

Date: 29th July 2022

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 and Distribution Limited) announces the Unaudited Standalone financial results for Q1 (FY23)

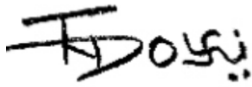
Dear Sir,

Please find attached Media Release regarding announcement of Unaudited Standalone financial results for Q1 (FY23).

Thanking you,

Yours Faithfully

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



Tejas Doshi
Chief Compliance Officer & Company Secretary
ACS - 30828



Date - 29th July 2022
Place - Mumbai

Media Release – Standalone

Q1 FY23 Total Income at Rs. 233.28 Cr. – driven by demand for FMCT and EB segments – mainly Samsung, Honeywell, Cooler Master & View Sonic
Q1 FY23 EBIDTA at Rs. 7.32 Cr., YoY growth of 24.24 % mainly driven by higher sales

Q1 FY23 Net Profit at Rs. 3.71 Cr.

Mumbai, 29th July 2022: 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 First quarter ended June 30, 2022.

Key Standalone Financials:

Particulars (Rs. Cr.)	Q1 FY23	Q1 FY22	YoY%
Total Income	233.28	133.75	74.41%
EBIDTA (Incl. Other Income)	7.32	5.89	24.24%
EBITDA Margin	3.14%	4.41%	(127 bps)
Net Profit	3.71	3.02	22.82%
Net Profit Margin	1.59%	2.26%	(67 bps)

Performance Highlights for the quarter ended June 30, 2023:

- **Total Income** for the quarter was **Rs. 233.28 crore** in Q1 FY23, a **YoY increase of 74.41 %**. Growth was supported by strong demand for brands such as Samsung , Honeywell , Cooler Master and View sonic.
- **EBITDA** is at **Rs. 7.32 crore** in Q1 FY23, **YoY increase of 24.24%**. **EBITDA Margin** stood at **Rs. 3.14 %** in Q1 FY23. Higher Promotion Expenses and Freight and Clearing charges offset the benefit of changed product mix, impacting margin growth.
- **Net Profit** is **Rs. 3.71 crore** in Q1 FY23 compared to **Rs. 3.02 crore** in Q1 FY22, while **Net Profit Margin** stood at **1.59% in Q1 FY23**.
- Board of Directors recommend annual final dividend at 5% - Re. 0.5/- per equity share of face value Rs. 10/-

Recent Key Developments:

- Creative signed distribution agreement for Lexar across India. Lexar being a global leading brand in providing memory solutions would strengthen our FMSG product segment.
- We are now licensee for Honeywell across 38 countries with recent addition of African Countries.
- We have also expanded the Category in Samsung brand by adding their Samsung Flash memory products into our existing arrangement with them.

Management Comment:

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

“As we were about to overcome uncertainties related to COVID-19, the Russia- Ukraine crisis escalated. Despite the macro shocks, we believe that India’s economic fundamentals are strong and keeping aside these turbulences, the impact on the long-term outlook will be marginal.

In the quarter ended June 2023, we reported a 74.41 % YoY growth in total income at Rs. 233.28 Crs., with EBITDA and net profit growing 24.24% and 22.82% YoY to Rs. 7.32 Cr. and Rs. 3.71 Cr., respectively. This growth was primarily supported by demand for new and existing products from brands like Samsung, Honeywell, Cooler Master and View Sonic along with higher overseas sales.

In the first quarter, we bagged distribution rights for Lexar across India. Lexar being a global leading brand in providing memory solutions would strengthen our FMSG product segment. We are pleased to announce that we are now licensee for Honeywell across 38 countries. With the addition of the new geographies and the synergies from the Honeywell portfolio will help us scale up the business and will help us grow.

We have also expanded the Category in Samsung brand by adding their Samsung Flash memory products into our existing arrangement with them.

As consumer sentiment and market scenario improves, we are well positioned to cater to the markets while keeping a lean and efficient business model, ensuring long-term, sustainable growth for all stakeholders.

I would like to thank the entire team for their dedication and hard work which pushes 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 25 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 centers, 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.*