

BUY
 TP: Rs 166 | ▲ 22%

CANARA HSBC LIFE INSURANCE

| Insurance

| 29 April 2026

Vijiya Rao
 Research Analyst
Niraj Jalan
 Research Analyst

Rutam Yellapurkar
 Research Associate
 research@bobcaps.in

Industry-leading growth going ahead

- **CANHLIFE** reported healthy performance with VNB margin above our estimate. VNB was at 22.4% in FY26 vs. 19.1% in FY25
- VNB margin to be in the range of 22-23%, aided by a favourable product mix, growth of traditional products (protection)
- Maintain BUY with TP of Rs 166 (earlier Rs 185), valuing the stock at 1.5x Mar'28E P/EV

Robust VNB margin: CANHLIFE reported healthy performance with VNB margin coming in above our estimate. VNB was at 22.4% in FY26 vs 19.1% in FY25. Consequently, absolute VNB grew 40.6% YoY in FY26. This was despite the GST ITC unavailability, primarily driven by strong growth in protection segment (up 105.8% YoY, on a low base), better rider attachment and favourable product mix. Going ahead, management expects VNB margin to remain in the range of 22-23%, factoring in the partial impact of GST ITC unavailability, agency channel expansion strain and absence of some yield curve benefits.

Healthy APE growth: APE witnessed a healthy growth of 12.4% YoY in Q4FY26 and 19.6% YoY in FY26. APE was higher than some of the large listed players in FY26 and ahead of the private industry growth of 14.9% in FY26. Management refrained from providing near-term APE outlook owing to global uncertainties. However, management remains confident of outperforming the industry growth. For FY27, industry growth is likely to be ~10%, while medium-term normalised growth seen at 12%-14%.

Product mix: Linked and non-linked businesses moved towards a more balanced mix with share at 51:49 — in line with the management’s strategy. Protection business witnessed strong growth, with its share rising to 7% in FY26 from 4% in FY25. The segment delivered a strong growth of 79% YoY in Q4FY26, while credit life grew 40% YoY in Q4FY26. Similarly, annuity rose 27.8% YoY in FY26 with its share in the product mix remaining stable at 14%. Management plans to focus on the annuity segment, supported by better visibility and long-duration earnings.

Maintain BUY on CANHLIFE: CANHLIFE continued to consistently outperform the industry in terms of APE growth, supported by a robust VNB margin growth. With its strategy of above-industry profitable growth, increasing share of protection, balanced product mix and gradual channel diversification, the company is well placed for sustainable growth. Hence, we maintain BUY with TP of Rs 166 (earlier Rs 185), valuing the stock at 1.5x Mar'28E P/EV.

Key changes

Target	Rating
▼	◀ ▶

Ticker/Price	CANHLIFE IN/Rs 136
Market cap	US\$ 1.4bn
Free float	0%
3M ADV	US\$ 1.9mn
52wk high/low	Rs 159/Rs 106
Promoter/FPI/DII	62%/5%/31%

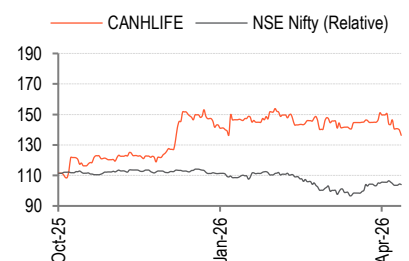
Source: NSE | Price as of 28 Apr 2026

Key financials

Y/E 31 Mar	FY26A	FY27E	FY28E
NBP (Rs mn)	38,079	45,688	55,055
APE (Rs mn)	27,987	33,165	39,300
VNB (Rs mn)	6,269	7,595	9,236
Embedded Value (Rs mn)	72,333	86,655	1,03,804
VNB margin (%)	22.4	22.9	23.5
EVPS (Rs)	76.1	91.2	109.3
EPS (Rs)	1.3	1.4	1.5
Consensus EPS (Rs)	1.3	1.6	1.9
P/EV (x)	1.8	1.5	1.2

