

BUY**TP: Rs 4,319 | ▲ 15%****MAHINDRA & MAHINDRA** | Automobiles

21 November 2025

Strong launch set; ready for next leap; maintain BUY

- **Core SUV-led play with multi-powertrain options; BEVs gaining strong traction with ~80% of buyers new to MM, reinforcing premiumisation**
- **Tractor CAGR upgraded to 9% growth, LCV replacement demand revival on card; LMM scale on EV penetration; exports focus area**
- **Revise our FY26/FY27 EPS estimates by 1%/2% and value MM at 25x (vs 24x) to arrive at SOTP TP of Rs4,319 (Rs4,117)**

Milind Raginwar
Research Analyst
 research@bobcaps.in

Core Auto segment to drive core growth: Automotive segment remains key to achieving the 8x decadal growth (FY20-FY30), driven by strong launch pipeline in the ICE/BEV/LCV segments till FY30 (including mid-cycle enhancement) depending on CAFÉ norms. The BE-7 was showcased (2 EV launched recently). All new launches (including ICE and EVs) will be on NU_iq multi-energy platform from FY27. Consumers are upgrading to higher variants within the same budget post GST reduction. Micro-SUVs were ruled out explicitly alongside mainstream fleet sales and conventional MPVs, to ensure brand premiumisation and pricing power.

FES growth revised to 9% from 7% earlier: Tractor demand forecast was revised from CAGR 7% to 9% till FY30. This revision is driven by a) horticulture/cash crops accounting for ~60% of sowing b) sharp gains in farm incomes (from ~95k/acre to 100k/acre), and the tractor price-to-labour cost ratio improving ~7% post-GST. MM indicated demand trend shifting towards higher horsepower segment (40-50HP now ~65% vs 49% in FY20) and 4WD (7-8% to 17-18%) with technology advancements.

LCVs key beneficiary of rate rationalisation: The 10% GST rate cut benefitted the Light Commercial Vehicles (LCV) segment, helping offset ~25–30% cost inflation over the past five years from BS VI transitions and commodity spikes. This will help restore operator economics and trigger replacement demand. MM is well placed for long-term benefits with ~50% share in < 1tn pick-ups, ~60% in CNG 2–3.5tn, superior resale value (~10% above competitors) and best-in-class TCO.

LMM yet another growth driver: Last Mile Mobility (LMM) business, with ~300k E-3W on road and electrification at ~50%, will be the key growth gem. Replacement cycle, expected at 5–6 years, underscores recurring demand ahead. LMM is expanding global footprints, with markets where ARAI certification is recognised (neighbouring countries), and later to Southeast Asia.

Valuations and Estimates revised: We revise our FY26/FY27 EPS estimates by 1%/2% and value MM at 25x (vs 24x) to arrive at a SOTP TP of Rs4,319 (Rs4,117) and Maintain our BUY rating. (Details in the valuation methodology page 7).

Key changes

Target	Rating
▲	◀ ▶

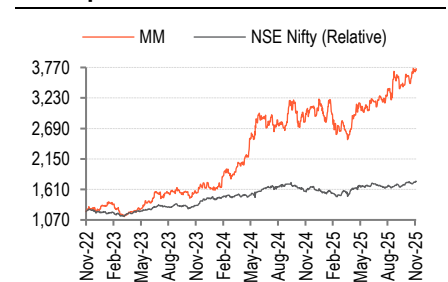
Ticker/Price	MM IN/Rs 3,750
Market cap	US\$ 52.9bn
Free float	81%
3M ADV	US\$ 99.1mn
52wk high/low	Rs 3,781/Rs 2,425
Promoter/FPI/DII	19%/37%/29%

Source: NSE | Price as of 21 Nov 2025

Key financials

Y/E 31 Mar	FY25A	FY26E	FY27E
Total revenue (Rs mn)	11,64,837	13,19,546	15,22,472
EBITDA (Rs mn)	1,62,745	1,96,267	2,29,700
Adj. net profit (Rs mn)	1,18,548	1,51,499	1,76,772
Adj. EPS (Rs)	98.9	126.4	147.5
Consensus EPS (Rs)	98.9	122.4	145.0
Adj. ROAE (%)	20.8	22.3	21.6
Adj. P/E (x)	37.9	29.7	25.4
EV/EBITDA (x)	29.5	24.2	20.6
Adj. EPS growth (%)	10.6	27.8	16.7

