Operator: Good afternoon, ladies and gentlemen. On behalf of Creative Newtech Ltd., we extend a warm welcome to all participants joining us for the Q2 and half-year ended FY27 earnings conference call. We sincerely appreciate your presence as we discuss this quarter's and half-year's performance, highlight significant achievements, and share our vision for the future.

This conference call may include forward-looking statements that are based on the company's beliefs, assumptions, and expectations as of the date of this call. These statements are not assurances of future results and are subject to risks and uncertainties that remain difficult to foresee. As a gentle reminder, all participant lines will remain in listen-only mode until we open the floor for the question-and-answer session. Please note that this conference is being recorded. If you need any assistance during the call, please press star, followed by zero, to signal the operator.

With that, it is my privilege to hand the call over to Mr. Ketan Patel, Chairman and Managing Director of Creative Newtech Ltd. Thank you, and over to you, sir.

Ketan Patel – Chairman & Managing Director: Good afternoon, everyone. Welcome to Creative Newtech Ltd.'s earnings conference call for the second quarter and half year ended September 30, 2026.

I would like to begin by thanking all of you for joining us today. Joining me on the call are Mr. Abhijit Thakur, our CFO; Mr. Vijay Advani, our Whole-time Director; and {? Saarc Capital ?}, our Investor Relations team.

Every quarter brings an opportunity to reflect on our progress, but some periods carry greater significance in shaping the future of the business. For Creative Newtech, the first half of FY27 has been one such defining chapter. Last year, we spoke about building deeper capabilities, entering high-potential technology {? categories ?}, and preparing Creative Newtech for opportunities of greater scale. Today, I am pleased to share that we are making meaningful progress in bringing those ambitions to life.

India is entering an important phase of technology-led development. Digital connectivity is expanding, infrastructure is becoming more intelligent, and the demand for integrated technology services is growing across government, institutions, and enterprises. At Creative Newtech, we see this transformation as an opportunity to apply the expertise, partnerships, and market capabilities we have built over three decades to a much larger business canvas.

During the first half, we strengthened our participation in government infrastructure through significant development. We received an advance work order from BSNL for the BharatNet Middle Mile Network Project in the Odisha Telecom Circle, with an approximate total value of 3,194.83 crore. This represents a significant opportunity to participate in strengthening India's digital connectivity infrastructure. This development marks an important progression in our journey. It demonstrates the scale of opportunities we are pursuing and reinforces our commitment to building the execution capabilities required for complex technology infrastructure projects.

Surveillance and intelligent security infrastructure remain another important area of focus. Last year, we discussed our ambition to deepen our presence in this ecosystem. Our proposed acquisition of

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Infinova India Private Limited takes this strategy forward, supporting our vision of building a “Make in India” surveillance and technology platform.

Our partnership with {? Ravel ?} Electronics further strengthens our portfolio in fire and life-safety technologies, expanding our ability to address enterprise and institutional requirements through advanced security and safety solutions.

We also continued developing our presence in drone technology. Our partnership with Drona Aviation expands opportunities in drone-based STEM education, while our association with Jupiter Electric Mobility strengthens our drone technology portfolio. Both developments support our participation in emerging technology applications.

Alongside these strategic partnerships, we achieved another important milestone with the launch of Vozoyo, our global consumer technology brand under our wholly owned Hong Kong subsidiary, Secure Connection Limited. For decades, we have helped global brands establish their presence and build markets. Vozoyo gives us an opportunity to leverage that expertise in developing our own consumer electronics and smart-lifestyle brand, creating another avenue for long-term business growth.

As I reflect on this development, one thing becomes clear: Creative Newtech is expanding its participation across infrastructure, enterprise solutions, emerging technology, and consumer markets. Each opportunity builds on our existing strengths while adding new capabilities for growth.

Equally important is the financial discipline supporting this expansion. Our operating cash flow stood at Rs.351.24 crore during the first half, reflecting strong cash generation and reinforcing our focus on financial discipline. As we pursue larger opportunities, disciplined capital allocation, working capital management, and operational execution will remain central to our strategy.

Looking ahead, our ambition is to convert the opportunities we have created into sustainable business growth. We remain focused on strengthening our capabilities, deepening strategic partnerships, and building a technology business capable of participating in India's evolving infrastructure and innovation landscape. Last year, we shared our direction; the first half of FY27 has brought meaningful opportunities to advance it. Our next priority is to turn this progress into consistent execution and lasting value creation.

I want to thank our team, customers, partners, and shareholders for their continued confidence in Creative Newtech. With this, I would now like to invite Mr. Abhijit Thakur, our CFO, to take you through the financial highlights for the quarter and half year. Thank you.

Abhijit Thakur – CFO: Thank you, sir. Good afternoon, everyone.

The financial highlights of H1 FY27 tell an encouraging story of scale and profitability moving forward together. Creative Newtech has delivered stronger earnings, improved operating margins, and substantial cash generation, reinforcing our ability to support business expansion with financial discipline. What is particularly encouraging is the pace of earnings growth relative to revenue. During the first half, our EBITDA grew by 55.78% against total income growth of 16.55%, accompanied by an improvement in operating margins, which reflects meaningful progress in our

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earnings performance and the financial strength of our expanding business. The second quarter further extended this performance, with healthy business activity across our technology portfolio, supported by improved profitability and continued focus on operational efficiency.

I will now take you through the key highlights of our consolidated financial performance. Please note that our financials are prepared in accordance with Ind AS guidelines.