Source: Company, Bloomberg, BOBCAPS Research

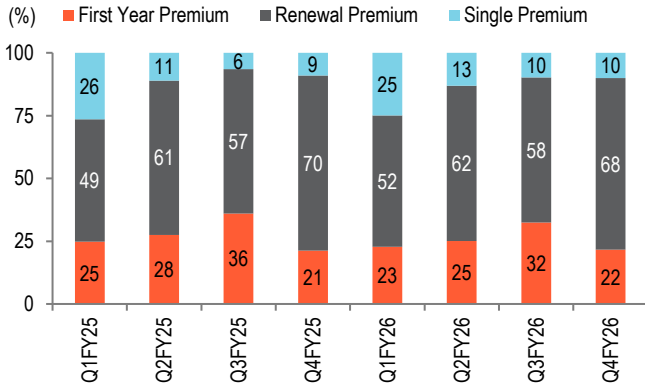
Stock performance



Source: NSE

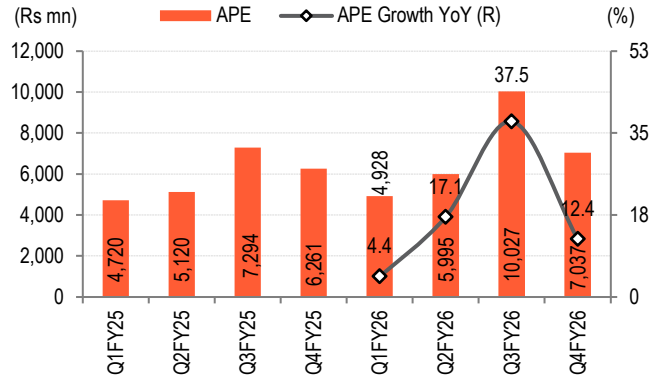


Fig 1 – Gross premium was up 12.8%YoY, led by strong growth in first year and single premium



