

HOLD

TP: Rs 1,770 | ▲ 6%

HAVELLS INDIA

| Consumer Durables

| 23 April 2025

Robust quarter; summer lag tempers optimism

- Q4 Revenue grew 20% YoY/34% QoQ, driven by strong performances in Lloyd (+39% YoY) and C&W (+21% YoY)
- A tad YoY contraction in EBITDA margin to 11.6%; Lloyd margin came in at 6.1% vs 2.7% in Q4FY24
- Mild start for summer products in Q1 fades the earlier growth optimism

Vineet Shanker

research@bobcaps.in

Robust performance; beats estimates on all fronts: HAVL's reported a strong quarter as revenue/EBITDA/PAT was 6%/29%/23% above estimates. Revenue grew 20% YoY to Rs 65.4 bn, led by strong traction in Lloyd (+39% YoY) and C&W (+21% YoY) segment. On the profitability front, volatility in raw materials led to gross margin contraction of 60bps YoY (-230bps QoQ). EBITDA margin stood at 11.6%, which contracted 10bps YoY, while absolute EBITDA rose 19.5% YoY to Rs 7.6 bn. Adjusted PAT came in at Rs 5.2 bn, up 16% YoY. During FY25, revenue grew 17% YoY, led by Lloyd (+35% YoY), C&W (+14% YoY) and ECD (+15% YoY); while switchgear (+7% YoY) and lighting (+2% YoY) reported muted growth. Adjusted EBITDA for the full year came in at Rs 21.3bn (+16% YoY) with a tad contraction (-10bps YoY) in EBITDA margin to 9.8%.

C&W posts strong growth, driven by commodity-led price hikes: C&W revenue grew 21% YoY to Rs 21.7 bn, supported equally by 10% growth in volume and value. Volume growth in cables was aided by capacity expansion in power cables, while wire volumes remained stable, accounting for ~65% of the segment mix. However, contribution margins came under pressure due to an unfavourable product mix and copper price volatility. EBIT margin stood at 11.9%, largely stable YoY. Ramp-up of the recently expanded cable capacity is still underway. On increasing competition—amidst capacity expansion plans by two large business houses—management expects sector consolidation over time with the market gradually tilting in favour of the branded and national players.

Lloyd delivers ~39% YoY growth; optimism fades amid summer lag: Lloyd's revenue grew 39% YoY to Rs 18.7bn, driven by a low base and strong primary sales ahead of an expected hot summer; though a delayed season in the South somewhat fades the early optimism. EBIT margin grew to 6.2% (vs 2.8% YoY), aided by cost savings and operating leverage. Lloyd achieved full-year profitability in FY25; and while management refrained from margin guidance, they reiterated Lloyd as the key growth engine. In Q1FY26, it is key to watch the current summer season, as strong primary sales amid muted demand—if the summer turns out milder than expected—could lead to elevated channel inventory and price corrections across the industry.

Key changes

Target	Rating
▼	◀ ▶

Ticker/Price	HAVL IN/Rs 1,665
Market cap	US\$ 12.2bn
Free float	41%
3M ADV	US\$ 18.3mn
52wk high/low	Rs 2,106/Rs 1,381
Promoter/FPI/DII	60%/23%/10%

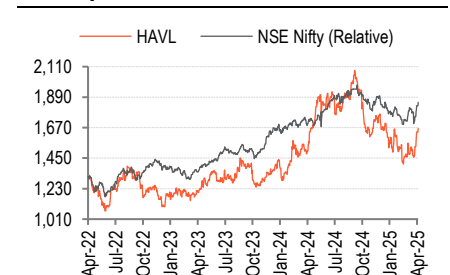
Source: NSE | Price as of 22 Apr 2025

Key financials

Y/E 31 Mar	FY24A	FY25E	FY26E
Total revenue (Rs mn)	1,85,900	2,17,781	2,48,047
EBITDA (Rs mn)	18,426	21,309	26,378
Adj. net profit (Rs mn)	12,708	14,723	18,429
Adj. EPS (Rs)	20.3	23.5	29.4
Consensus EPS (Rs)	20.3	24.5	30.9
Adj. ROAE (%)	18.1	18.7	20.8
Adj. P/E (x)	82.1	70.8	56.6
EV/EBITDA (x)	56.6	48.9	39.5
Adj. EPS growth (%)	18.6	15.9	25.2

Source: Company, Bloomberg, BOBCAPS Research

Stock performance



Source: NSE



ECD growth moderates, lighting remains muted: Growth in the ECD segmented moderated to 9.5% YoY, on account of inflationary pressures leading to weak consumer sentiments. Furthermore, the mild start to summer also led to a modest growth in products like fans, coolers, etc. Lighting segment growth stays muted (+1.5% YoY) as pricing erosion continued; while volume growth was in high single digit, implying elevated competitive intensity.