Looking at consolidated Q2 FY27 results:

The company reported revenue from operations of Rs.752.41 crore and total income of Rs.754.48 crore, reflecting year-on-year growth of 14.43% in total income.

The quarterly EBITDA stood at Rs.40.11 crore, registering strong year-on-year growth of 50.7%. EBITDA margin improved to 5.31%, compared to 4.04% in the corresponding quarter last year.

Profit before tax stood at Rs.30.12 crore. PAT for the quarter came in at Rs.25.94 crore, reflecting year-on-year growth of 36.88%, with PAT margin improving to 3.44% from 2.87%.

Looking at consolidated H1 FY27 results:

The company reported revenue from operations of Rs.1,228.21 crore and total income of Rs.1,231.65 crore, registering year-on-year growth of 16.55%.

EBITDA for the first half stood at Rs.65.01 crore, recording year-on-year growth of 55.78%, with EBITDA margin improving to 5.28% from 3.95% in the corresponding period last year.

Profit before tax stood at Rs.46.82 crore, while PAT reached Rs.39.47 crore, representing year-on-year growth of 35.49%. PAT margin improved to 3.20%, compared to 2.76% in H1 FY26.

Another important highlight has been our operating cash flow performance, with cash flow from operating activities reaching Rs.351.24 crore during the first half. Our net working capital days stood at 45 days in H1 FY27, a significant improvement from 75 days in FY26.

Management: As we expand our participation in larger projects, our focus remains on maintaining healthy cash generation, efficient working capital management, and disciplined capital allocation to support sustainable growth.

For Creative Newtech, the first half of FY25 reflects significant progress in our financial performance, with EBITDA growing considerably faster than revenue, improved profitability margins, and substantial operating cash generation. These developments provide an encouraging financial foundation as we continue to expand our business and pursue opportunities of greater scale.

As we move ahead, our financial priorities remain centered on maintaining this momentum through efficient operations, prudent capital management, and consistent execution, while continuing to create long-term value for our shareholders.

That concludes the financial overview for the quarter and first half of FY25. Thank you, everyone.

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We can take questions now.

Operator: Thank you. We are now opening the floor for the question-and-answer session. To ask a question, please press star and one on your touchtone telephone. To exit the queue at any time, you may press star and two. We encourage participants to use handsets for optimal audio clarity. We will take a short moment while the question queue is being assembled.

The first question is from the line of Mr. Subir Bera from Bera Family Office. Please go ahead, sir.

Subir Bera – Bera Family Office: First of all, congratulations to Ketan and his team for posting the excellent numbers. Hearty congratulations, sir. Am I audible?

Operator: Mr. Subir Bera, please go ahead.

Subir Bera – Bera Family Office: Am I audible? Hello? Hello? Hello? Hello? Hello? Am I audible? Hello? Hello?

Management: [off-mic discussion] {? Tell him ?}

Operator: The next question is from the line of Rihan Sayed from Trinetra Asset Managers. Please go ahead.

Rihan Sayed – Trinetra Asset Managers: Hello. Am I audible? Hello? Hello? Hello, am I audible? Hello? Hello? Hello?

Management: [line issue] We cannot hear the question, please.

Rihan Sayed – Trinetra Asset Managers: Hello, am I audible? Hello?

Management: Hello?

Rihan Sayed – Trinetra Asset Managers: Hello. Hello? Hello, am I audible? Hello?

Management: [line issue] We cannot get any of the questions. Are you able to hear it?

Rihan Sayed – Trinetra Asset Managers: Yes, you are audible, but I think my voice is not coming through to your side.

Operator: Yes, sir.

Management: We cannot hear the question. Can you please—

Operator: [crosstalk] Yes, sir, I will see if there is an issue.

Management: Yes, because we could not hear any question.

Operator: Yes, sir, please hold for a second.

Rihan Sayed – Trinetra Asset Managers: Hello? Hello?

Management: [off-mic discussion] {? [unclear] ?}

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Rihan Sayed – Trinetra Asset Managers: Hello?

Management: [line issue] We cannot hear any questions.

Rihan Sayed – Trinetra Asset Managers: Hello, am I audible?

Management: Hello?

Rihan Sayed – Trinetra Asset Managers: Hello.

Operator: Yes, please.

Management: Sorry. I could not hear any question before. I am very sorry for that. Is this Rihan Sayed?

Rihan Sayed – Trinetra Asset Managers: Yes. Hello.

Management: Yes, we can hear you now.

Rihan Sayed – Trinetra Asset Managers: Am I audible, sir?

Management: Yes, you are.

Rihan Sayed – Trinetra Asset Managers: Okay. Good afternoon to everyone, and thank you for giving me the opportunity. Sir, I have two questions. My first question is on the {? Bozoyo ?} brand traction that you have launched in India and the US. With {? Bozoyo ?} now operating in India and the US, which product category and sales channels are showing the strongest initial traction? What key indicators will you track over the next 2–3 quarters to assess whether the brand is gaining market acceptance? That is my first question.

Management: You are Rihan, right? From Trinetra Asset Management?

Rihan Sayed – Trinetra Asset Managers: Yes. Hello, yes.

Management: Rihan, we launched {? Bozoyo ?} in the US, and now, for Diwali, we are launching air purifiers in India under the {? Bozoyo ?} brand. We said that we would launch {? Bozoyo ?} in 4 phases. First, we will have our air purifiers, then later we will have our electronic essentials, and then we will launch speakers in the US. Similarly, in India, we will assess the response from the US.