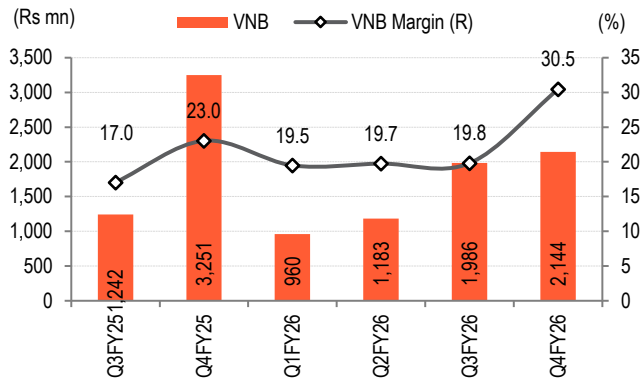
Source: Company, BOBCAPS Research

Fig 2 – APE grew 12.4% in Q4FY26 at Rs 7,037 mn



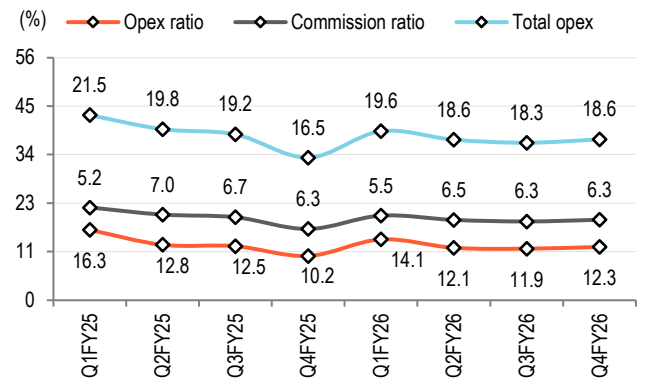
Source: Company, BOBCAPS Research

Fig 3 – VNB margin came in at 30.5%, driven by a favourable product mix shift



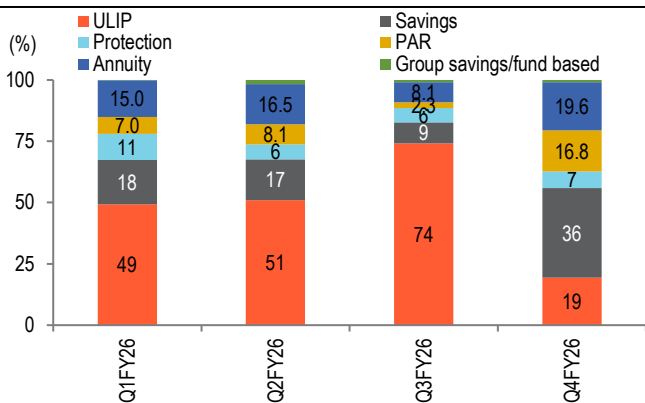
Source: Company, BOBCAPS Research

Fig 4 – Total opex ratio came in at 18.6%



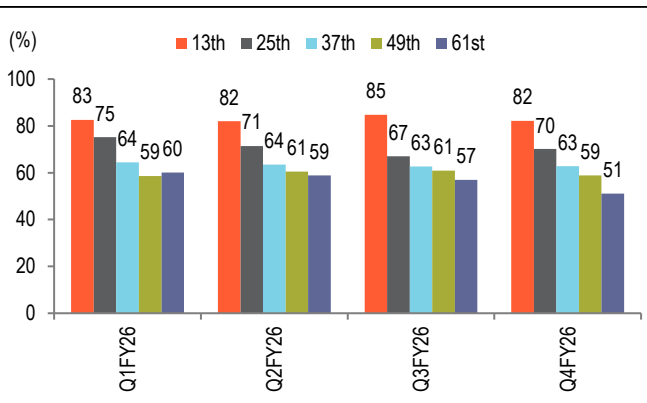
Source: Company, BOBCAPS Research

Fig 5 – ULIP mix decreased significantly in Q4FY26



Source: Company, BOBCAPS Research

Fig 6 – 13M persistency came in at 82%



Source: Company, BOBCAPS Research

Fig 7 – Policyholders' account

(Rs mn)	Q3FY25	Q4FY25	Q1FY26	Q2FY26	Q3FY26	Q4FY26	YoY (%)	QoQ (%)
Net premium income	20,053	27,035	16,534	22,597	28,672	30,607	13.2	6.7
Income from investments (Net)	(5,161)	549	19,523	601	13,043	(17,159)	-	-
Other income	36	52	53	51	59	63	21.2	7.3
Total Income	15,400	27,589	36,254	23,493	42,725	12,675	(54.1)	(70.3)
Net Commission	1,361	1,702	962	1,485	1,827	1,961	15.3	7.3
Operating expenses	2,539	2,766	2,462	2,785	3,447	3,842	38.9	11.5
Benefits Paid (Net)	6,780	7,936	11,067	12,605	9,876	12,560	58.3	27.2
Change in actuarial liability	3,541	14,989	21,507	5,302	26,576	(4,717)	-	-
Surplus/Deficit	910	(26)	39	1,123	999	(969)	-	-

Source: Company, BOBCAPS Research

Fig 8 – Shareholders' account

(Rs mn)	Q3FY25	Q4FY25	Q1FY26	Q2FY26	Q3FY26	Q4FY26	YoY (%)	QoQ (%)
Amounts transferred from Policyholders	488	73	165	432	987	(708)	-	-
Income From Investments	272	248	259	281	308	293	18.4	(4.7)
PAT	293	321	234	408	277	347	8.2	25.6

Source: Company, BOBCAPS Research

Earnings Call Highlights

Business performance

- Gross premium income for Q4FY26 stood at Rs 31,142 mn — a 12.8% YoY growth, primarily driven by a 14.9% YoY increase in the first-year premium and 26.6% growth in single premium. Renewal premium income recorded a growth of 10.3% YoY.
- APE for FY26 came in at Rs 27,987 mn, 19.6% YoY growth and Rs 7,037 mn for Q4FY26, 12.4% YoY growth.
- PAT for FY26 stood at Rs 1,266 mn, up 8.2% YoY. Excluding GST and labour code impact, PAT growth would have been higher.
- Total expense ratio remained stable at 18.7% in FY26 (17.5% excluding GST and labour code impact).
- Management expects APE to grow faster than industry. For FY27, industry growth is likely to be ~10% while medium-term normalised growth seen at 12%-14%.

VNB and VNB Margin

- VNB for FY26 stood at Rs 6,273 mn, registering 40.6% YoY growth. VNB margin improved to 22.4% in FY26 from 19.1% in FY25. The margin improvement in FY26 was driven by growth in individual and credit life protection, high rider attachment rates, and a shift towards higher protection products.
- Excluding the GST impact, margins would have been ~24.6%; closer to the market-consistent margin.
- Management guided VNB margin to be in the 22–23% range in FY27.

Product Mix

- Protection business saw a significant growth - credit life grew 40% YoY in Q4FY26, and the overall protection share rose to 7% in FY26 from 4% in FY25.
- Protection segment split is around 50%-50%, between retail and credit life.
- Annuity grew 27.8% YoY in FY26, with its share at 14%, and continued focus on deferred annuity.
- Traditional segment share rose sharply to 80.6% in Q4FY26.
- Rider attachment rate stands at ~70% of ULIP policies.

