

**HOLD**  
 TP: Rs 5,262 | ▲ 14%

**HERO MOTOCORP**

| Automobiles

| 15 November 2024

**Strong festive momentum; sustainability is the key**

- Q2 revenue grew by ~11% YoY to Rs 104.6bn, driven by a mix of steady volume gain of ~7% YoY and realisation gain of 3% YoY
- Gross margin grew by a strong ~200bps/100bps YoY/QoQ to 33.3%, driven by mix improvement and pricing; EBITDA margin pace moderate
- Retain earnings for FY25E/FY26E/FY27E for now, assign 18x 1-year forward P/E for core business with TP of Rs 5,262. Maintain HOLD

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**Healthy volume and realisation gains, strong festive mood:** HMCL's Q2FY25 revenue grew ~11%/3% YoY/QoQ to Rs 104.6bn, driven by steady volume gains of 7% YoY (flat QoQ) to 1.51mn units and was supported by 3%/4% YoY/QoQ realisation (per vehicle) gains of Rs 68.8k. HMCL sold 5k electric vehicles. Momentum continued in the festive month of Oct'24 with 1.6mn units through retail sales.

**Gross margin gain backed by pricing & better product mix:** Raw material cost (RM) adjusted for inventory rose 7%/2% YoY/QoQ to Rs 70.6bn. However, RM cost as a percentage of sales fell to 66.7% from 68.6% in Q2FY24 (67.6% in Q1FY25). Gross margin grew 190bps/100bps YoY/QoQ to 33.3% due to better pricing and product mix with focus on premium products. Revenue from spares, accessories and merchandise was at ~Rs 14.56bn in Q2FY25 (+7.5% YoY). Other expenses climbed 25%/9% YoY/QoQ to Rs 13.1bn due to promotional spending. EBITDA rose 14%/4% YoY/QoQ to Rs 14.5bn and EBITDA margin improved to ~16.5% (+160bps YoY) for the ICE segment. Overall EBITDA margin improved by 40bps to 14.5% YoY.

**Portfolio expansion:** HMCL unveiled three new motorcycles at EICMA 2024 – the Xpulse 210, the Xtreme 250R and the Karizma XMR 250. In Q2FY25, it launched Hero Glamour, Mavrick 440, Hero Xtreme 160R 2V. HMCL also unveiled the New Hero Destini 125 Scooter. In the next 6-12 months it will have a robust range of EV scooters across ranges, and will have three ICE scooter models coming in by Mar'25.

**Maintain HOLD:** Factoring in the healthy product mix, signs of rural recovery and premium segment focus we pencil in a three-year revenue/EBITDA/PAT CAGR of 17%/17%/15%. We maintain our FY25E/FY26E/FY27E earnings but will keenly watch the sustainability of volume gains post festivities. We will accordingly revisit our earnings estimates if need be. We assign 18x target P/E to the core operations, in line with the 10-year average 1-year forward earnings, and raise the SOTP-based TP to Rs 5,262 (from Rs 5,245), which includes Rs 130/sh as the value of other businesses. We believe that while current valuations bake in the positives, the earnings revisions may leave space for upside. We retain our HOLD rating.

**Key changes**

Target	Rating
▲	◀ ▶

Ticker/Price	HMCL IN/Rs 4,604
Market cap	US\$ 10.9bn
Free float	65%
3M ADV	US\$ 46.9mn
52wk high/low	Rs 6,246/Rs 3,130
Promoter/FPI/DII	35%/30%/24%

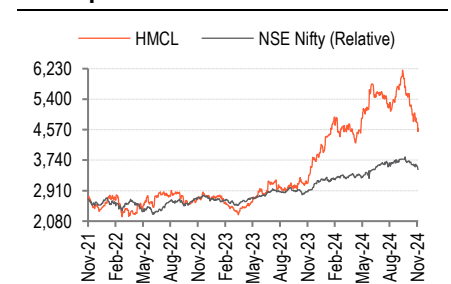
Source: NSE | Price as of 14 Nov 2024

**Key financials**

Y/E 31 Mar	FY24A	FY25E	FY26E
Total revenue (Rs mn)	3,74,557	4,62,228	5,32,497
EBITDA (Rs mn)	52,557	63,835	73,811
Adj. net profit (Rs mn)	38,079	47,126	53,856
Adj. EPS (Rs)	190.7	236.0	269.7
Consensus EPS (Rs)	206.7	237.0	269.0
Adj. ROAE (%)	21.2	23.4	23.7
Adj. P/E (x)	24.1	19.5	17.1
EV/EBITDA (x)	17.4	14.3	12.4
Adj. EPS growth (%)	30.8	23.8	14.3