The strategy for {? Bozoyo ?} is very simple: build online trust and credibility, and then go to physical stores.

Currently, we launched {? Bozoyo ?} at the end of July in the US. Until now, the response has been very good. We have sold close to $2.2 million, roughly close to 20 crore rupees of products, in the first 3 months. I am referring to the period ending September 30.

We are seeing very good traction across all the categories. The air purifier is also doing very well, and the docking stations are doing very well. These are the 2 categories we launched. First, we launched the air purifiers and the docking stations.

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The US has 3 channels where, if we succeed, it will be very good. The first is Amazon as an online channel. The second is TikTok as another online channel, because TikTok is also very big in the US. The third is Walmart and Best Buy, where we can go and sell.

Our first indicator for the next 2 years is to see how many returns we receive, because in the US, returns constitute a large proportion. Currently, our returns are close to 4%, or 3%-3.5%, while the usual return rate is around 8%-9%. It could also be because, since we are a new brand and we have not sold a large number of products, the returns could be lower. However, returns would be one tracking mechanism.

The second tracking mechanism is the kind of reviews we receive on the site. The third is a program in the US called Vine, where Amazon allows you to send products to influencers. These influencers independently check your product and provide honest feedback, which is then posted again on Amazon, on your product pages. That is also there.

Currently, we have received very good reviews for the air purifiers and the docking station. We also became Amazon's Choice in the docking-station category.

The last point is that Amazon runs a program where it recognizes new brands that are doing very well. We received an award from Amazon's Global Advertising team as a Rising Global Star brand, which we announced last week.

Currently, all these indicators are quite positive.

Second, in India, we launched our air purifier. The only reason to launch an air purifier in India is to use our advantage with Honeywell. When we go to, say, Blinkit or Swiggy, we tell them that if they want Honeywell air purifiers, they will also have to stock {? Bozoyo ?} accessories, right?

Usually, online platforms want a sale-or-return policy for newer brands, or they want a complete consignment policy. From day one, we have said that we will not have a consignment or sale-or-return arrangement. Even if we have to lose sales, that is acceptable.

Here, because we have Honeywell, which is doing quite well in the air-purifier space and also in the electronic-essentials space, we are getting some traction from Blinkit, Swiggy, and Amazon as well.

Currently, I think that, for a new brand, we are doing quite well in this space. If this season for air purifiers goes well, for the first year we have a modest target for {? Bozoyo ?}. We want to do around 45-50 crores, and I think we will be able to do that. That is it. I hope I have answered your question well.

Rihan Sayed - Trinetra Asset Managers: Yes, sir. You have explained the question very well. Just to clarify, you are targeting 45 crores for the Indian market, right, sir?

Management: No, we have targeted Honeywell and {? Bozoyo ?} for India and the US together. The original plan for India was not there, but because Middle East numbers have been under pressure due to the war, and because freight charges are also rising quite significantly for India, we said that we should have an alternate sales channel for our other brands. It also helps us defend our own brand against a new brand entering India.

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Rihan Sayed – Trinetra Asset Managers: Got it, sir. My second question is a combination of 2 questions. The first part of the question is about Infinova. Infi— [crosstalk]

Management: [crosstalk] Infinova.

Rihan Sayed – Trinetra Asset Managers: Infinova. I understand; sorry about that. Regarding the proposed acquisition of Infinova India, what is the expected timeline for completion, and what capabilities or customer segments will this acquisition add that Creative Newtech could not build as effectively on its own? I would like some clarification on this.

Management: You have to understand first that Infinova is a very high-end camera brand. When I say high-end, I mean that they are mainly used for smart cities. For example, Bombay Smart City is currently using Infinova. It is also used for border security, airport security, high-value installations, and other applications.

When you want to make a sale in this category, you require qualifications in many areas, and Infinova has done that. Infinova, being a global brand listed on Nasdaq, has completed many airport, border-security, and other projects. Therefore, Infinova has significant credentials.

Coming to the acquisition, I think we should complete the entire acquisition before November 15, and the shares would be transferred to us. Their teams are currently in Pune, and our team is also in Pune. There are 6 agreements to be signed. They are almost all approved now, and signatures are taking place. Therefore, we think we should complete it by November 15.

Since it will also involve FEMA because it is a share buyback from a foreign national, it may take another 15 days for the shares to be transferred. That is one part.

The second part is that, once the acquisition happens, the government has mandated STQC certification for cameras. STQC certification requires 3 things. First, every component used should not be sourced from China. The country of origin for everything cannot be China for this purpose. We have already prepared the products and kept them ready.

Second, the software and the PCB Gerber files should be made in India. We have also done that.

Third, and most importantly, none of the directors or beneficiaries can be Chinese nationals or Chinese citizens. Once the shares are transferred, we will be Indian shareholders, and that condition will also be fulfilled.

After that, we have spoken to 3 Indian manufacturers to get our products STQC certified, while Infinova has [trails off]

Management: a small factory and assembly unit there as well. Once our product gets certified, perhaps we could manufacture the explosion-proof cameras in-house and outsource the other cameras. Lastly, regarding your question, in another 3 months, I think January or February would be a good timeframe when we could see Infinova's sales start getting reflected in our sales. That is what you should look at.

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Rihan Sayed – Trinetra Asset Managers: Got it, sir. Thank you for the clarification. You have answered my second question as well, the technology-related question. That is all from my side. Good luck, and thank you.

Management: Thank you so much.