Channel Mix

- Channel-wise contribution: Canara Bank ~72%, HSBC ~14%, other banks ~6%, and alternate channels ~8%.
- The newly launched agency channel collected Rs 140 mn in APE terms within its first 6 months.
- Management expects agency channel to contribute 5% to the business over the next 3 years.
- Alternate channels grew 29% YoY, contributing 9% of WPI, with a target to reach 15% over the next 3 years.
- HSBC channel delivered 29% growth in FY26 and is currently in expansion mode.

Embedded Value

- EV grew 18.4% YoY to Rs 72,333 mn as of FY26, with an operating ROEV of 20.7%.
- Economic variance was negative at Rs 822 mn, primarily driven by the fall in equity markets.
- Operating variance was Rs 1,302 mn, mainly on the back of opex efficiencies.
- Operating assumption change had a one-time ~50 bps negative impact due to demographic assumption changes. However, management expects this to become a positive, going ahead.

Others

- Individual WPI grew 19% YoY in FY26, in line with management's guidance. The company is ranked as the highest in WPI growth among the top 10 industry players.
- Solvency ratio stood at 190%, impacted due to short-term MTM drag. However, management expects solvency to return above 200%.
- With respect to the implementation of Ind AS 117, the company plans to seek forbearance for FY27.

Valuation Methodology

CANHLIFE continued to consistently outperform the industry in terms of APE growth, supported by a robust VNB margin growth. With its strategy of above-industry profitable growth, increasing share of protection, balanced product mix and gradual channel diversification, the company is well placed for sustainable growth. Hence, we maintain BUY with TP of Rs 166 (earlier Rs 185), valuing the stock at 1.5x Mar'28E P/EV.

Fig 9 – Revised estimates

(Rs mn)	New			Old			Change (%)		
	FY27E	FY28E	FY29E	FY27E	FY28E	FY29E	FY27E	FY28E	FY29E
APE	33,165	39,300	46,767	33,543	39,648	-	(1.1)	(0.9)	-
VNB Margin (%)	22.9	23.5	24.0	20.8	21.5	-	210bps	200bps	-

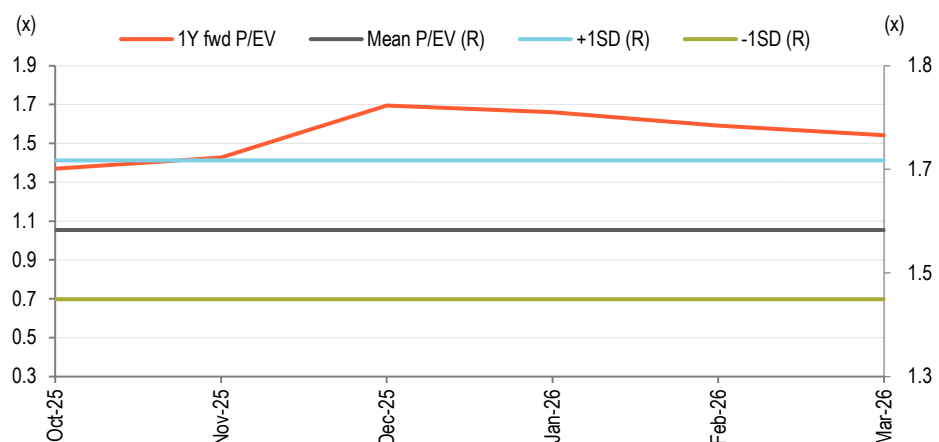
Source: BOBCAPS Research

Fig 10 – Actual vs Estimates

Rs mn	Q4FY26A	Q4FY26E	Actual vs Estimates (%)
Gross Premium	31,142	28,782	8.2
APE	7,037	7,357	(4.3)
VNB	2,144	1,561	37.4
VNB Margin	30.5	21.2	925bps

Source: Company, BOBCAPS Research

Fig 11 – P/EV Band



Source: Company, BOBCAPS Research

Key Risks

Key downside risks to our estimates:

- Intense competition.
- Strong linkage with capital markets.
- Regulatory challenges.