Source: Company, Bloomberg, BOBCAPS Research

Stock performance

Source: NSE



Key takeaways from Investor-day interactions

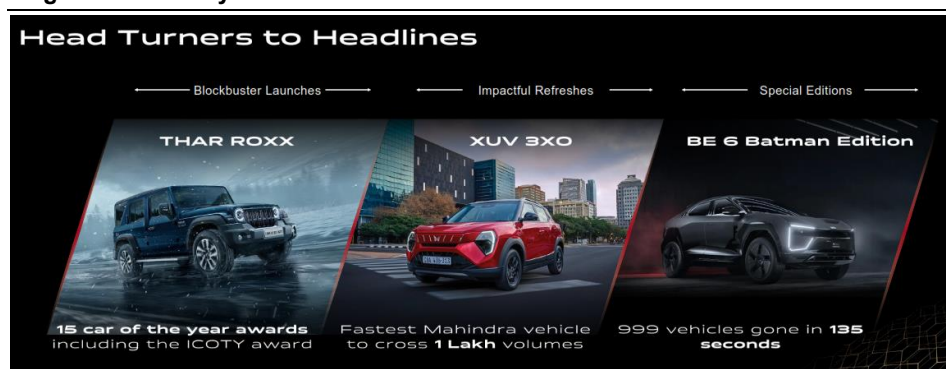
PV segment & GST Impact

- SUVs grew 19% YoY vs small cars at 13% in October 2025, the first full month reflecting the GST cut.
- Diesel demand had a strong rebound due to GST reduction impact; benefiting MM's diesel portfolio on offer and added to our surprise, this could be largely from the fleet owners and also could be short-lived.
- Consumers did not lower budgets post-GST rate cut and instead upgraded to higher variants, which is an indication towards more confidence in sustainable affordability.
- Core SUV opportunity still materially larger than current penetration (~30% of India PV market) indicating long-run headroom as India transitions from car-derived crossovers to true body-on-frame/monocoque SUVs.

SUV Competition

- Intense competition is expected as most of the industry is dominated by SUVs with competition, too, tapping into the segment.
- MM's focus will be on core SUVs, with no plans to enter crossovers or MPVs or micro-SUVs.

Fig 1 – Recent key SUV launches



Source: Company

SUV Exports

- Current run-rate: 3.5-4k units/months, but no fresh guidance for FY27/FY28.
- Major chunk of demand is driven by XUV 700 and Scorpio with XUV 3XO being favoured in some markets.
- UK (2nd largest SUV market in RHD) will be targeted as the next major market, following South Africa. and Australia, and is being evaluated for unit economics.
- EU not included in the current plan core markets that include South Asia, South Africa and Australia.

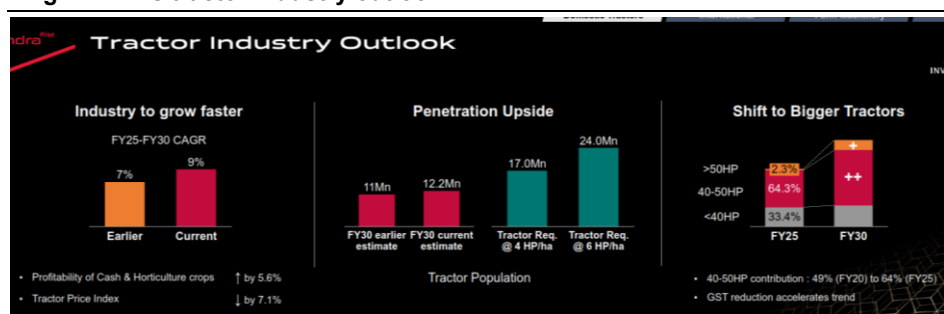
Overall Exports Roadmap

- Export entry begins with markets that accept ARAI certification, keeping costs and certification timelines low.
- Southeast Asia is the next major region being evaluated for scale expansion.