Softness in switchgears persisted, though margins recovered sequentially:

Switchgears revenue grew 6% YoY to Rs 6.9 bn, driven by steady residential demand, product range expansion, and project business traction; while industrial demand remained subdued. EBIT margin improved sequentially to 25.7%, recovering from Q3 disruption due to factory relocation. Management attributed the modest growth to a relatively narrower portfolio vs peers, but highlighted ongoing investments to address portfolio gaps. It acknowledged that market share gains in the category will be gradual.

Strategic investment in Goldi Solar: The 'Others' segment grew 19.4% YoY to Rs 3.7 bn in Q4FY25, led by strong traction in personal grooming and solar product categories. EBIT margin improved to 3.9% (vs 2.9% YoY), aided by better operating leverage. Havells announced a strategic Rs 6 bn investment for a ~9% stake in Goldi Solar to secure module supply and support its expanding solar portfolio across B2C and C&I markets. Management observes that the solar business has scaled to Rs 4–5 bn and is poised for strong growth. Investment in Goldi is to ensure reliable sourcing from a quality manufacturer, given the challenges around in-house manufacturing, technological capabilities, and supply constraints (import duties) in the domestic market.

Assume coverage with HOLD rating: We estimate HAVL to deliver a revenue/EBITDA/PAT CAGR of 14%/22%/23% over FY25–27E, driven by healthy growth across key segments—ECD (+13%), Lloyd (+17%), C&W (+15%), and emerging categories (+25%) that include the solar business. On the profitability front, we expect margins to improve, supported by a combination of cost efficiency initiatives, investments in high-growth categories, and operating leverage. At the current price, HAVL is trading at 47x FY27E EPS. Given its strong earnings growth trajectory (PAT CAGR of 23% over FY25–27E), debt-free balance sheet, and an expected cumulative free cash flow generation of Rs 49 bn, we see potential for a re-rating toward its long-term median 1YF multiple of ~50x. Based on this, we arrive at Mar-26TP of Rs 1,770 (50x Mar-27E EPS), implying a limited upside of 7%. While we remain constructive on the company's fundamentals, the modest upside from the current levels leads us to assume coverage with a HOLD rating.

Fig 1 – Quarterly performance

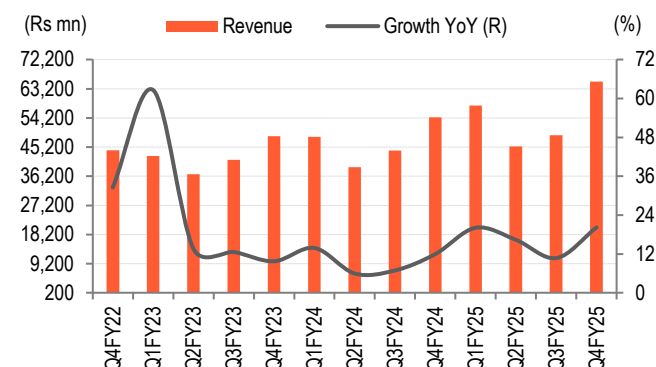
Particulars (Rs mn)	Q4FY25	Q4FY24	YoY (%)	Q3FY25	QoQ (%)	FY25	FY24	YoY (%)	Q4FY25E	Var %
Revenue	65,436	54,420	20	48,890	34	2,17,781	1,85,900	17	61,801	6
EBITDA	7,570	6,346	19	4,265	78	21,309	18,426	16	5,875	29
EBITDA Margin (%)	11.6	11.7	(9bps)	8.7	280bps	9.8	9.9	(10bps)	9.5	206bps
Depreciation	1,097	934		1,041		4,004	3,385		1,002	9
Interest	152	177		94		432	457		106	44
Other Income	687	758		643		3,033	2,490		468	47
PBT	7,009	5,993	17.0	3,773	86	19,905	17,074	17	5,235	34
Tax	1,839	1,526		994		5,203	4,366		1,042	76
Adjusted PAT	5,170	4,467	15.7	2,780	86	14,702	12,708	16	4,193	23
Exceptional item						-	-			
Reported PAT	5,178	4,467	15.9	2,780	86	14,702	12,708	16	4,193	24
Adj. PAT Margin (%)	7.9	8.2	(31bps)	5.7	220bps	6.8	6.8	(10bps)	6.8	112bps
EPS (Rs)	8.3	7.1	15.7	4.4	86	23.5	20.3	16	6.7	23