Financials

Revenue Account (Technical)

Y/E 31 Mar (Rs mn)	FY25A	FY26A	FY27E	FY28E	FY29E
Gross premium income	80,275	99,366	1,20,233	1,44,880	1,74,581
First year premium	21,737	25,848	31,276	37,688	45,414
Renewal premium	49,059	61,287	74,544	89,826	1,08,240
Single premium	9,478	12,231	14,412	17,367	20,927
Net written premium	78,502	98,410	1,19,076	1,43,486	1,72,901
Income from investments	27,574	16,009	19,050	22,194	25,967
Other Income	1,154	730	248	273	301
Total income	1,07,230	1,15,149	1,38,375	1,65,954	1,99,169
Commissions	5,071	6,235	7,593	8,863	10,362
Operating expenses	9,942	12,536	14,773	17,451	20,513
Benefits and bonuses paid	50,837	46,109	53,025	60,979	70,126
Change in liabilities (net)	38,715	48,668	61,322	77,388	96,735
Others	887	410	450	0	0
Total expenses	1,05,452	1,13,957	1,37,164	1,64,682	1,97,736
Surplus before tax	1,777	1,192	1,211	1,272	1,432
Provision for tax	0	0	0	0	0
Surplus after tax	1,777	1,192	1,211	1,272	1,432
Trf to shareholders' a/c	1,321	876	851	837	908
Balance being FFA	457	316	361	435	524

Income Statement (Non-technical)

Y/E 31 Mar (Rs mn)	FY25A	FY26A	FY27E	FY28E	FY29E
Trf from policyholders' a/c	1,321	876	851	837	908
Income from investments	1,020	1,141	1,278	1,444	1,631
Contr. to policyholders' fund	990	504	554	610	671
Others	73	101	111	122	135
PBT	1,282	1,408	1,462	1,549	1,734
Provision for taxation	112	142	147	156	175
PAT	1,170	1,266	1,315	1,393	1,560
Dividend+Interim div.+DDT	-	-	-	-	-

Balance Sheet

Y/E 31 Mar (Rs mn)	FY25A	FY26A	FY27E	FY28E	FY29E
Equity	15,169	16,055	16,990	18,003	19,183
Policyholders' funds	3,86,697	4,32,032	4,99,683	5,86,574	6,89,104
FFA	6,881	7,197	7,557	7,992	8,516
Others	9,775	12,961	10,229	11,252	12,377
Total liabilities	4,18,521	4,68,244	5,34,460	6,23,821	7,29,180
Shareholders' funds	13,747	19,010	(3,466)	(8,090)	3,09,980
Policyholders' funds	2,26,435	2,64,497	2,95,554	3,46,007	4,05,541
Assets to cover linked liab.	1,71,482	1,77,674	2,33,577	2,75,621	3,426
Others	6,857	7,063	8,795	10,283	10,234
Total assets	4,18,521	4,68,244	5,34,460	6,23,821	7,29,180

Key Metrics

Y/E 31 Mar	FY25A	FY26A	FY27E	FY28E	FY29E
AUM (Rs mn)	4,12,000	4,61,000	5,30,150	6,09,673	7,01,123
NBP (Rs mn)	31,215	38,079	45,688	55,055	66,341
APE (Rs mn)	23,394	27,987	33,165	39,300	46,767
VNB (Rs mn)	4,461	6,269	7,595	9,236	11,224
VNB margin (%)	19.1	22.4	22.9	23.5	24.0
Embedded value (Rs mn)	61,107	72,333	86,655	1,03,804	1,24,744
ROEV (%)	18.3	19.3	20.3	20.2	20.2
ROE (%)	-	-	-	-	-
Opex ratio (%)	18.7	18.9	18.6	18.2	17.7
Cost ratio (%)	6.3	6.3	6.3	6.1	5.9
Solvency ratio (%)	-	-	-	-	-
EPS (Rs)	1.2	1.3	1.4	1.5	1.6
BVPS (Rs)	16.0	16.9	17.9	19.0	20.2
EVPS (Rs)	64.3	76.1	91.2	109.3	131.3

Source: Company, BOBCAPS Research

NOT FOR DISTRIBUTION, DIRECTLY OR INDIRECTLY, IN OR INTO THE UNITED STATES OF AMERICA ("US") OR IN OR INTO ANY OTHER JURISDICTION IF SUCH AN ACTION IS PROHIBITED BY APPLICABLE LAW.

Disclaimer

Name of the Research Entity: **BOB Capital Markets Limited**
 Registered office Address: **1704, B Wing, Parinee Crescenzo, G Block, BKC, Bandra East, Mumbai 400051**
 SEBI Research Analyst Registration No: **INH000000040 (Perpetual)**
 SEBI Stock Broker Registration No: **INZ000159332**
 SEBI Depository Participant Registration No: **IN-DP-728-2022**
 SEBI Merchant Banker Registration No: **INM000009926**
 Phone: +91-22-61389300
 Name of the Compliance Officer: Mr. Sameer Khobrekar
 Email ID: Compliance@bobcaps.in; Phone no.: +91-22-61389358
 For any queries or grievances, you may contact the Grievance Officer.
 Name of the Grievance Officer: Mr. Manoj Pawar
 Email ID: head-customer@bobcaps.in; Phone no: 0+91-22-69417333

Brand Name: **BOBCAPS**
 Website: <https://www.bobcaps.in/>
 CIN: **U65999MH1996GOI098009**



Investments in securities market are subject to market risks. Read all the related documents carefully before investing.
 Registration granted by SEBI and certification from NISM in no way guarantee performance of the intermediary or provide any assurance of returns to investors.