Tractor Industry Upgrade

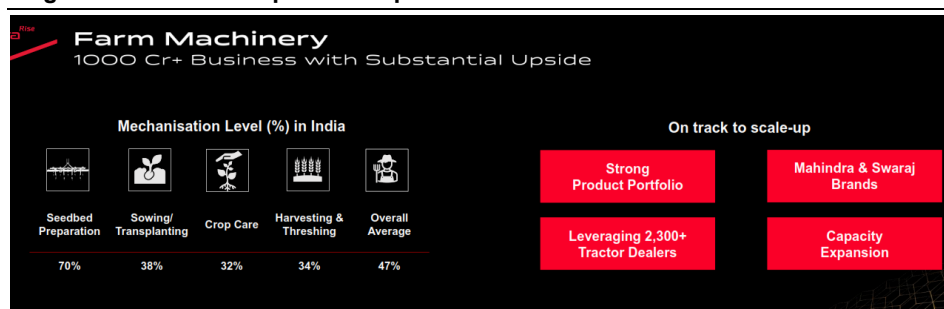
- Mid-term industry CAGR estimate has been raised from 7% to 9%, driven by:
 - Shift to cash crops & horticulture (now 60% of sowing).
 - Stronger income trends (cash crops +12%, horticulture +14%).
 - Tractor price-to-labour cost index improved ~7% post-GST.

Fig 2 – MM's tractor industry outlook



Source: Company

Fig 3 – Business with potential upscale



Source: Company

Tractor Trends

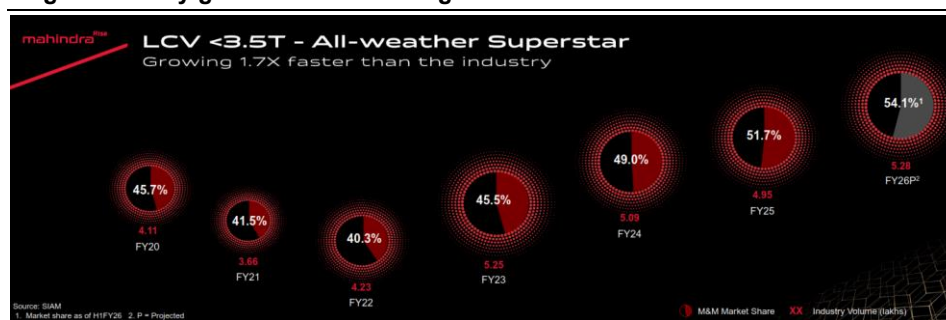
- Shift to bigger capacity tractor (40-50HP) has become more evident post GST reduction; 40-50HP segment has grown to ~65% vs 49% in FY20.
- Multi-usage of tractors even by small and marginal farmers implies growth in the high HP segment besides farmers owning large farm lands.
- 4WD share increased from 7-8% to ~17-18%.
- Even entry-level tractors increasingly demand modern features.

- 1.4 lakh telematics tractors; 56k paid activations aiding farmers with enhanced information to enhance the earning in farm income and helping in tractor rental business.
- Farm machinery business is currently at Rs10bn with a potential to increase meaningfully.

LCV Category Outlook

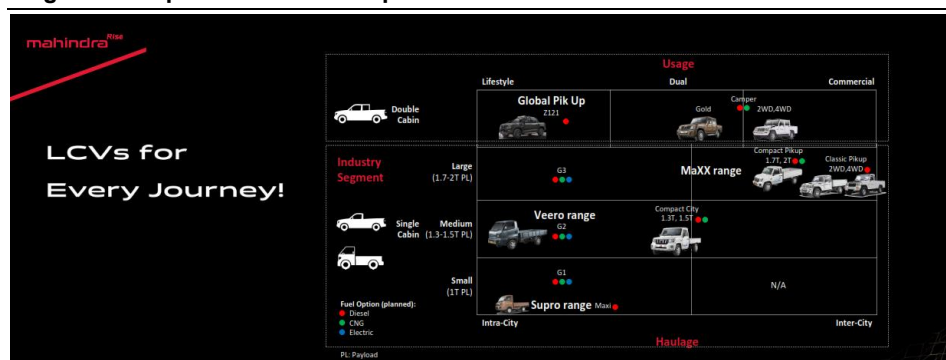
- LCV is expected to be the biggest structural beneficiary of GST cut.
- GST roll-back partially offsets 25–30% price inflation of the past few years from commodity inflation and BS VI transition and other mandatory regulations.
- Replacement cycle impetus has been triggered by cost rationalisation and is expected to continue.

Fig 4 – Healthy growth of the LCV segment demonstrated



Source: Company

Fig 5 – LCV portfolio in the snapshot



Source: Company

EV Strategy

- EV penetration target remains to around 20–30% by FY27, however key would be the growth post withdrawal of PLI incentives.
- 80% of BEV customers are new to MM, underscoring low cannibalisation of products.
- EV margins will be dependent on scale, localisation, battery pack evolution to offset the impact of PLI over time.