Source: Company, Bloomberg, BOBCAPS Research

**Stock performance**



Source: NSE



**Fig 1 – Earnings call highlights**

Parameter	Q2FY25	Q1FY25	Our view
Growth commentary	<p>HMCL's volumes grew to 1.52mn in Q2FY25, from 1.41mn in Q2FY24 (+7.34% YoY). Momentum continued into the festive month of Oct'24 with 1.6mn units sold in retail (16% revenue growth YoY).</p> <p>Rural volumes grew higher than urban volumes, with strong inquiries coming from rural markets, implying continued growth momentum. The Vida team is working on customised B2B segment to cater to quick commerce demand.</p> <p>Xtreme 125, Super Splendor and Glamour have experienced good traction. Further, HMCL has multiple launches planned as discussed below.</p>	<p>The company has consolidated its presence in the strong Telangana and Andhra Pradesh market for its entry-level bikes, including Glamour and Super Splendor. It has ramped up its focus on Xtreme 125cc, which helped improve the market share from 13% in Q4FY24 to 20% in Q1FY25. The premium segment with the three big brands, Harley-Davidson X440, Mavrick 440, and Karizma, is the new focus segment for HMCL with retail maximisation and brand building and new launches at regular interval. In the scooter segment, the ICE and EV categories will experience big push with new launches and volume.</p>	<p>HMCL's multi-fold strategy of sharpening focus on the premium segment and retaining a strong presence in the lower-end segments will aid revenue growth as the 100cc/110cc segments show signs of revival.</p>
Margins	<p>Average realisation increased by Rs 2,700 QoQ, out of which Rs 1,400 was contributed by 2W and Rs 1,300 by the spares business. Management expects this trend to continue. EBITDA margin for the ICE segment improved to ~16.5% (+160bps YoY) due to improvement in product mix, softening of commodity prices and focus on premiumisation. Overall EBITDA margins improved by 40bps to 14.5% YoY. HMCL has guided for maintenance of EBITDA margin of ~14-16% going forward.</p>	<p>The gross margin QoQ weakened due to a lower contribution from the spares business at 12.5% vs 14.4% in 4QFY24. Higher contribution from the entry-level segment kept gross margin in check. However, the ICE segment's EBITDA margin improved and at ~16% is at the higher end of HMCL's intended range of 14%-16%. Effectively, higher ICE margins have helped higher investments in the Electric Vehicle segment. The negative impact on EV margin is 180bps, leading to overall EBITDA margin of 14.4%.</p>	<p>Realisation gains should continue from a better product mix, softening costs and growth momentum pick up in the base segment. Focus on premiumisation adds additional cushion.</p>
Capacity expansion	<p>Extreme 125 experienced good traction and HMCL increased its capacity to 40k per month from 25k and is available pan India. Further Super Splendor and Glamour are performing well. HMCL continues to expand Premia stores targeting to cross 100 by FY25-end from 58 stores currently.</p>	<p>Management indicated that the capacity in the 125cc segment will be enhanced to ~40k units per month of XtremeR in the medium term, from the current 25k/month, to tap incremental demand and gain further market share.</p>	<p>The company is a late entrant in the premium segment and could face fierce competition from incumbents in the segment.</p> <p>However, HMCL's strategy of targeting high-end products will help enhance margins.</p>
Commentary on marketing	<p>In Q2FY25 HMCL executed multiple marketing campaigns for the brand as well as new product launches. An advertisement with Virat Kohli for Xtreme 125 and Xtreme 160, Ram Charan for Hero Glamour and a campaign for Super Splendor for its mileage of 69km per litre were the key highlights.</p>	<p>The Super Splendor campaign of 69km per litre has been running across the country and has been accepted well as mileage is the key purchasing factor in the entry-level segment. For Xtreme125cc, dealers have received the Xtreme 125cc well, but only ~38-40% of the networks has so far received the Xtreme 125cc. HD X440 continues to be sold only in select Hero 2.0 stores.</p>	<p>The marketing strategy is yielding results with distinct responses in different categories which augurs well for HMCL. However, additional promotional expenses are moderating the pace of EBITDA margin expansion.</p>
Commentary on new launches	<p>HMCL unveiled three new motorcycles at EICMA 2024 – the Xpulse 210, the Xtreme 250R and the Karizma XMR 250. The company launched Hero Glamour, Mavrick 440 and Hero Xtreme 160R 2V in Q2FY25. HMCL also unveiled the New Hero Destini 125 Scooter.</p>	<p>In the entry segment (100-110cc) the refreshed Passion is well accepted and helping to maintain market share in the Deluxe 100cc category. Additionally, Glamour and Splendor Super will be scaled up. In the 125cc segment, the Xtreme is</p>	<p>Keeping the market excited with a stream of new launches will aid all-round growth at HMCL. This will also keep margins on improved trajectory intact.</p>