Recommendation scale: Recommendations and Absolute returns (%) over 12 months

BUY – Expected return >+15%

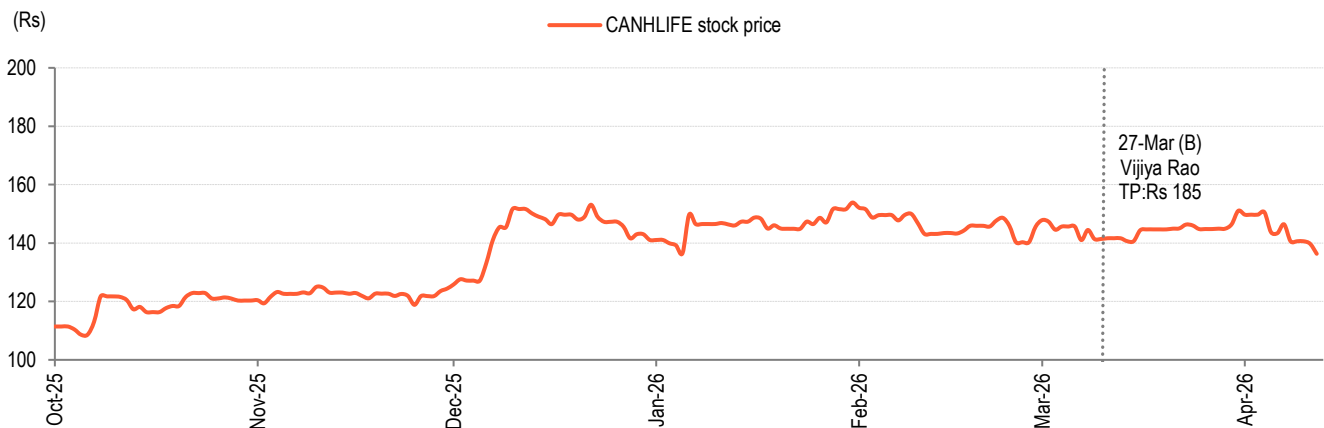
HOLD – Expected return from -6% to +15%

SELL – Expected return <-6%

Note: Recommendation structure changed with effect from 21 June 2021

Our recommendation scale does not factor in short-term stock price volatility related to market fluctuations. Thus, our recommendations may not always be strictly in line with the recommendation scale as shown above.

Ratings and Target Price (3-year history): CANARA HSBC LIFE INSURANCE (CANHLIFE IN)



B – Buy, H – Hold, S – Sell, A – Add, R – Reduce

Analyst certification

The research analyst(s) authoring this report hereby certifies that (1) all of the views expressed in this research report accurately reflect his/her personal views about the subject company or companies and its or their securities, and (2) no part of his/her compensation was, is, or will be, directly or indirectly, related to the specific recommendation(s) or view(s) in this report. Analysts are not registered as research analysts by FINRA and are not associated persons of BOB Capital Markets Limited (BOBCAPS).

General disclaimers

BOBCAPS is engaged in the business of Stock Broking and Investment Banking. BOBCAPS is a member of the National Stock Exchange of India Limited and BSE Limited and is also a SEBI-registered Category I Merchant Banker. BOBCAPS is a wholly owned subsidiary of Bank of Baroda which has its various subsidiaries engaged in the businesses of stock broking, lending, asset management, life insurance, health insurance and wealth management, among others.

BOBCAPS's activities have neither been suspended nor has it defaulted with any stock exchange authority with whom it has been registered in the last five years. BOBCAPS has not been debarred from doing business by any stock exchange or SEBI or any other authority. No disciplinary action has been taken by any regulatory authority against BOBCAPS affecting its equity research analysis activities.

BOBCAPS prohibits its analysts, persons reporting to analysts, and members of their households from maintaining a financial interest in the securities or derivatives of any companies that the analysts cover. Additionally, BOBCAPS prohibits its analysts and persons reporting to analysts from serving as an officer, director, or advisory board member of any companies that the analysts cover.