Capacity Plans

- NU_IQ brownfield expansion plan is underway at the Chakan plant
- SUV Greenfield facility planned for CY28, details yet to be disclosed
- LMM plant at Telangana to enhance capacity by 2x.

Fig 6 – SUV's future platform



Source: Company

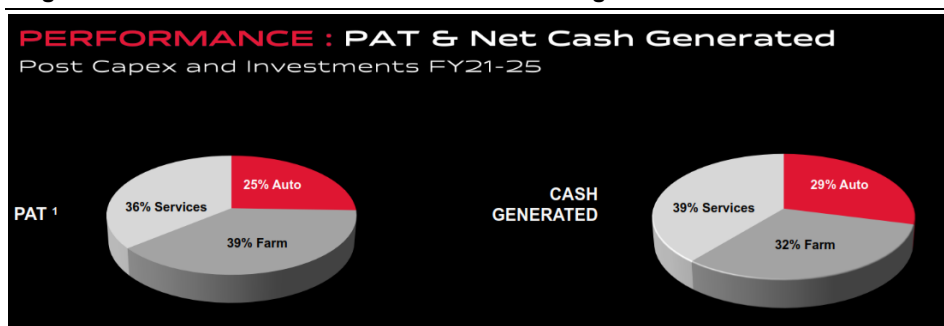
Strategic Boundaries

- No entry into the micro-SUVs segment.
- No plans to enter mainstream fleet PVs; except few XUV400 no models have been sold to fleet operators
- No conventional MPVs plan on board unless the company can find ways to design it like SUV.

Group Structure

- No demerger on board for at least five years
- Synergies strong, momentum high; value creation better via execution
- Services businesses contribute ~39% of consolidated cash generation

Fig 7 – Balance sheet health continues to be strong



Source: Company

LMM Market Dynamics

- Replacement cycle for E-3Ws is typically 5–6 years, but most vehicles are still in the early stages of lifecycle, effectively replacement demand has not started yet.
- To cater to the increasing demand MM has planned a new plant at Telangana that will enhance the production capacity by 2x.
- Domestic industry demand will be driven by infra dev, policy framework, E-commerce business, EV penetration and availability of vehicle finance.

General Comments: GST Cut Impact

- In cities with high EV penetration, no meaningful shift back towards ICE has been observed despite ICE GST reductions.
- Total cost of ownership for EVs remains structurally superior, aided by the ease of usage and TAT.

Customer Behaviour & Upgrade Trends

- As of now, majority of EV 3W sales are upgrade-purchases and not replacements.
- Current fleet is still under warranty. Spares consumption yet to fully ramp up and is expected to be a margin driver in later years.

Category Coverage

- MM plays across four LMM categories:
L3 e-rickshaws, L5 passenger, L5 cargo, and small 4W cargo EVs.
- Management sees electrification feasible across all segments, not limited to passenger carriers.

EV Ecosystem Scale

- ~300k EV vehicles on road; MM remains one of India's largest EV OEMs by volume and fleet kilometres.
- Strong demand for higher-range and higher-capacity variants driven by rising utilisation patterns.

Valuation Methodology

We revise our EPS estimates for FY27e/FY28e by 1%/2%, factoring in the healthy outlook from Automotive and FES segments. Our 3Y PAT/EBITDA/PAT CAGR of 14%/17%/19%. We expect FES's revival to be stronger, and automotive segment to maintain a strong momentum, owing to MM's focus on premiumisation and EVs across segments, driving volumes and market share.

Despite strong capex for automotive and FES, we believe MM's capital allocation policy continues to imply less debt stress that will result in balance sheet health and keep return ratios moving at a good pace.

This is reflected in the recent SML ISUZU acquisition. The current (FY25), MM Truck & Bus at 3% market share in >3.5T Commercial Vehicle (CV). Post-acquisition, combined market share with SML at 6%, is estimated to take MM at the No.4 OEM in >3.5T CV. Target market share is 10-12% by FY31 and over 20% market share by FY36. Additionally, M&HCV segment is aimed at growing market share to 5%. For buses, SML's 16% market share in Light CV (LCV)/ Integrated CV (ICV) buses, combined with M&M will reach 21% (strong presence in ILCV).

Besides, MM management indicated strong support to the LMM segment catering to <3.0tn category and consolidating its presence in the segment. This includes cargo and passenger segment and ICE and EV power trains.