Parameter	Q2FY25	Q1FY25	Our view
	In the next 6-12 months HMCL will have a robust range of EV scooters across all ranges and will have three models in the ICE scooters segment by Mar'25.	positioned as a premium product and will further help to gain market share. The premium segment (150cc+) will be adding more models in the medium term. In the scooter segment, ICE Destiny will be fully ramped up and the segment will be filled with new launches to keep up the momentum.	
Electric Vehicle portfolio and PLI scheme	EV volumes scaled up to 5,000 units per month for Q2FY25. EV scaled 11.6k units (Vida) in the festive month and gained 20% market share in five cities and 10% in 10 cities at the end of festive season, and had an overall market share of 5.4%. Growth was facilitated through increase in dealer networks. By FY26, products will be PLI-compliant and benefits will start kicking in.	HMCL expects the EV market to grow and become a ~1mn market going forward. Management indicated HMCL as an entity has been registered under the Production Linked Incentive (PLI) scheme. The current products in the market are not registered under PLI (Vida or otherwise). However, all new launches from H1FY25 will be registered under the PLI scheme and receive benefits from 2HFY25.	Differentiated EV products have resulted in a healthy buyer response in the initial phase. The thrust on EVs is another positive step, though it may keep margins muted. The cost moderation of EV products is comforting as it will moderate the impact on overall EBITDA margins.
Parts Accessories & Merchandise (PAM) segment	Revenue from spares, accessories and merchandise was at ~Rs 14.56bn in Q2FY25 (+7.5% YoY) and management expects revenue from the PAM segment to keep increasing going forward.	Revenue from spares accessories and merchandise segment in Q1FY25 was lower than Q4FY24 largely because of phasing and seasonality impact.	No major changes in the contribution from this segment and going forward it is expected to stay steady but will remain an added cushion.
Other Information	<p>Financing share was ~66% in Q2FY25 (60% in Q1FY25) out of which Hero FinCorp (HFCL) was 26%. HFCL collections experienced a slowdown in Q2FY25. Loan book grew 16% YoY.</p> <p>HMCL entered southeast Asian geography by commencing operations in The Philippines. Columbia delivered a bottom-line turnaround with being cash and EBITDA positive for the first time. Good traction from Mexico as well. Bangladesh, Turkey and Nigeria experienced some geopolitical turmoil. HMCL invested Rs 1.75bn in the EV business in Q2FY25 vs Rs 1.81bn in Q1FY25.</p>	<p>Financing arm: Share of financing in Q1FY25 was at ~60%, no change from the previous quarter.</p> <p>Exports progress remained steady with The Philippines being the new region added in the overseas portfolio. Ramp up in Nigeria and Columbia is expected and is a positive. Capex guidance for FY25 is now at ~Rs 10bn-12bn.</p>	Overseas ventures though steady in offtake will further boost export earnings in the medium term. Entry into new regions only helps derisk geographic concentration.