Source: Company, BOBCAPS Research

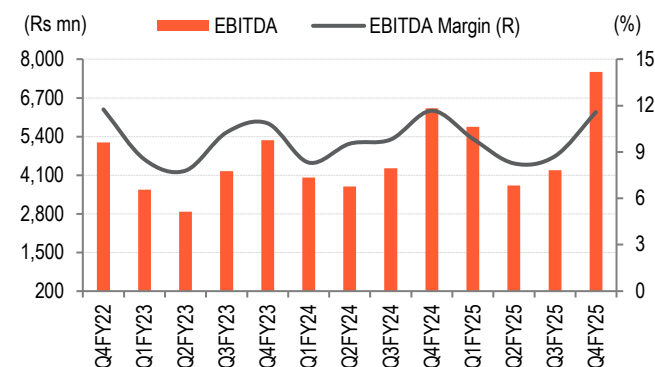
Fig 2 – Segmental performance

Rs mn	Q4FY25	Q4FY24	YoY (%)	Q3FY25	QoQ (%)	FY25	FY24	YoY (%)
Revenue								
ECD	9,973	9,104	10	11,048	(10)	40,139	34,825	15
Lighting	4,417	4,353	1	4,464	(1)	16,708	16,398	2
Switch gears	6,918	6,513	6	5,769	20	23,968	22,463	7
C&W	21,694	17,896	21	16,879	29	71,836	63,176	14
Lloyd	18,736	13,459	39	7,422	152	51,341	38,103	35
EBIT								
ECD	1248	1025	22	953	31	3,991	3,871	3
EBIT margin (%)	12.5	11.3	100bps	8.6	400bps	9.9	11.1	(100bps)
Lighting	725	785	(8)	651	11	2507	2478	1
EBIT margin (%)	16.4	18.0	(200bps)	14.6	200bps	15.0	15.1	0bps
Switch gears	1776	1836	(3)	1048	69	5395	5963	(10)
EBIT margin (%)	25.7	28.2	(300bps)	18.2	700bps	22.5	26.5	(400bps)
C&W	2586	2154	20	1870	38	7715	7161	8
EBIT margin (%)	11.9	12.0	0bps	11.1	100bps	10.7	11.3	(100bps)
Lloyd	1144	360	218	(361)	(417)	1175	(1670)	(170)
EBIT margin (%)	6.1	2.7	300bps	(4.9)	1100bps	2.3	(4.4)	700bps