Operator: Thank you very much. The next question is from the line of Yash from {? Mawira ?}. Please go ahead.

Yash – {? Mawira ?}: Hi, sir. Am I audible?

Management: Yes, Yash, you are audible.

Yash – {? Mawira ?}: Thank you for the opportunity, and congratulations on a very strong set of numbers. Again, regarding the Vozoyo brand, I wanted to understand how much we have spent on branding Vozoyo in this quarter, and how we are looking ahead in this financial year and FY28-FY29.

Management: Thank you for being on the call. I would like to answer your question in a slightly longer manner.

One of our key strategies is to build brands with very low or minimum risk. We treat distribution as strategic infrastructure, which gives us cost leverage and visibility, and also gives us a foot in the door.

That is why, when we wanted to launch Vozoyo, we said that the same set of customers could be addressed. The US is a new field because the US air-purifier market last year was 28,000 crores, or $3 billion, whereas the Indian air-purifier market is 2,000 crores. Therefore, we said that the US would be a greater opportunity, which is why we went to the US. Otherwise, the same set of customers could have been addressed because customers want good, better, and best brands.

There are 3 types of brand expenses. One type of expense is certification, purchases, and the intellectual property that you create. According to our CFO, we do not capitalize these expenses and expense them out each time.

There are 2 other expenses. One is marketing related to the brand, and the second is marketing related to the product.

For brand-related marketing, we have spent because we want to scale up Vozoyo. We wanted to spend on, or load, the marketing upfront so that we could obtain a higher share. There is also certification. For example, there is certification from the American Home Association for appliances. That certification costs approximately $8,000-$10,000. We also obtained all the certifications beforehand.

For brand marketing, we said that the balance sheet could afford close to 20-22 crore rupees that we could spend on building the brand. When we say spending on building the brand, we mean brand advertisements and hoarding advertisements where we simply talk about the brand. That is the budget.

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The second is the cost of marketing the product. In our case, it is AMS. We would spend a significant amount of money on Amazon Marketing Services to promote the product because we want to build online first and then move offline.

AMS is relatively risk-free because you have complete control over how your campaign is progressing. If your products are not selling, you can halt it. You can also clearly measure how much product is being sold compared to how much you are spending.

Currently, on the brand side, we have spent close to 12 crore rupees so far since last year, because you need many product shoots and a lot of other things. That is acceptable.

AMS marketing is continuing. Currently, AMS marketing is close to 50% of sales. As we go higher and higher, say, when we start reaching close to $1 million in sales, it will fall to 12%-14%. The Black Friday sale is scheduled for November 27. That is our litmus test for how quickly we can ramp up Vozoyo during that period.

Yash, just to give you an idea of why Vozoyo, Vozoyo gives you some flexibility in the types of social media and the type of marketing you want to use. In Honeywell's case, because Honeywell wants to have a standard template for all its products, everything has to pass through the Honeywell design-language system, and Honeywell is more on the enterprise side. For Vozoyo, our emblem is, for example, the Wise Men. Honeywell would never have allowed a Wise Men emblem to be used. That is the difference.

Currently, we have both. We have a cool, chic brand, and we have a durable, rugged, enterprise-type brand, both working together and serving both types of customers: serious customers, as well as young millennial and Gen Z customers. That is what is happening.

Yash - {? Mawira ?}: Very clear, sir. Thank you for the detailed answer. With respect to the brand business, how do we see the margin scaling up, both operating margin and PAT margin? In the presentation, you have stated that the brands business will scale up to 2,400 crores by 2029, if I am not mistaken. How are we so confident of that kind of growth, with a CAGR of more than 30% over the next 2 years? I wanted your view on that.

Management: Ajit, our CFO, would like to answer this question about how EBIT and margins would scale up. He will also answer the PAT aspect for FY29.

Ajit - CFO: If you have seen the presentation, the share of brands in the total business is increasing from 14% in the last financial year to 17% in H1 and 19% in Q2.

As the share of the brands business increases, our gross profit, both in absolute terms and as a percentage of the brands business, is coming in at around 40%-42%. That is converting into PAT of around 10%-11%.

What we are expecting is that, from 14% of the brands business in the last financial year and approximately 19% in Q2, we are expecting around 40% in FY29. That is a very realistic expectation, moving from 19% to 40%.

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That is at a PAT margin of 10%–11%, which is what we are expecting in FY29. In the investment presentation, we have given a total figure of 6,000 crore. Of the 6,000 crore, 40% is 2,400 crore of revenue that we are expecting from the brands business.

Therefore, the share will increase from 19% in Q2 to 40%. That is how we are planning the journey to cross 40% by FY29, from 19% in terms of the share of the brands business.

Management: I will just add something more to this, Yash. Our whole idea is that we currently have Honeywell as a brand. Vozoyo is also one brand. Our third brand is CyberPowerPC, which we started as a gaming PC brand but which is now also doubling up as AI workstations. As India uses more and more AI, and more BFSI and other customers do not want to use the cloud for AI because they do not want to export their data for artificial intelligence, they are also turning towards AI-in-a-box or AI desktop workstations that can be placed in their offices.

Vozoyo is our third brand, and Infinova will be our fourth brand.

If you consider the Indian market, air purifiers represent a 2,000 crore market, growing at a CAGR of 24%, so it should double in another 3–4 years. Audio is close to 24,000 crore. Electronic essentials, the premium electronic essentials category in which we operate, is close to 10,000 crore. The surveillance market is 30,000 crore. Because of current issues, there is only one large player in this field, and that player does close to 5,500 crore, so there is significant potential there.