Source: Company, BOBCAPS Research | EV: Electric vehicles, EICMA: Esposizione Internazionale Ciclo Motociclo e Accessori

**Fig 2 – Quarterly performance (standalone)**

(Rs mn)	Q2FY25	Q2FY24	YoY (%)	Q1FY25	QoQ (%)	Q2FY25E	Deviation (%)
Volume	15,19,684	14,16,526	7.3	15,35,156	(1.0)	15,19,684	0.0
Avg. Realisation per Vehicle	68,851	66,680	3.3	66,076	4.2	67,326	2.3
Net Revenues	1,04,632	94,454	10.8	1,01,437	3.1	1,02,315	2.3
<b>Total Income (A)</b>	<b>1,04,632</b>	<b>94,454</b>	<b>10.8</b>	<b>1,01,437</b>	<b>3.1</b>	<b>1,02,315</b>	<b>2.3</b>
<b>Operating Expenses</b>							
Raw materials consumed	69,795	64,780	7.7	68,672	1.6	71,829	(4.4)
Employee Expenses	6,535	5,768	13.3	6,083	7.4	6,360	(4.4)
Other Expenses	13,143	10,624	23.7	12,085	8.8	12,985	(6.9)
<b>Total Expenditure (B)</b>	<b>89,473</b>	<b>81,171</b>	<b>10.2</b>	<b>86,840</b>	<b>3.0</b>	<b>91,174</b>	<b>(4.8)</b>
<b>EBITDA (A-B)</b>	<b>15,159</b>	<b>13,283</b>	<b>14.1</b>	<b>14,598</b>	<b>3.8</b>	<b>68,511</b>	<b>1.9</b>
Other Income	2,830	2,483	14.0	2,317	22.1	6,139	6.5
Depreciation	1,937	1,749	10.8	1,932	0.3	12,534	4.9
EBIT	16,052	14,017	14.5	14,983	7.1	87,184	2.6
Finance Costs	49	48	3.6	48	2.5	15,131	0.2
PBT before excep items	16,003	13,970	14.6	14,935	7.2	2,241	26.3
Exceptional item	-	-	-	-	-	-	-
PBT after excep item	16,003	13,970	14.6	14,935	7.2	15,358	4.2
Tax expense	3,967	3,431	15.6	3,708	7.0	3,839	3.3
<b>Reported PAT</b>	<b>12,035</b>	<b>10,538</b>	<b>14.2</b>	<b>11,226</b>	<b>7.2</b>	<b>11,518</b>	<b>4.5</b>
<b>Adjusted PAT</b>	<b>12,035</b>	<b>10,538</b>	<b>14.2</b>	<b>11,226</b>	<b>7.2</b>	<b>11,518</b>	<b>4.5</b>
EPS (Rs)	60.3	52.8	14.2	56.2	7.2	57.7	4.5
<b>Key Ratios (%)</b>			<b>(bps)</b>		<b>(bps)</b>		<b>(bps)</b>
Gross Margin	33.3	31.4	188	32.3	99	33.0	26
EBITDA Margin	14.5	14.1	43	14.4	10	14.8	(30)
EBIT Margin	15.3	14.8	50	14.8	57	15.1	28
PBT Margin	15.3	14.8	50	14.7	57	15.0	28
Tax Rate	24.8	24.6	23	24.8	(4)	25.0	(21)
Adj PAT Margin	11.5	11.2	35	11.1	44	11.3	24

Source: Company, BOBCAPS Research

## Valuation methodology

Factoring in the healthy product mix, signs of rural recovery and premium segment focus, we pencil in a three-year Revenue/EBITDA/PAT CAGR of 17%/17%/15%. We maintain our FY25E/FY26E/FY27E earnings but will keenly monitor the sustainability of volume gains post festivities. We will accordingly revisit our earnings estimates if need be.

The premium segment performance is encouraging and so is the revival in the base segment in H1FY25. However, the EV segment may drag margins in the medium term. With strong product portfolios across segments, we feel growth will not be a challenge for HMCL though margins may stay range bound at ~14-16%.

We continue to assign 18x target P/E to the core operations, in line with the 10-year average 1-year forward earnings, and raise the SOTP-based TP to Rs 5,262 (from Rs 5,245), which includes Rs 130/sh as the value of other businesses. We believe though current valuations bake in the positives, upward earnings revisions may leave space for upside. We retain our HOLD rating

**Fig 3 – Key assumptions**

	FY24	FY25E	FY26E	FY27E
Volumes (units)	56,21,457	66,38,510	74,24,965	81,61,869
Realisation (Rs/unit)	66,630	69,628	71,717	73,510
EBITDA (Rs mn)	52,557	63,835	73,811	83,208
EBITDA margin (%)	14.0	13.8	13.9	13.9
Adj PAT (Rs mn)	38,079	47,126	53,856	60,012