Additionally, organic capacity expansion plans are the right measures to address market preferences, especially in the automotive segment; and will help MM to maintain leadership in the SUV segment.

Given the strong focus on core business segments and healthy contribution from the growth gems likely to continue, we now value MM's core business at 25x 1-year P/E, ~ 15% premium to its long-term average (22x), resulting in revised SOTP-based TP of Rs 4,319 (earlier Rs4,117). This includes a subsidiary value of Rs364. Maintain BUY (+15%).

Fig 8 – Revised estimates

(Rs mn)	New			Old			Change (%)		
	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E
Revenue	13,19,546	15,22,472	17,39,444	13,19,546	15,18,964	17,28,442	(0.0)	0.2	0.6
EBITDA	1,96,267	2,29,700	2,61,526	1,96,267	2,27,431	2,55,770	(0.0)	1.0	2.3
Adj PAT	1,51,499	1,76,772	1,98,597	1,51,499	1,74,979	1,94,049	(0.0)	1.0	2.3
Adj EPS (Rs)	126.4	147.5	165.8	126.4	146.0	162.0	(0.0)	1.1	2.3

Source: BOBCAPS Research

Fig 9 – Key assumptions

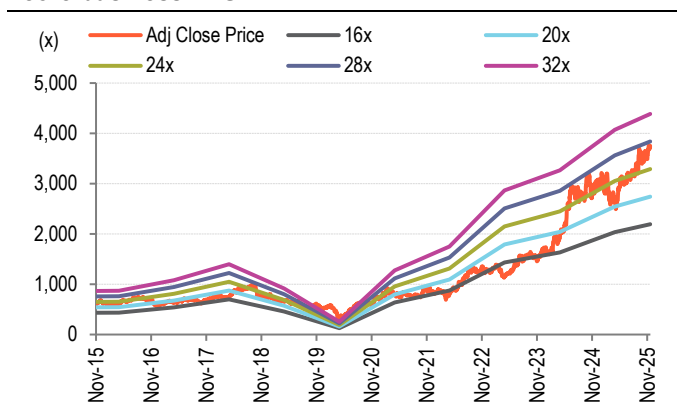
Parameter	FY26E	FY27E	FY28E
Volume (units)	15,56,659	17,54,582	19,58,546
Revenue (Rs mn)	13,19,546	15,22,472	17,39,444
EBITDA (Rs mn)	1,96,267	2,29,700	2,61,526
EBITDA margin (%)	14.9	15.1	15.0
Adj. PAT (Rs mn)	1,51,499	1,76,772	1,98,597
EPS (Rs)	126.4	147.5	165.8

Source: Company, BOBCAPS Research

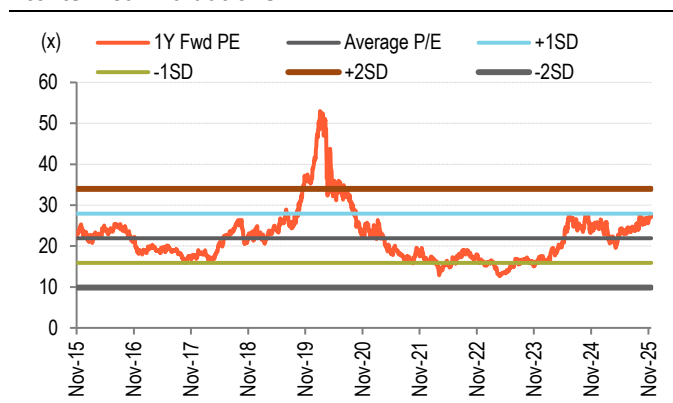
Fig 10 – Valuation summary

Business	Value (Rs/sh)	Valuation basis
Core Business	3,955	25x Sep-2027 EPS
Subsidiaries	364	30% holding company discount
Total	4,319	-

Source: BOBCAPS Research

Fig 11 – P/E band: We continue to value MM at 25x 1YF core business EPS


Source: Company, Bloomberg, BOBCAPS Research

Fig 12 – P/E 1YF MM will continue to trade at a premium to its mean valuations


Source: Company, Bloomberg, BOBCAPS Research

Key risks

- Commodity inflation in the high-end segment continuing longer than expected.
- Accelerated launches by competitors in the high-end automotive segment.
- Slower-than-expected recovery in the farm equipment segment.