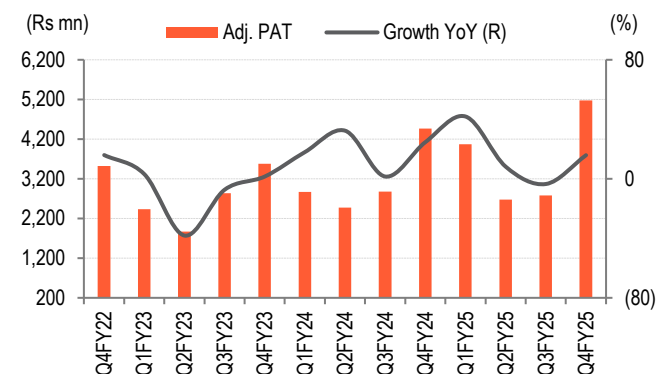
Source: Company, BOBCAPS Research

Fig 3 – Revenue trend


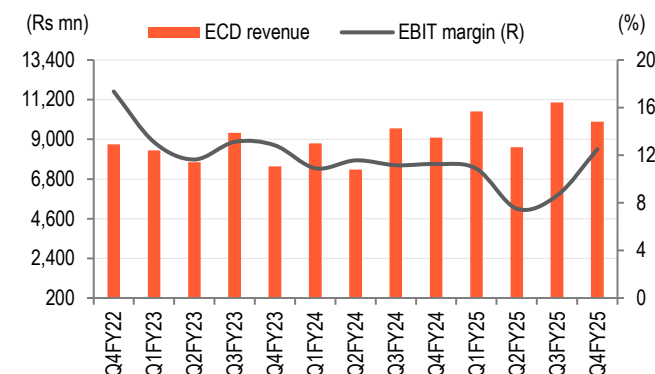
Source: Company, BOBCAPS Research

Fig 4 – EBITDA trend


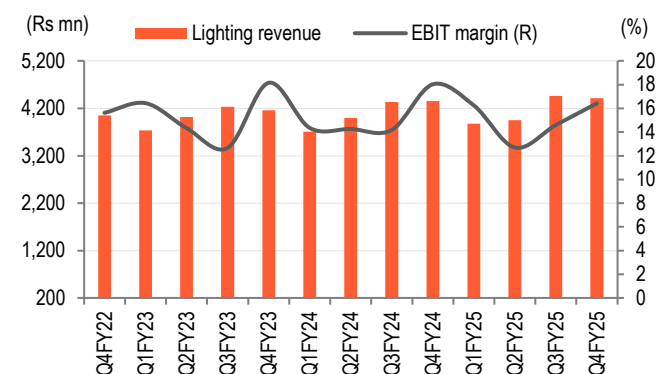
Source: Company, BOBCAPS Research

Fig 5 – Profit trend


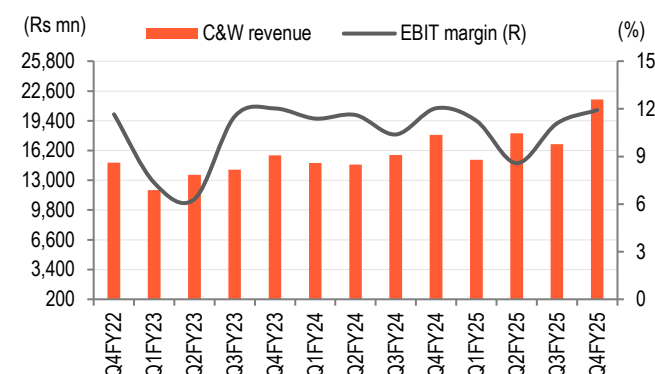
Source: Company, BOBCAPS Research

Fig 6 – ECD business growth


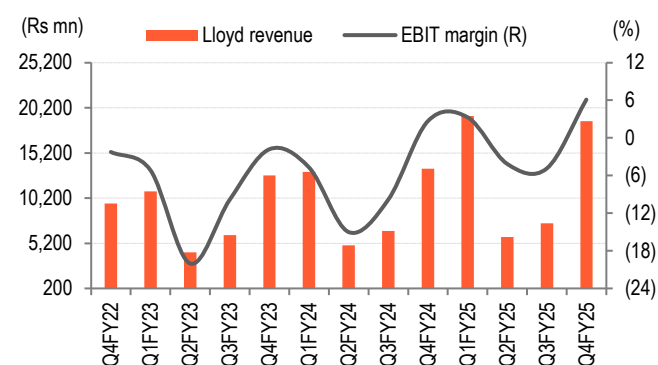
Source: Company, BOBCAPS Research

Fig 7 – Lighting's business growth


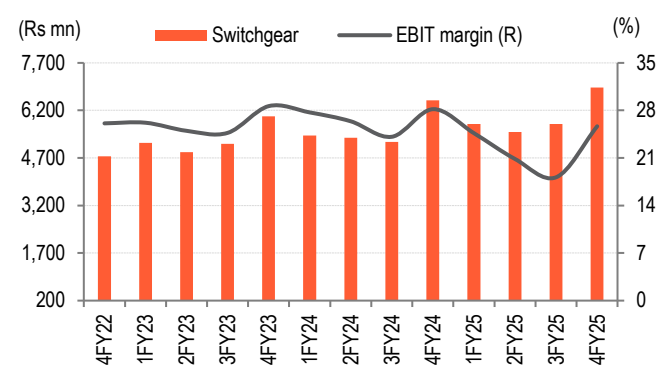
Source: Company, BOBCAPS Research

Fig 8 – Cables & Wires business growth


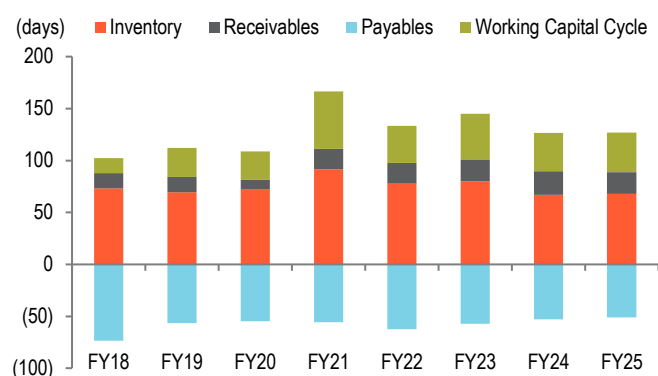
Source: Company, BOBCAPS Research

Fig 9 – Lloyd's business growth


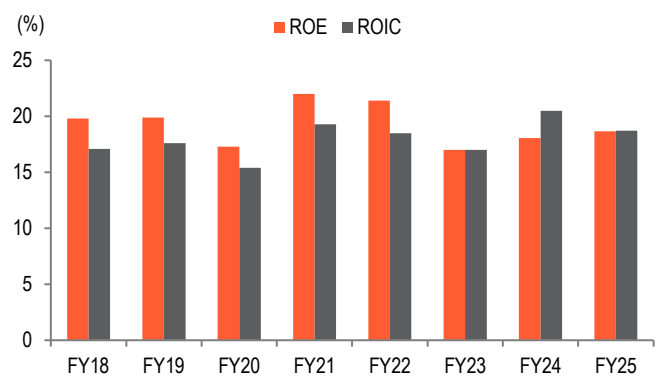
Source: Company, BOBCAPS Research

Fig 10 – Switchgear's business growth


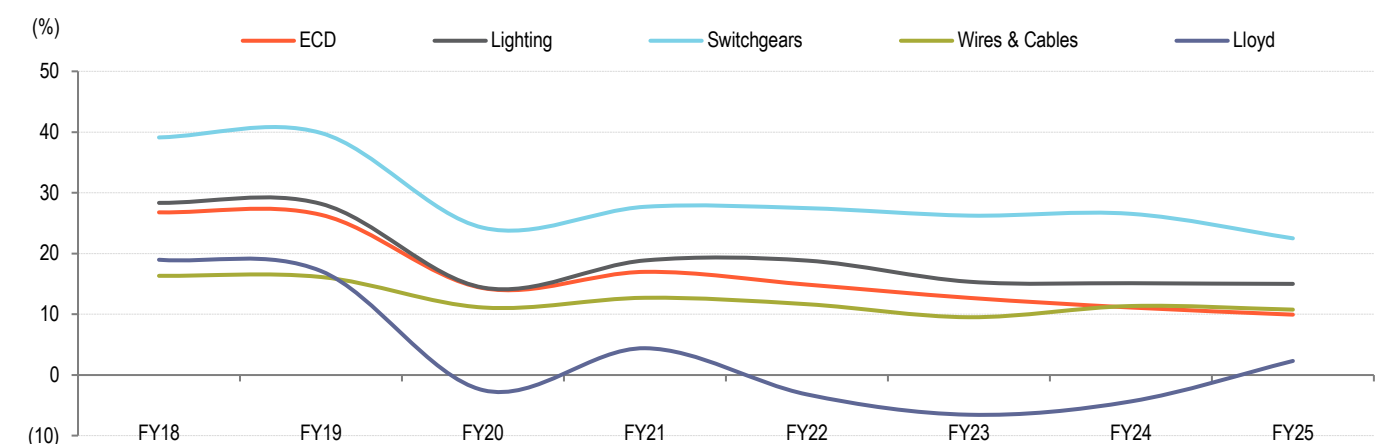
Source: Company, BOBCAPS Research

Fig 11 – Working Capital Trends


Source: Company, BOBCAPS Research

Fig 12 – ROE vs ROIC – Yearly Trend


Source: Company, BOBCAPS Research

Fig 13 – Segmental EBIT Margins


Source: Company, BOBCAPS Research

Financials

Income Statement

Y/E 31 Mar (Rs mn)	FY23A	FY24A	FY25E	FY26E	FY27E
Total revenue	1,69,107	1,85,900	2,17,781	2,48,047	2,84,602
EBITDA	15,991	18,426	21,309	26,378	31,775