Source: Company, BOBCAPS Research

**Fig 4 – Valuation summary**

Business	1-year forward EPS (Rs)	Target P/E (x)	Value (Rs)
Standalone Business	285	18	5,132
Other Business	-	-	130
<b>Total</b>	-	-	<b>5,262</b>

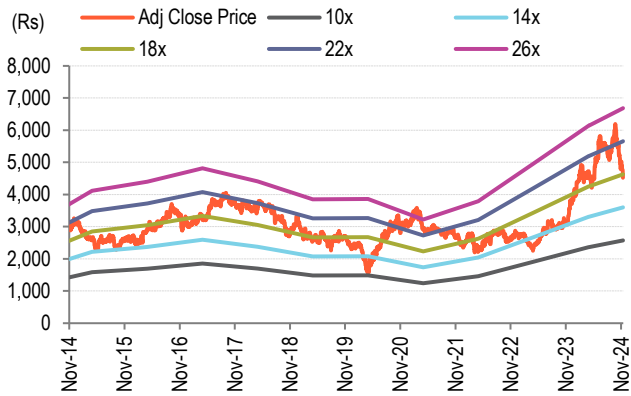
Source: BOBCAPS Research

**Fig 5 – Peer comparison**

Company	Ticker	Rating	Target Price (Rs)	EPS (Rs)		ROE (%)	
				FY26E	FY27E	FY26E	FY27E
Hero MotoCorp	HMCL IN	HOLD	5,262	269.7	300.5	25.1	24.7
TVS Motor Company	TVSL IN	HOLD	2,441	74.1	84.2	29.7	26.2
Bajaj Auto	BJAUT IN	HOLD	11,088	389.5	449.2	28.6	28.0

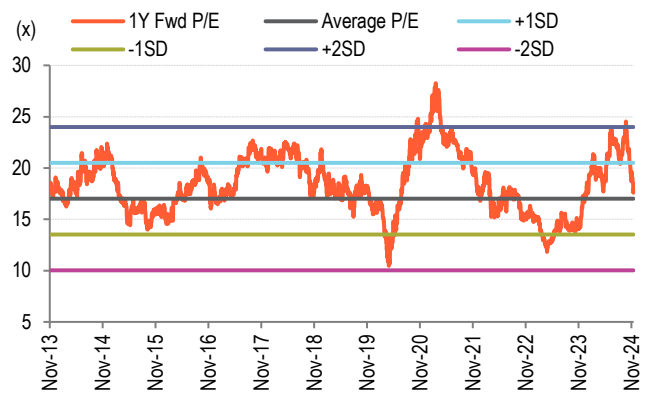
Source: BOBCAPS Research

**Fig 6 – P/E band: We value HMCL at 18x 1-year forward EPS**



Source: Company, Bloomberg, BOBCAPS Research

**Fig 7 – P/E 1Y fwd: Valuations trending back to the mean, leaves headroom for upside**



Source: Company, Bloomberg, BOBCAPS Research

### Key risks

Key upside/downside risks to our estimates are:

- Reversal in the raw material cost inflation and slower-than-expected demand revival, especially in the rural segment, represent key downside risks.
- A stronger-than-expected response to HMCL’s high-end products in the 150cc+ segment would be a key upside risk to our estimates.

## Financials

### Income Statement

Y/E 31 Mar (Rs mn)	FY23A	FY24A	FY25E	FY26E	FY27E
<b>Total revenue</b>	<b>3,38,057</b>	<b>3,74,557</b>	<b>4,62,228</b>	<b>5,32,497</b>	<b>5,99,979</b>
EBITDA	39,862	52,557	63,835	73,811	83,208
Depreciation	6,570	7,114	7,894	8,458	8,943
EBIT	38,944	54,368	63,285	72,420	81,489
Net interest inc./(exp.)	(199)	(185)	(659)	(851)	(936)
Other inc./(exp.)	5,652	8,926	7,344	7,068	7,225
Exceptional items	0	1,600	0	0	0
EBT	38,746	52,583	62,626	71,569	80,553
Income taxes	9,640	12,904	15,500	17,713	20,541
Extraordinary items	0	0	0	0	0
Min. int./Inc. from assoc.	0	0	0	0	0
<b>Reported net profit</b>	<b>29,106</b>	<b>39,679</b>	<b>47,126</b>	<b>53,856</b>	<b>60,012</b>
Adjustments	0	(1,600)	0	0	0
<b>Adjusted net profit</b>	<b>29,106</b>	<b>38,079</b>	<b>47,126</b>	<b>53,856</b>	<b>60,012</b>