In addition, we can address the US. As I told you, the US air-purifier market is again close to 28,000–30,000 crore. We now also have expertise in the Middle East, Asia, and some parts of Africa.

For us, if any product category under any single brand performs well, the 2,000–2,400 crore number appears achievable.

However, as we always say, you should not be overconfident, and you should also consider the circumstances. From 2006, GST, demonetization, COVID, the Ukraine war, and the Gulf war, something keeps happening.

Therefore, we are thinking that we should work on 3 initiatives very seriously. At least 1 will become successful. If 2 become successful, we will greatly exceed our number. If even 1 becomes successful, the realistic number can be achieved. That is the strategy.

In addition, we are also looking at 1 more licence or brand acquisition because it would give us significant speed. If that happens, it could add to the number. That is one part of the plan.

Second, we should not forget the market-entry specialist business infrastructure that we are developing. Gradually, we are also looking at higher-margin business in that segment. From box movement and market creation for consumer brands, we are gradually moving towards technology, because the government is spending significantly on infrastructure. This infrastructure is now digital infrastructure, rather than steel-and-concrete infrastructure.

For that, a lot of data centers need to be built, and a lot of fiber and other components are required. We manufacture Honeywell fiber cables. We have also signed up with Supermicro for gaming, AI

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servers, GPU servers, and high-performance computing. CyberPowerPC is also focused on high-performance computing.

That business will also gradually become more profitable, and it will start creating its own competitive moat.

For example, with CyberPowerPC, we could build what the Finance Minister referred to as the orange economy and AVGC labs, which are animation, visual effects, gaming, and comics labs. We built our first lab at Karnavati University in Ahmedabad. It is our model lab. If it performs well, the entire education and college segment will be open to us.

We have balanced both businesses very well, and we have taken a very realistic view that incidents will occur. There will never be a completely smooth period. We will work on 3 initiatives at all times and accelerate one initiative. When one initiative becomes successful, we can move on to another. That is how we have planned it currently.

Yash – {? Mawira ?}: Very clear, sir. Thank you very much for the insights, and all the very best.

Management: Thank you very much, Yash.

Operator: Thank you. The next question is from the line of Sudhir Bheda from Bheda Family Office. Please go ahead, sir.

Sudhir Bheda – Bheda Family Office: I was not audible initially, so am I audible now?

Management: Yes, Sudhir, you are audible, and thank you very much.

Sudhir Bheda – Bheda Family Office: First of all, congratulations to Ketan and your team for posting excellent results.

Management: Thank you very much.

Sudhir Bheda – Bheda Family Office: The vision you have presented in the investor presentation is amazing. Hearty congratulations for that, and thank you very much.

Sir, my question is regarding the very good working capital management you have shown. Net working capital days are 45. Is this a sustainable number going forward?

Ajit – CFO: Thank you for asking this. There have been a lot of improvements that you can see from FY26 in working capital in terms of the number of days [cut off]

Management: That is basically coming from procurement efficiency, where we are negotiating terms with the vendors. There have been a lot of changes in the dynamics of the business where we have had to extend credit to customers. In the last financial year, when we had to extend credit to customers, there was a gap in procurement efficiency, and because of that, our operating cash flow increased.

Now, because our vendor-payable days are being extended, and our debtor days are also somewhat on the higher side, we are trying our best to reduce debtor days and increase efficiency

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in the procurement cycle. We will test it. We are continuously working on it.

In the last quarter, working capital days went down from 75 to 65 days. In the current quarter, they are coming down further. However, we will have to see how the business evolves, what kind of opportunities are available in the market, and what kind of profitability, in terms of margins and procurement opportunities, is also available. We will see how this progresses over the next couple of quarters.

We are certainly working very hard to improve working capital efficiency, not only in terms of net working capital days but also in terms of debtor days.

Sudhir Bheda – Bheda Family Office: The contract you received from BSNL—when will the revenue start, and how will it develop? It is a 3,000 crore contract, perhaps for 3 years, I believe. If you could provide some insight into the revenue possibility this year and next year as well.

Management: This is a 3,000 crore project, a major part of which is capex. Close to 1,700 crore is capex. That is going to be spread over approximately 3.5 years.

All mobilization in terms of execution work has started. We have also started placing orders for substantial material for ducting, trenching, GIS, SNOC, and other execution work. Team mobilization is also taking place.

There is a QC structure at every layer of the BSNL system. At the procurement level, they test the material and implement quality control, and at the execution level, they also implement quality control.

We are in the process of mobilizing materials, arranging them, and placing orders for each and every requirement in the project. This includes everything such as GIS, SNOC, ducting, trenching, and all other components.

We expect to book approximately 100–150 crore of revenue in this financial year, based on quality certification from the BSNL team.

Management: Next financial year, we are expecting around 500 crore of revenue. This is how it will progress because the capex component of this project is spread over 3.5 years, followed by an opex component for managing the project. This is the revenue plan we are currently expecting.

Management: Just to verify—

Management: Yes.

Management: Is the capex 2,700 or 1,700 crores?

Management: The capex is 1,700.

Management: To verify, just a small point: capex is 1,700 crores and opex is 1,200 crores, under which you undertake the maintenance component for another 7 years after completing the capex. For the capex component, we think that this year we will be able to bill close to 150–200 crores, and next year we will bill between 500 and 600 crores. You can expect net profit from that of close to

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6%-7% of the value we bill. That is the position.