Depreciation	2,962	3,385	4,004	4,520	5,180
EBIT	13,030	15,041	17,305	21,857	26,595
Net interest inc./(exp.)	(336)	(457)	(432)	(495)	(515)
Other inc./(exp.)	1,777	2,490	3,033	3,275	3,505
Exceptional items	0	0	0	0	0
EBT	14,471	17,074	19,905	24,637	29,584
Income taxes	3,753	4,366	5,203	6,209	7,455
Extraordinary items	0	0	0	0	0
Min. int./Inc. from assoc.	0	0	0	0	0
Reported net profit	10,717	12,708	14,723	18,429	22,129
Adjustments	0	0	0	0	0
Adjusted net profit	10,717	12,708	14,723	18,429	22,129

Balance Sheet

Y/E 31 Mar (Rs mn)	FY23A	FY24A	FY25E	FY26E	FY27E
Accounts payables	26,432	26,919	30,470	40,775	46,784
Other current liabilities	11,562	15,305	17,398	16,989	19,493
Provisions	0	0	0	0	0
Debt funds	2,231	3,032	0	3,303	3,434
Other liabilities	5,095	4,604	6,937	7,901	9,065
Equity capital	627	627	627	627	627
Reserves & surplus	65,628	73,841	82,611	93,522	1,07,820
Shareholders' fund	66,255	74,468	83,238	94,148	1,08,446
Total liab. and equities	1,11,574	1,24,327	1,38,043	1,63,117	1,87,223
Cash and cash eq.	18,702	30,382	33,781	40,233	47,230
Accounts receivables	9,739	11,650	12,587	14,271	16,374
Inventories	37,086	34,086	40,469	47,571	55,361
Other current assets	5,135	2,879	1,838	1,359	1,559
Investments	0	0	0	0	0
Net fixed assets	36,236	26,063	32,521	37,001	40,821
CWIP	1,634	2,969	1,165	1,000	1,000