Our salespeople, traders, and other professionals may provide oral or written market commentary or trading strategies to our clients that reflect opinions contrary to the opinions expressed herein, and our proprietary trading and investing businesses may make investment decisions that are inconsistent with the recommendations expressed herein. In reviewing these materials, you should be aware that any or all of the foregoing, among other things, may give rise to real or potential conflicts of interest. Additionally, other important information regarding our relationships with the company or companies that are the subject of this material is provided herein.

This material should not be construed as an offer to sell or the solicitation of an offer to buy any security in any jurisdiction. We are not soliciting any action based on this material. It is for the general information of BOBCAPS's clients. It does not constitute a personal recommendation or take into account the particular investment objectives, financial situations, or needs of individual clients. Before acting on any advice or recommendation in this material, clients should consider whether it is suitable for their particular circumstances and, if necessary, seek professional advice. BOBCAPS research reports follow rules laid down by Securities and Exchange Board of India and individuals employed as research analysts are separate from other employees who are performing sales trading, dealing, corporate finance advisory or any other activity that may affect the independence of its research reports.

The price and value of the investments referred to in this material and the income from them may go down as well as up, and investors may realize losses on any investments. Past performance is not a guide for future performance, future returns are not guaranteed and a loss of original capital may occur. BOBCAPS does not provide tax advice to its clients, and all investors are strongly advised to consult with their tax advisers regarding any potential investment in certain transactions — including those involving futures, options, and other derivatives as well as non-investment-grade securities — that give rise to substantial risk and are not suitable for all investors. The material is based on information that we consider reliable, but we do not represent that it is accurate or complete, and it should not be relied on as such. Opinions expressed are our current opinions as of the date appearing on this material only. We endeavour to update on a reasonable basis the information discussed in this material, but regulatory, compliance, or other reasons may prevent us from doing so.

We and our affiliates, officers, directors, and employees, including persons involved in the preparation or issuance of this material, may from time to time have “long” or “short” positions in, act as principal in, and buy or sell the securities or derivatives thereof of companies mentioned herein and may from time to time add to or dispose of any such securities (or investment). We and our affiliates may assume an underwriting commitment in the securities of companies discussed in this document (or in related investments), may sell them to or buy them from customers on a principal basis, and may also perform or seek to perform investment banking or advisory services for or relating to these companies and may also be represented in the supervisory board or any other committee of these companies.

For the purpose of calculating whether BOBCAPS and its affiliates hold, beneficially own, or control, including the right to vote for directors, one per cent or more of the equity shares of the subject company, the holdings of the issuer of the research report is also included.

BOBCAPS and its non-US affiliates may, to the extent permissible under applicable laws, have acted on or used this research to the extent that it relates to non-US issuers, prior to or immediately following its publication. Foreign currency denominated securities are subject to fluctuations in exchange rates that could have an adverse effect on the value or price of or income derived from the investment. In addition, investors in securities such as ADRs, the value of which are influenced by foreign currencies, effectively assume currency risk. In addition, options involve risks and are not suitable for all investors. Please ensure that you have read and understood the Risk disclosure document before entering into any derivative transactions.

No part of this material may be (1) copied, photocopied, or duplicated in any form by any means or (2) redistributed without BOBCAPS's prior written consent.

Company-specific disclosures under SEBI (Research Analysts) Regulations, 2014

The research analyst(s) or his/her relatives do not have any material conflict of interest at the time of publication of this research report.

BOBCAPS or its research analyst(s) or his/her relatives do not have any financial interest in the subject company. BOBCAPS or its research analyst(s) or his/her relatives do not have actual/beneficial ownership of one per cent or more securities in the subject company at the end of the month immediately preceding the date of publication of this report.

The research analyst(s) has not received any compensation from the subject company or third party in the past 12 months in connection with research report/activities. Compensation of the research analyst(s) is not based on any specific merchant banking, investment banking or brokerage service transactions.

BOBCAPS or its research analyst(s) is not engaged in any market making activities for the subject company.

The research analyst(s) has not served as an officer, director or employee of the subject company.

BOBCAPS or its associates may have material conflict of interest at the time of publication of this research report.

BOBCAPS's associates may have financial interest in the subject company. BOBCAPS's associates may hold actual / beneficial ownership of one per cent or more securities in the subject company at the end of the month immediately preceding the date of publication of this report.

BOBCAPS or its associates may have managed or co-managed a public offering of securities for the subject company or may have been mandated by the subject company for any other assignment in the past 12 months.