Financials

Income Statement

Y/E 31 Mar (Rs mn)	FY24A	FY25A	FY26E	FY27E	FY28E
Total revenue	9,87,634	11,64,837	13,19,546	15,22,472	17,39,444
EBITDA	1,26,662	1,62,745	1,96,267	2,29,700	2,61,526
Depreciation	34,389	42,268	42,319	46,994	51,244
EBIT	1,36,217	1,59,005	1,93,714	2,26,336	2,54,348
Net interest inc./(exp.)	(1,388)	(2,505)	(2,549)	(2,574)	(2,960)
Other inc./(exp.)	43,944	38,527	39,767	43,630	44,066
Exceptional items	0	0	0	0	0
EBT	1,34,830	1,56,500	1,91,166	2,23,762	2,51,388
Income taxes	27,652	37,952	39,667	46,990	52,792
Extraordinary items	0	0	0	0	0
Min. int./Inc. from assoc.	0	0	0	0	0
Reported net profit	1,07,178	1,18,548	1,51,499	1,76,772	1,98,597
Adjustments	0	0	0	0	0
Adjusted net profit	1,07,178	1,18,548	1,51,499	1,76,772	1,98,597

Balance Sheet

Y/E 31 Mar (Rs mn)	FY24A	FY25A	FY26E	FY27E	FY28E
Accounts payables	1,99,990	2,37,166	2,73,964	3,15,883	3,65,105
Other current liabilities	60,729	87,343	49,653	64,110	72,495
Provisions	18,714	22,689	2,176	2,394	2,633
Debt funds	20,365	16,818	14,583	11,199	10,445
Other liabilities	0	0	0	0	0
Equity capital	5,996	6,004	5,996	5,996	5,996
Reserves & surplus	5,16,770	6,09,846	7,35,452	8,87,064	10,60,501
Shareholders' fund	5,22,766	6,15,850	7,41,448	8,93,060	10,66,497
Total liab. and equities	8,22,563	9,79,866	10,81,824	12,86,646	15,17,175
Cash and cash eq.	55,259	1,14,345	41,957	79,194	1,08,087
Accounts receivables	45,495	57,256	65,977	76,124	86,972
Inventories	95,048	1,03,333	1,38,552	1,56,053	1,82,642
Other current assets	1,29,520	1,37,760	2,11,127	2,58,820	3,30,494
Investments	2,99,954	3,54,680	3,95,098	4,87,786	5,80,555
Net fixed assets	1,94,378	1,92,111	2,09,791	2,12,797	2,11,553
CWIP	18,460	37,010	35,950	32,500	33,500
Intangible assets	0	0	0	0	0
Deferred tax assets, net	(15,551)	(16,629)	(16,629)	(16,629)	(16,629)
Other assets	0	0	0	0	0
Total assets	8,22,563	9,79,866	10,81,824	12,86,646	15,17,175

Cash Flows

Y/E 31 Mar (Rs mn)	FY24A	FY25A	FY26E	FY27E	FY28E
Cash flow from operations	90,834	1,59,264	12,789	1,58,815	1,51,550
Capital expenditures	(49,619)	(58,550)	(58,940)	(46,550)	(51,000)
Change in investments	(29,083)	(54,726)	(40,418)	(92,688)	(92,769)
Other investing cash flows	43,944	38,527	39,767	43,630	44,066
Cash flow from investing	(34,758)	(74,749)	(59,591)	(95,608)	(99,703)
Equities issued/Others	800	(787)	(8)	0	0
Debt raised/repaid	(29,891)	(3,547)	(2,235)	(3,384)	(754)
Interest expenses	(1,388)	(2,505)	(2,549)	(2,574)	(2,960)
Dividends paid	(25,160)	(25,160)	(25,160)	(25,160)	(25,160)
Other financing cash flows	7,229	1,560	(733)	0	0
Cash flow from financing	(48,410)	(30,438)	(30,684)	(31,118)	(28,874)
Chg in cash & cash eq.	7,666	54,077	(77,486)	32,090	22,973
Closing cash & cash eq.	55,259	1,14,345	41,957	79,194	1,08,087

Per Share

Y/E 31 Mar (Rs)	FY24A	FY25A	FY26E	FY27E	FY28E
Reported EPS	89.5	98.9	126.4	147.5	165.8
Adjusted EPS	89.5	98.9	126.4	147.5	165.8
Dividend per share	21.0	21.0	21.0	21.0	21.0
Book value per share	436.3	514.0	618.9	745.4	890.2