Intangible assets	0	0	0	0	0
Deferred tax assets, net	0	0	0	0	0
Other assets	3,042	16,299	15,682	21,682	24,877
Total assets	1,11,574	1,24,327	1,38,043	1,63,117	1,87,223

Cash Flows

Y/E 31 Mar (Rs mn)	FY23A	FY24A	FY25E	FY26E	FY27E
Cash flow from operations	5,649	19,529	15,153	24,538	25,728
Capital expenditures	(5,855)	(7,591)	(7,660)	(9,000)	(9,000)
Change in investments	5,004	(10,371)	2,131	(6,000)	0
Other investing cash flows	1,201	1,823	2,513	1,129	(2,031)
Cash flow from investing	350	(16,139)	(3,016)	(13,871)	(11,031)
Equities issued/Others	267	0	425	0	0
Debt raised/repaid	(4,563)	(848)	0	3,303	131
Interest expenses	0	0	0	0	0
Dividends paid	(4,773)	(4,488)	(7,114)	(7,518)	(7,831)
Other financing cash flows	0	0	0	0	0
Cash flow from financing	(9,069)	(5,335)	(6,689)	(4,215)	(7,700)
Chg in cash & cash eq.	(3,070)	(1,945)	5,448	6,452	6,997
Closing cash & cash eq.	18,702	30,382	33,781	40,233	47,230

Per Share

Y/E 31 Mar (Rs)	FY23A	FY24A	FY25E	FY26E	FY27E
Reported EPS	17.1	20.3	23.5	29.4	35.3
Adjusted EPS	17.1	20.3	23.5	29.4	35.3
Dividend per share	7.5	8.5	10.0	12.0	12.5
Book value per share	105.8	118.9	132.9	150.3	173.1

Valuations Ratios

Y/E 31 Mar (x)	FY23A	FY24A	FY25E	FY26E	FY27E
EV/Sales	6.2	5.6	4.8	4.2	3.7
EV/EBITDA	65.2	56.6	48.9	39.5	32.8
Adjusted P/E	97.3	82.1	70.8	56.6	47.1
P/BV	15.7	14.0	12.5	11.1	9.6