BOBCAPS may have received compensation from the subject company in the past 12 months. BOBCAPS may from time to time solicit or perform investment banking services for the subject company. BOBCAPS or its associates may have received compensation from the subject company in the past 12 months for services in respect of managing or co-managing public offerings, corporate finance, investment banking or merchant banking, brokerage services or other advisory services in a merger or specific transaction. BOBCAPS or its associates may have received compensation for products or services other than investment banking or merchant banking or brokerage services from the subject company in the past 12 months.

Other disclaimers

BOBCAPS and MAYBANK (as defined below) make no representation or warranty, express or implied, as to the accuracy or completeness of any information obtained from third parties and expressly disclaim the merchantability, suitability, quality and fitness of this report. The information in this report has not been independently verified, is provided on an “as is” basis, should not be relied on by you in connection with any contract or commitment, and should not be used as a substitute for enquiries, procedures and advice which ought to be undertaken by you. This report also does not constitute an offer or solicitation to buy or sell any securities referred to herein and you should not construe this report as investment advice. All opinions and estimates contained in this report constitute BOBCAPS's judgment as of the date of this report and are subject to change without notice, and there is no obligation on BOBCAPS or MAYBANK to update this report upon issuance. This report and the information contained herein may not be reproduced, redistributed, disseminated or copied by any means without the prior consent of BOBCAPS and MAYBANK.

To the full extent permitted by law neither BOBCAPS, MAYBANK nor any of their respective affiliates, nor any other person, accepts any liability howsoever arising, whether in contract, tort, negligence, strict liability or any other basis, including without limitation, direct or indirect, special, incidental, consequential or punitive damages arising from any use of this report or the information contained herein. By accepting this report, you agree and undertake to fully indemnify and hold harmless BOBCAPS and MAYBANK from and against claims, charges, actions, proceedings, losses, liabilities, damages, expenses and demands (collectively, the “Losses”) which BOBCAPS and/or MAYBANK may incur or suffer in any jurisdiction including but not limited to those Losses incurred by BOBCAPS and/or MAYBANK as a result of any proceedings or actions brought against them by any regulators and/or authorities, and which in any case are directly or indirectly occasioned by or result from or are attributable to anything done or omitted in relation to or arising from or in connection with this report.

Distribution into the United Kingdom (“UK”):

This research report will only be distributed in the United Kingdom, in accordance with the applicable laws and regulations of the UK, by Maybank Securities (London) Ltd (“MSL”) who is authorised and regulated by the Financial Conduct Authority (“FCA”) in the United Kingdom (MSL and its affiliates are collectively referred to as “MAYBANK”). BOBCAPS is not authorized to directly distribute this research report in the UK.

This report has not been prepared by BOBCAPS in accordance with the UK's legal and regulatory requirements.

This research report is for distribution only to, and is solely directed at, selected persons on the basis that those persons: (a) are eligible counterparties and professional clients of MAYBANK as selected by MAYBANK solely at its discretion; (b) have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended from time to time (the “Order”), or (c) fall within Article 49(2)(a) to (d) (high net worth companies, unincorporated associations, etc. as mentioned in the stated Article) of the Order; (all such persons together being referred to as “relevant persons”).

This research report is directed only at relevant persons and must not be acted on or relied on by any persons who are not relevant persons. Any investment or investment activity to which this material relates is available only to relevant persons and will be engaged in only with relevant persons.

The relevant person as recipient of this research report is not permitted to reproduce, change, remove, pass on, distribute or disseminate the data or make it available to third parties without the written permission of BOBCAPS or MAYBANK. Any decision taken by the relevant person(s) pursuant to the research report shall be solely at their costs and consequences and BOBCAPS and MAYBANK shall not have any liability of whatsoever nature in this regard.

No distribution into the US:

This report will not be distributed in the US and no US person may rely on this communication.

Other jurisdictions:

This report has been prepared in accordance with SEBI (Research Analysts) Regulations and not in accordance with local regulatory requirements of any other jurisdiction. In any other jurisdictions, this report is only for distribution (subject to applicable legal or regulatory restrictions) to professional, institutional or sophisticated investors as defined in the laws and regulations of such jurisdictions by Maybank Securities Pte Ltd. (Singapore) and / or by any broker-dealer affiliate or such other affiliate as determined by Malayan Banking Berhad.

If the recipient of this report is not as specified above, then it should not act upon this report and return the same to the sender.

By accepting this report, you agree to be bound by the foregoing limitations.