### Balance Sheet

Y/E 31 Mar (Rs mn)	FY23A	FY24A	FY25E	FY26E	FY27E
Accounts payables	49,638	58,529	70,969	78,130	87,996
Other current liabilities	8,151	8,269	8,682	9,116	9,572
Provisions	3,738	4,708	4,943	5,191	5,450
Debt funds	0	0	0	0	0
Other liabilities	0	0	0	0	0
Equity capital	400	400	400	400	400
Reserves & surplus	1,66,651	1,79,462	2,01,314	2,27,214	2,57,273
Shareholders' fund	1,67,051	1,79,861	2,01,714	2,27,614	2,57,673
<b>Total liab. and equities</b>	<b>2,28,578</b>	<b>2,51,367</b>	<b>2,86,308</b>	<b>3,20,050</b>	<b>3,60,691</b>
Cash and cash eq.	3,455	6,089	3,994	6,918	6,203
Accounts receivables	27,982	27,034	36,978	43,665	49,198
Inventories	14,341	14,438	18,489	21,832	24,599
Other current assets	14,498	14,148	14,855	15,598	16,378
Investments	1,10,104	1,30,861	1,48,912	1,65,204	1,96,040
Net fixed assets	57,614	58,340	60,246	61,688	62,645
CWIP	4,638	4,805	7,000	9,000	9,000
Intangible assets	0	0	0	0	0
Deferred tax assets, net	(4,054)	(4,348)	(4,166)	(3,855)	(3,372)
Other assets	0	0	0	0	0
<b>Total assets</b>	<b>2,28,578</b>	<b>2,51,367</b>	<b>2,86,308</b>	<b>3,20,050</b>	<b>3,60,691</b>

### Cash Flows

Y/E 31 Mar (Rs mn)	FY23A	FY24A	FY25E	FY26E	FY27E
<b>Cash flow from operations</b>	<b>25,189</b>	<b>48,638</b>	<b>45,403</b>	<b>51,465</b>	<b>62,296</b>
Capital expenditures	(6,175)	(8,007)	(11,995)	(11,900)	(9,900)
Change in investments	(3,580)	(20,757)	(18,051)	(16,293)	(30,836)
Other investing cash flows	5,652	8,926	7,344	7,068	7,225
<b>Cash flow from investing</b>	<b>(4,104)</b>	<b>(19,839)</b>	<b>(22,701)</b>	<b>(21,125)</b>	<b>(33,511)</b>
Equities issued/Others	71	241	(241)	0	0
Debt raised/repaid	0	0	0	0	0
Interest expenses	(199)	(185)	(659)	(851)	(936)
Dividends paid	(19,983)	(27,956)	(23,963)	(27,956)	(29,953)
Other financing cash flows	221	295	(182)	(311)	(482)
<b>Cash flow from financing</b>	<b>(19,890)</b>	<b>(27,605)</b>	<b>(25,045)</b>	<b>(29,118)</b>	<b>(31,372)</b>
<b>Chg in cash &amp; cash eq.</b>	<b>1,195</b>	<b>1,194</b>	<b>(2,343)</b>	<b>1,222</b>	<b>(2,587)</b>
<b>Closing cash &amp; cash eq.</b>	<b>3,455</b>	<b>6,089</b>	<b>3,994</b>	<b>6,918</b>	<b>6,203</b>

### Per Share

Y/E 31 Mar (Rs)	FY23A	FY24A	FY25E	FY26E	FY27E
Reported EPS	145.8	190.7	236.0	269.7	300.5
Adjusted EPS	145.8	190.7	236.0	269.7	300.5
Dividend per share	100.1	140.0	120.0	140.0	150.0
Book value per share	836.6	900.7	1,010.1	1,139.8	1,290.4

### Valuations Ratios

Y/E 31 Mar (x)	FY23A	FY24A	FY25E	FY26E	FY27E
EV/Sales	2.7	2.4	2.0	1.7	1.5
EV/EBITDA	23.0	17.4	14.3	12.4	11.0
Adjusted P/E	31.6	24.1	19.5	17.1	15.3
P/BV	5.5	5.1	4.6	4.0	3.6