DuPont Analysis

Y/E 31 Mar (%)	FY23A	FY24A	FY25E	FY26E	FY27E
Tax burden (Net profit/PBT)	74.1	74.4	74.0	74.8	74.8
Interest burden (PBT/EBIT)	111.1	113.5	115.0	112.7	111.2
EBIT margin (EBIT/Revenue)	7.7	8.1	7.9	8.8	9.3
Asset turnover (Rev./Avg TA)	4.7	7.1	6.7	6.7	7.0
Leverage (Avg TA/Avg Equity)	0.6	0.4	0.4	0.4	0.4
Adjusted ROAE	17.0	18.1	18.7	20.8	21.8

Ratio Analysis

Y/E 31 Mar	FY23A	FY24A	FY25E	FY26E	FY27E
YoY growth (%)					
Revenue	21.3	9.9	17.1	13.9	14.7
EBITDA	(9.2)	15.2	15.6	23.8	20.5
Adjusted EPS	(10.4)	18.6	15.9	25.2	20.1

Profitability & Return ratios (%)

EBITDA margin	9.5	9.9	9.8	10.6	11.2
EBIT margin	7.7	8.1	7.9	8.8	9.3
Adjusted profit margin	6.3	6.8	6.8	7.4	7.8
Adjusted ROAE	17.0	18.1	18.7	20.8	21.8
ROCE	17.0	20.5	18.7	20.8	21.5

Working capital days (days)

Receivables	21	23	21	21	21
Inventory	80	67	68	70	71
Payables	57	53	51	60	60

Ratios (x)

Gross asset turnover	3.5	3.9	4.4	4.2	4.2
Current ratio	1.8	1.8	1.9	1.8	1.8
Net interest coverage ratio	38.8	32.9	40.0	44.1	51.6
Adjusted debt/equity	0.0	0.0	0.0	0.0	0.0

Source: Company, BOBCAPS Research | Note: TA = Total Assets

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 valid till 03 February 2025**

Brand Name: **BOBCAPS**

Trade Name: **www.barodaetrade.com**

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%

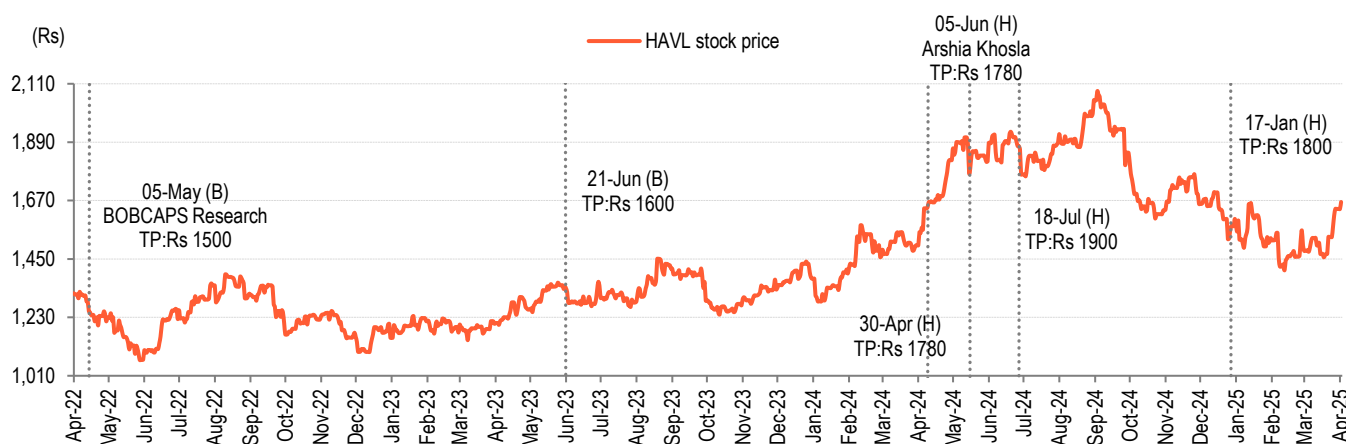
HOLD – Expected return from -6% to +15%

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): HAVELLS INDIA (HAVL 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 is also a SEBI-registered intermediary for the broking business having SEBI Single Registration Certificate No.: INZ000159332 dated 20 November 2017.

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.