Management: 7%.

Management: That is the net profit we expect on the value we bill.

Sudhir Bheda – Bheda Family Office: So the entire turnover will come in the fourth quarter, right? So far, we have not booked anything.

Management: No, we have not. You can expect close to 150-200 crores to come from this in the fourth quarter, and then each cycle will start.

Second, BSNL has stringent QC requirements. It inspects the vendor's factory premises. When the BOM is prepared, it also checks that, and it also has an independent engineer to check everything. This ensures that the surveys and everything are completed properly.

BSNL has also created a very transparent digital platform where the progress of the project, the number of GPs connected, and everything else can be clearly seen. We are currently on track. The last quarter would see 300 crores, and over the next 2 years you could see close to 500, 600, or 650 crores.

Management: Last quarter, 150.

Management: Last quarter could be 150-200. Yes.

Sudhir Bheda – Bheda Family Office: Great, sir. Congratulations, and all the best to you. Sir, has any opportunity similar to this BSNL opportunity come to the company? Could similar opportunities, such as building small data centers, come to our company going forward?

Management: Yes, sir. Basically, while the government is considered taboo by the stock market, and people become concerned when a company enters the government segment, one of our key strategies was to use this opportunity to build a data center. This also includes an SNOC, as Ajit mentioned. The value of that data center in the capex is close to 50 crores, and the new mandate included that.

We wanted a PQ, or pre-qualification, demonstrating that we had built a 50 crore data center for the government. That is now in place, and the project also includes fiber. We manufacture Honeywell fiber.

Although Honeywell was not a manufacturing authorized manufacturer in this case, in the future, because of our work with BSNL, we would be able to obtain authorization as a Honeywell manufacturer there as well. That could help us.

In the non-government space, we have tied up with Supermicro, and we are working on a fairly large deal. Our fingers are crossed. If we receive even 1 deal, you know what numbers can be generated in that space.

Sudhir Bheda – Bheda Family Office: Thank you, sir. Thank you for your answer, and all the best, sir.

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Management: Thank you, sir. Thank you for always being on the call. Thank you.

Operator: Thank you very much. The next question is from the line of Amit Mehendale from Robo Capital. Please go ahead.

Amit Mehendale – Robo Capital: Thank you for the opportunity. These have been excellent numbers. My first question is on the brand business and the potential PAT discussed earlier. I wanted to confirm whether, at a scale of 2,400 crore, we are looking at 10%–11% profitability, or profit after tax.

Management: If the numbers develop as expected, that should be the case. However, generally, for a conservative estimate, you should take PAT at close to 8% because—

Amit Mehendale – Robo Capital: Right, sir.

Management: —at least—

Amit Mehendale – Robo Capital: Sorry, sir. Please continue.

Management: God has been very kind to us. We have never had a product recall, cost overrun, or anything of that nature. As we grow, things will not always be smooth.

The reason we believe that 10%–12% is possible is that we expect our EBIT to become 18% once we cross the 500–600 crore mark in the brands business. At that point, certifications will be valid for 5 years. The dies can be used for at least 100,000 products that you develop, and you also obtain slightly better leverage with retailers because your brand is performing very well.

Therefore, manpower costs will come down and marketing costs will come down. At an 18% EBIT, you could easily be at 11%–12% PAT. However, if you want to use one number for your calculations, you should take 8% PAT.

Amit Mehendale – Robo Capital: Right, sir. Thank you. At that scale of 2,400 crore, is there any broad breakdown of the brands? How much are we expecting Honeywell to contribute, or Vozoyo to contribute? Any broad numbers would be helpful.

Management: Honeywell was 369 last year. With Honeywell and Vozoyo combined, and considering the Middle East as almost negligible, we will still close this year at approximately 475–480 to 500 crores.

If Vozoyo performs very well, next year Vozoyo itself could become 100–150 crores. Amit, at this point, if surveillance performs very well, surveillance can easily become 2,000–3,000 crores in the next 2–3 years.

For every category we address, when I say it is women-centric, what I mean is that during our waking hours we are surrounded by 3 screens: the mobile screen, the television screen, and the laptop or tablet screen. We make products for these screens, from cables, fast chargers, wall adapters, and docking stations to surge suppressors and everything else.

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That market itself is 10,000 crores in India, and the entire world is open to us for Vozoyo. In America, that market is close to 20,000 crores. Therefore, any category that performs very well could make a difference.

Some categories are new for us. When we start a category, we assess it at that time and then set a number in our minds. For surveillance, for example, we believe that Infinova's turnover, because it does not have STQC certification, dropped from 38 crores to 32 crores last March.

Therefore, we think that if we get 1 full year to operate Infinova with STQC certification, we can do 75-80 crores in the first year. If we do 75-80 crores, then the next year we can do 200 crores. The crucial number is 75 crores. If you achieve 75 crores, then you have understood the business.

That is how we have a goalpost figure in mind, but we adjust the strategy as the numbers develop. For example, this year we think the air-purifier season should be very good because, after all the effects and other factors, we do not think it will rain anytime soon in Delhi during this season. The air quality in Bombay is also poor.

Three or 4 years ago, when we started this business, people did not understand AQI. At that time, we had to explain the air-quality index to people. Today, everyone understands AQI, and the newspapers and media are all discussing air quality everywhere.

Therefore, I think that if air purifiers perform well, Vozoyo and Honeywell have the capability to do 4,000-5,000 crores. Having said that, we should also consider realistic numbers.