### DuPont Analysis

Y/E 31 Mar (%)	FY23A	FY24A	FY25E	FY26E	FY27E
Tax burden (Net profit/PBT)	75.1	72.4	75.3	75.3	74.5
Interest burden (PBT/EBIT)	99.5	96.7	99.0	98.8	98.9
EBIT margin (EBIT/Revenue)	11.5	14.5	13.7	13.6	13.6
Asset turnover (Rev./Avg TA)	208.1	215.9	242.3	248.1	247.3
Leverage (Avg TA/Avg Equity)	1.0	1.0	1.0	1.0	1.0
<b>Adjusted ROAE</b>	<b>17.9</b>	<b>22.0</b>	<b>24.7</b>	<b>25.1</b>	<b>24.7</b>

### Ratio Analysis

Y/E 31 Mar	FY23A	FY24A	FY25E	FY26E	FY27E
<b>YoY growth (%)</b>					
Revenue	15.6	10.8	23.4	15.2	12.7
EBITDA	18.3	31.8	21.5	15.6	12.7
Adjusted EPS	17.7	30.8	23.8	14.3	11.4
<b>Profitability &amp; Return ratios (%)</b>					
EBITDA margin	11.8	14.0	13.8	13.9	13.9
EBIT margin	11.5	14.5	13.7	13.6	13.6
Adjusted profit margin	8.6	10.2	10.2	10.1	10.0
Adjusted ROAE	17.4	21.2	23.4	23.7	23.3
ROCE	18.0	23.7	25.0	25.4	25.0
<b>Working capital days (days)</b>					
Receivables	28	27	25	28	28
Inventory	14	14	13	14	14
Payables	72	78	73	73	72
<b>Ratios (x)</b>					
Gross asset turnover	0.4	0.4	0.4	0.3	0.3
Current ratio	1.0	0.9	0.9	1.0	0.9
Net interest coverage ratio	(196.0)	(293.9)	(96.0)	(85.1)	(87.1)
<b>Adjusted debt/equity</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

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

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

**BUY** – Expected return >+15%

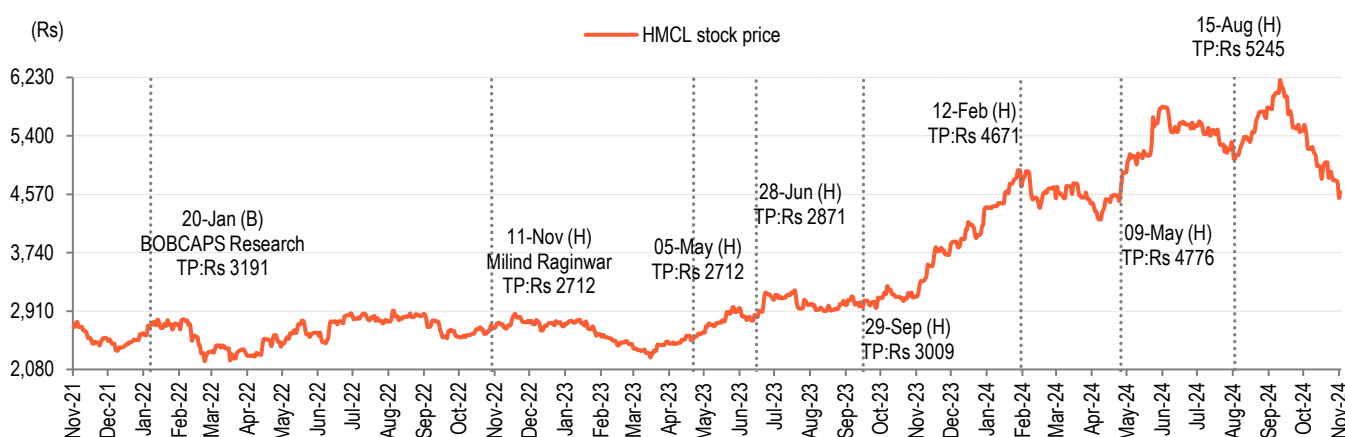
**HOLD** – Expected return from -6% to +15%

**SELL** – Expected return <-6%

**Note:** Recommendation structure changed with effect from 21 June 2021

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

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