Valuations Ratios

Y/E 31 Mar (x)	FY24A	FY25A	FY26E	FY27E	FY28E
EV/Sales	4.8	4.1	3.6	3.1	2.8
EV/EBITDA	37.5	29.5	24.2	20.6	18.4
Adjusted P/E	41.9	37.9	29.7	25.4	22.6
P/BV	8.6	7.3	6.1	5.0	4.2

DuPont Analysis

Y/E 31 Mar (%)	FY24A	FY25A	FY26E	FY27E	FY28E
Tax burden (Net profit/PBT)	79.5	75.7	79.3	79.0	79.0
Interest burden (PBT/EBIT)	99.0	98.4	98.7	98.9	98.8
EBIT margin (EBIT/Revenue)	13.8	13.7	14.7	14.9	14.6
Asset turnover (Rev./Avg TA)	192.3	198.1	190.0	183.4	175.6
Leverage (Avg TA/Avg Equity)	1.1	1.0	1.0	1.0	1.0
Adjusted ROAE	22.4	20.8	22.3	21.6	20.3

Ratio Analysis

Y/E 31 Mar	FY24A	FY25A	FY26E	FY27E	FY28E
YoY growth (%)					
Revenue	16.2	17.9	13.3	15.4	14.3
EBITDA	21.3	28.5	20.6	17.0	13.9
Adjusted EPS	63.7	10.6	27.8	16.7	12.3

Profitability & Return ratios (%)

EBITDA margin	12.8	14.0	14.9	15.1	15.0
EBIT margin	13.8	13.7	14.7	14.9	14.6
Adjusted profit margin	10.9	10.2	11.5	11.6	11.4
Adjusted ROAE	22.4	20.8	22.3	21.6	20.3
ROCE	21.0	20.4	22.0	21.5	20.2

Working capital days (days)

Receivables	16	16	17	17	17
Inventory	34	31	33	35	36
Payables	94	92	95	95	96

Ratios (x)

Gross asset turnover	0.4	0.4	0.4	0.4	0.4
Current ratio	1.2	1.2	1.4	1.5	1.6
Net interest coverage ratio	(98.2)	(63.5)	(76.0)	(87.9)	(85.9)
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%

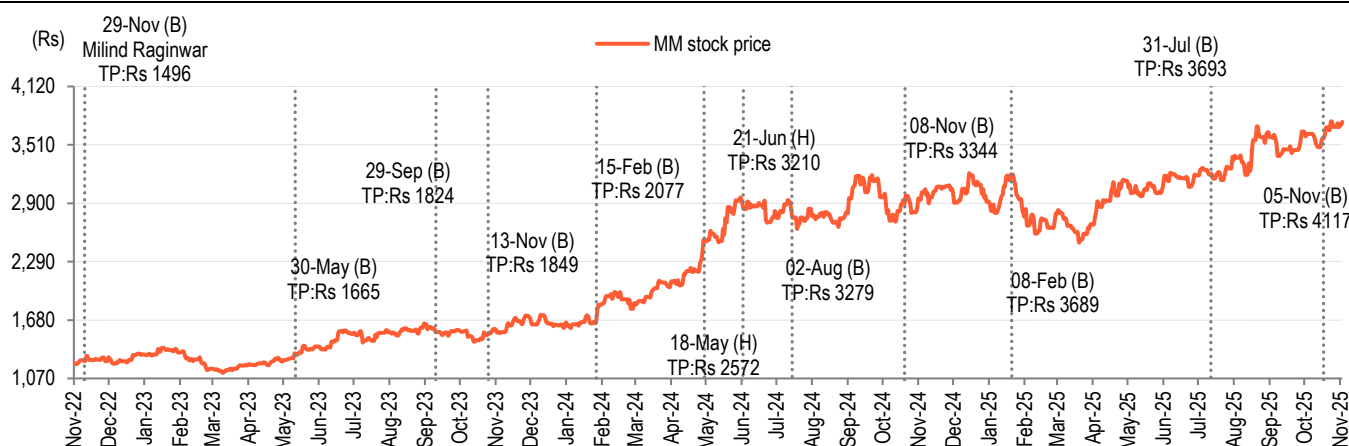
HOLD – Expected return from -6% to +15%

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): MAHINDRA & MAHINDRA (MM 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.