr., YoY growth of 25.46%

Mumbai, 27th May 2023: 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 Standalone financial results for the fourth quarter and year ended March 31st, 2023.

Key Standalone Financials:

Particulars (Rs. Cr.)	Q4 FY23	Q4 FY22	YoY%	FY23	FY22	YoY%
Total Income	397.74	260.45	52.71%	1,357.80	933.10	45.51%
EBIDTA	11.29	9.07	24.44%	38.62	30.49	26.68%
EBITDA Margin	2.84%	3.48%		2.84%	3.27%	
PAT	6.27	5.00	25.46%	20.85	17.19	21.30%
PAT Margin	1.58%	1.92%		1.54%	1.84%	

Performance Highlights for the fourth quarter ended 31st March, 2023:

- **Total Income** for the quarter was **Rs. 397.74 crore** in Q4 FY23, a **YoY increase of 52.71%**. Strong demand for brands such as Samsung, Viewsonic, Cooler Master and Honeywell supported growth
- **EBITDA** was at **Rs. 11.29 crore** in Q4 FY23, **YoY growth of 24.44%**, mainly on the back of higher revenues
- **EBITDA Margin** was **2.84%**, vis-à-vis 3.48% in Q4 FY22. Change in product mix offset the reduction in other expenses, leading to contraction of margins
- **PAT** was **Rs. 6.27 crore** in Q4 FY23, **YoY increase of 25.46%**. **Net Profit Margin** stood at 1.58%

Performance Highlights for the year ended March 31st, 2023:

- **Total Income** for the period was **Rs. 1,357.80 crore** in FY23, a **YoY increase of 45.51%**. Strong demand for brands such as Samsung, Cooler Master, Viewsonic and Honeywell supported growth.
- **EBITDA** was at **Rs. 38.62 crore** in FY23, **YoY growth of 26.68%**, primarily due to higher sales. **EBITDA Margin** was **2.84%**, vis-à-vis 3.27% in FY22, due to a change in the product mix.
- **PAT** was **Rs. 20.85 crore** in FY23, **YoY increase of 21.30%**. **Net Profit Margin** stood at 1.54%

Recent Key Developments:

- Creative tied up with Razor Inc., a leading global gaming brand, to distribute its products in India
- Company won a distribution agreement with Cricut to offer their range of craft and cutting products in India
- Company signed distribution agreement with Fugi Intax for their range of cameras
- Company signed distribution agreements with Lexar Memory Cards.

Management Comment:

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

"The last fiscal year witnessed several headwinds in the form of macro-economic volatility and geo-political tensions, impacting the overall markets. However, the shift towards digital technologies continues to drive demand. Our agile business model, selective strategies and niche portfolio helped us navigate this period successfully.

In the quarter ended March 2023, our standalone total income grew 52.71% YoY to Rs. 397.74 cr. EBITDA and PAT increased 24.44% and 25.46% YoY to Rs. 11.29 cr and Rs. 6.27 cr, respectively. This growth was mainly driven by demand for products from brands like Samsung, Honeywell, Cooler Master and View Sonic, among others. A change in the product mix had a bearing on the margins.

We continue to selectively focus on key niche brands where we see scope for growth while leveraging our widespread network. During this period, we added Cricut and Razor to our brand portfolio, both of which are among leading names in their respective fields of craftwork and gaming.

Our Honeywell business is also expanding as we have gained their license across 38 countries. This will help scale our business as the synergies from Honeywell start adding up.

In line with our strategy, we continuously manage our brand portfolio to keep it relevant to ongoing and anticipated consumer trends. 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:

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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.*