Each brand has potential, but all 4 brands together, along with 1 more brand if we acquire one, will get us to the target. The 2,400 number is achievable.

Currently, what we have done is take Vozoyo and Honeywell as the primary numbers in our minds. As a backup, we now have Infinova and CyberPowerPC. That is how we have approached it.

Amit Mehendale - Robo Capital: Right, sir. Thank you. Regarding Vozoyo, if I understand correctly, you have done approximately 80 crores in 3 or 4 months. Therefore, are we already at a 15-20 crore or, alternatively, an 80 crore run rate on an annual run-rate basis?

Management: This year, we have taken a modest target for Vozoyo of close to 48-50 crore rupees, which we think we will easily achieve or surpass if things progress well.

Looking at the Middle East as well, we now think that the Middle East team is working with Europe and the UK on Vozoyo because they currently have capacity. Many brands operate out of the UK to address the Middle East. We are looking to work from the Middle East into the UK. If another market opens up, that will be additional.

Otherwise, we have taken a ballpark figure of 48-50 crores because we first wanted to understand whether the brand is being accepted and whether our positioning of the brand is being accepted. Currently, in the UAE, it appears that it is.

The design ideas we have prepared have also worked well. We wanted to communicate them with light in our product. The Vozoyo emblem was always illuminated. All of that appears to have worked

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in our favor. That is how it currently looks.

Amit Mehendale – Robo Capital: My question was actually about the margin. If Vozoyo achieves, say, 120 or 150 crore of revenue next year, what could be the EBITDA margins or PAT margins? When do we break even, and could you provide some colour on what the EBITDA margin and PAT margin for the Vozoyo brand could be 2-3 years from now?

Management: First of all, for a brand, no, {? regular simple ?}, because a brand uses capital for almost 90-120 days, right? Our logic is very simple: for any brand we handle or want to handle, we want a gross margin of 37%-40%. In addition, the non-

Ketan Patel – Chairman & Managing Director: integral thing for that should be that we should be able to create our intellectual property in that space. A brand also has hurdles. For example, initially, manpower costs are 8%-10%. Marketing costs are almost 100% until you reach a scale of approximately 100 crores. Efficiency starts taking effect once you reach 300-400 crores.

It will follow the same trajectory as Honeywell. However, Honeywell took us 6 years. We think achieving the same numbers in Vozoyo will take a maximum of 3-4 years, and perhaps 3 years. If Vozoyo also achieves 40% and we do not have to pay a royalty to Honeywell, we think that at 250-300 crores, EBITDA should be 12%. As we move above 500 crores, it should reach 18%-19%, and PAT should follow at 8%-10%. That is the position.

There are 2 factors. First, the business should either not consume working capital, as in the case of CyberPowerPC, where we sell, collect the money, and then build the product, or a 22% margin is also acceptable. However, where you block your capital for 90 days, the first hurdle is that it should allow you to generate a gross profit of close to 37%-40%.

Amit Mehendale – Robo Capital: Understood, sir. My last question is whether you are looking to raise any equity capital over the next 2 years or so for expansion.

Ketan Patel – Chairman & Managing Director: Two things are happening in our sector. Demand is tremendous because AI has made our current infrastructure redundant. If people have to use AI, their existing data centers are not capable of handling AI. The cost of semiconductors continues to rise, and the input cost of products has also increased.

Currently, instead of the product depreciating by 10% in cost, it is appreciating by at least 10% in cost every year. [hesitates]

Therefore, there are many opportunities. If we get an opportunity to acquire a brand, or an opportunity similar to Infinova but on a larger scale, then we will definitely have to raise capital. However, we are waiting for the right time. Currently, banks have been supportive and cash flows are good. Let us see how this develops.

Amit Mehendale – Robo Capital: Sure, sir. Thank you very much.

Ketan Patel – Chairman & Managing Director: Thank you, {? Abhinav ?}. Thank you.

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Operator: Thank you very much. The next question is from the line of Nishita from Sapphire Capital. Please go ahead.

Nishita – Sapphire Capital: Thank you for taking my question. I wanted to understand: you mentioned that at a 40% contribution from the brands business, we can reach around 8%–10% PAT. What PAT are we currently generating from the brands business?

Ketan Patel – Chairman & Managing Director: Can you repeat the question, please?

Management: Her question is: what PAT are you currently generating from the brands business?

Nishita – Sapphire Capital: Yes.

Management: Currently, our PAT is approximately 11%–12% from the brands business. As I explained at the beginning, the composition of the brands business in the total revenue portfolio was 14% compared to the previous figure of 20%, 52—[inaudible]. That is now 17% in H1 and approximately 19% in Q2 of the total revenue composition.

Therefore, 11% of PAT is from the brands composition. This is increasing our total EBITDA, both in absolute terms and as an overall percentage. This includes the efficiency in the market-entry business, where our gross-profit percentage is increasing by close to 200 basis points, and at the consolidated level by 350 basis points.

Therefore, the brands business is contributing both in terms of the top line, with its percentage share increasing, and in terms of PAT, which is also coming in at around 10%–11%.

Nishita – Sapphire Capital: I do not understand. As we grow, should our PAT not also grow?

Ketan Patel – Chairman & Managing Director: Nishita, logically, as we grow, PAT should also grow. However, take Vozoyo's case, for example. We think that, to be considered a brand, it should be at least close to 1,000–1,200 crores, right? At a larger scale, a smaller percentage can also work.

Currently, for example, if we were not listed, I would have spent all the money on building the brand because I would then move to a larger space. I say this because 5 years ago I did not know how to build a brand. Now I know. I knew how to build products, but I did not know how to build a brand. Now, at least, we know 60%–70% of our playbook is correct in terms of building products, obtaining certification, building brands, and positioning them.

Therefore, I think the PAT percentage does not matter for a while. If we have an opportunity—for example, if you are making 8% or 9% PAT in Vozoyo but have an opportunity to spend that money this year and build a larger base, say, by doing 300 crores instead of 150 crores—then you would spend that money. That is acceptable.

For a brand base of 1,000–1,200 crores, we think PAT of 8%–10% will come back.

Nishita – Sapphire Capital: So, as I understand it, we are currently achieving an 11% PAT margin from the brands business, and by FY29 we expect it to decline to 8%–10%.

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Ketan Patel – Chairman & Managing Director: Yes, and that will be on a larger base. Currently, we are not spending as much money as we would like to spend on building a brand.

Nishita – Sapphire Capital: Understood. My next question is on revenue growth. This quarter, we grew by around 14%. For the full year FY27, can we expect revenue growth to be around 20%?

Ketan Patel – Chairman & Managing Director: Yes, roughly, give or take, it could be that. Definitely.

Nishita – Sapphire Capital: Thank you very much.

Operator: Thank you very much. The next question is from the line of Vignesh Iyer from Sequent Investments. Please go ahead.

Vignesh Iyer – Sequent Investments: Hello, am I audible?

Ketan Patel – Chairman & Managing Director: I did not hear it completely, Vignesh. Which investment firm are you from?

Vignesh Iyer – Sequent Investments: Sequent Investments. Hello?

Ketan Patel – Chairman & Managing Director: Sequent. Okay.

Vignesh Iyer – Sequent Investments: First of all, congratulations on a great set of numbers and on the very good operating cash flow numbers. We have been tracking this for some time, and we have seen a significant rise in the EBITDA-to-OCF conversion this quarter.

I have one question from my side. We achieved sales growth of around 12.5%–13% in this quarter, I believe. I wanted to understand whether the shift in the festival by 1 month shifted our sales base to Q3, in terms of the sudden sales that would probably be related to Diwali. Is there a base effect between the same quarter last year and the same quarter this year?

Ketan Patel – Chairman & Managing Director: The shift of 1 month also shifts some of your sales into this quarter. This quarter would be our biggest quarter.

Last year, because Diwali was in October, you shipped the materials in September. You have to understand that, because a lot of sales now take place online and most retailers are also matching the online speed of deliveries, they take deliveries at least 20–25 days before the festival starts. During the festival, all warehouses are only outbound. That is the situation.

For us, the second set of orders would come only after the first material is sold. Last year, you sold in September for October, and then you sold again at the end of October because the material sold through November and December.

This time, because Diwali was shifted, our sales also shifted somewhat. Therefore, this quarter will also be good for us in terms of Diwali sales.

Vignesh Iyer – Sequent Investments: Would this be a steady-state number going forward?

Ketan Patel – Chairman & Managing Director: I heard only half the question. What did you say, sir?

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Vignesh Iyer – Sequent Investments: I— [cut off]

Management: [crosstalk] 45 days.

Ketan Patel – Chairman & Managing Director: Sir, your voice is not coming through. Vignesh, your voice is breaking up.

Vignesh Iyer – Sequent Investments: Hello, am I audible now? Hello?

Ketan Patel – Chairman & Managing Director: Yes, it is completely audible.

Management: It is better, right?

Vignesh Iyer – Sequent Investments: Yes. Sir, I wanted to understand whether, going forward, we can assume the net working capital days of 45 as a steady-state number.

Ketan Patel – Chairman & Managing Director: NWC?

Management: This is because, compared with FY26, debtor days were higher, which dragged net working capital days to 75 days. We understood the impact, and it also affected operating cash flow.

We are working very hard to manage it. We are also negotiating with the vendors. However, it is not always sustainable to maintain the current level. The normal range should be around 50-52 days. That is the number we are looking at.

This has been a very significant improvement resulting from hard negotiations, but we do not feel that it will be sustainable in the long run. Therefore, the range should be 50-52 to 55 days. That is what we are looking at.

Vignesh Iyer – Sequent Investments: Perfect. Understood. Thank you, sir. That is all from my side.

Ketan Patel – Chairman & Managing Director: Thank you very much.

Operator: Thank you very much. Participants may press star and one to ask a question.

I repeat, participants may press star and one to ask a question.

As there are no further questions, I now request Mr. Ketan Patel, Chairman and Managing Director of Creative Newtech Ltd., to address us with his closing thoughts.

Ketan Patel – Chairman & Managing Director: Thank you once again to everyone who joined us today. The first half of FY27 marks an important chapter for Creative Newtech, with significant business opportunities, strategic expansion, and stronger financial performance. As we move ahead, our focus is on translating this development into successful execution and sustainable long-term growth.

We sincerely value the continued trust and confidence of our shareholders, partners, customers, and team. For any further queries, please feel free to contact Savyr Consultants, our Investor Relations team, or reach out to us directly. Thank you very much.

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Operator: Thank you very much. On behalf of the entire team of Creative Newtech Ltd., thank you for being with us today. We truly value your time and engagement. The conference is now concluded, and you may disconnect your lines.

Note: {? ... ?} indicates a figure or name where audio clarity was insufficient for confident transcription. Verify against the source audio or the company's published filings.

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