BOBCAPS
TRUST | INNOVATION | EXCELLENCE

BUY
TP: Rs 900 | ⮝ 16%

ANTHEM BIOSCIENCES | Pharmaceuticals | 22 July 2026

In-line quarter; Gross Margin maintained at its highs

- **Sales/EBITDA/PAT were -0.5%/-3.1%/5.9% above our estimates, while EBITDA Margin was 100 bps below our estimates at 36%**
- **FY27 20% sales guidance retained despite a soft 1QFY27. Shipments to improve from 2QFY27. H2FY27 to be better than H1FY27**
- **We ascribe 57x (earlier 56x) and roll forward to Jun'28 EPS to arrive at a similar PT of Rs 900, and maintain BUY**

Foram Parekh
Research Analyst
research@bobcaps.in

In-line quarter - Sales reported a 22.6% YoY decline to Rs 4.182 bn, primarily due to a 25% YoY decline in CRDMO sales to Rs 3.4 bn and an 12% YoY decline in specialty sales to Rs 774 mn. The decline in CRDMO sales was due to a delay in shipments. Gross Profit declined by 12% YoY to Rs 2.72 bn, mainly due to a lower product mix. However, Gross Margin improved by 778 bps YoY, mainly due to an increase in CRDMO Gross Margin, which rose 964 bps YoY to 68%. EBITDA reported a 21% YoY decline to Rs 1.5 bn due to lower Gross Profit and 9% YoY increase in employee cost. However, EBITDA Margin reported a 56bps YoY increase to 36%. During the quarter, depreciation cost grew by 13% YoY, interest cost declined by 45% YoY, and taxes declined by 51% YoY, leading to an 11% YoY decline in PAT to Rs 1.199 bn.

CRDMO sales declined due to deferred shipments; expect recovery in H2FY27 – In 1QFY27, CRDMO sales declined by 25% YoY to Rs 3.4 bn. The decline is due to deferred shipments owing to a timing shift with customers. However, the company's plants are utilized at optimal capacity, where Unit 1 is utilized at 78% (74% in FY26), Unit 2 Custom Synthesis capacity is utilized at 50% (65% last year) due to the addition of 135 KL capacity in CS, and fermentation is utilized at 50%, while Unit 3 is picking up with ~35% capacity utilization from 15% last year, mainly due to new orders. The company has 60% shipment visibility for FY27's whole business orderbook, and hence expects all units to operate at optimum capacity.

Specialty Ingredient business impacted due to supply chain issues - In 1QFY27, the Specialty Ingredients segment declined by 12% YoY to Rs 774 mn. The segment caters to day-to-day/month-to-month business, mostly in the domestic market (B2B). This segment was impacted due to a supply chain issue arising from the Middle East war. However, going forward, the company expects decent growth in this segment in FY27 over FY26.

Valuation - At CMP, on a roll forward basis, the stock trades at 49x Jun'28 EPS. We ascribe 57x (earlier 56x) little below the 1year forward mean PE of 58x to arrive at a similar PT of Rs 900 implying a 15% upside; thus, maintain BUY on the stock.

Key changes

Target	Rating
◀ ▶	◀ ▶

Ticker/Price	ANTHEM IN/Rs 779
Market cap	US$ 4.6bn
Free float	25%
3M ADV	US$ 5.0mn
52wk high/low	Rs 874/Rs 579
Promoter/FPI/DII	75%/1%/8%

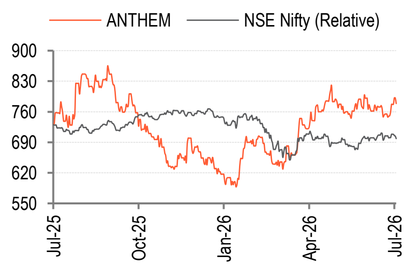
Source: NSE | Price as of 22 Jul 2026

Key financials

Y/E 31 Mar	FY26A	FY27E	FY28E
Total revenue (Rs mn)	21,243	25,457	31,147
EBITDA (Rs mn)	8,338	9,705	11,939
Adj. net profit (Rs mn)	5,913	6,844	8,277
Adj. EPS (Rs)	11.0	12.2	14.8
Consensus EPS (Rs)	11.0	12.9	15.6
Adj. ROAE (%)	19.4	18.4	18.2
Adj. P/E (x)	71.0	63.9	52.8
EV/EBITDA (x)	52.7	45.2	36.9
Adj. EPS growth (%)	36.5	11.2	20.9

Source: Company, Bloomberg, BOBCAPS Research

Stock performance



Source: NSE

Addition of new client – In 1QFY27, the company added 1 big pharma client (not yet signed); this is in addition to the onboarding of 2 new big pharma clients in 4QFY26. Also, one of their big biotech customers was acquired by a large pharma company, and they are now sending enquiries to the company. Of the 2 customers onboarded last year, 1 has placed orders for KSM and advanced intermediates. The new order received from the customer is expected to be sticky in nature, thus providing long-term revenue visibility.

Gross Margins increasing due to backward integration – In 1QFY27, Gross Margin increased by 776 bps YoY to 65% amid a 22.6% YoY decline in sales. The Gross Margin increase was due to a 36.7% YoY decline in Raw Material cost, which contributed 35% of sales in 1QFY27 vs. a 43% contribution in 1QFY26. The CRDMO Gross Margin reported a 964 bps YoY increase to 68%, vs. a Specialty Ingredients Gross Margin of 51%, which was flat YoY. The increase in CRDMO Gross Margin is due to yield improvement and backward integration.

EBITDA Margin to stay highest in the industry amid operational deleverage in Unit 4 - ANTHEM is expanding its Unit 4 in two phases, of which one phase is expected to span 30 acres of land, with a Capex of Rs 1.2 bn earmarked by FY28 in tranches. In FY26, the company has guided for a Rs 6 bn capex for Unit 4. Unit 4 is expected to commercialize from FY28, adding 365 KL of Custom Synthesis capacity to the existing CS capacity of 425 KL, and 100 KL of Fermentation capacity. The company has broken ground and is undergoing civil work, and would place orders for equipment later. With the ordering of equipment and hiring of manpower for Unit 4, we expect operational deleverage; hence, we have reduced our EBITDA Margin estimates by 200 bps in FY27E, 444 bps in FY28E, and 402 bps in FY29E to 38.1%, 38.3%, and 40.8%, respectively. However, we believe the current estimated margins would also remain among the highest in the industry due to 1) presence across various modalities, 2) backward integration, and 3) custom synthesis for patented drugs

Fig 1 – Quarterly Highlights

(Rs mn)	Q1FY27	Q1FY26	YoY (%)	Q4FY26	QoQ (%)	Q1FY27E	Var (%)
Net Sales	4,182	5,401	(22.6)	6,109	(31.5)	4,201	(0.5)
Total Expenses	2,677	3,487	(23.2)	3,437	(22.1)	2,647	1.1
(%) of net sales	64	65		56		63	
Raw material consumed	1,462	2,309	(36.7)	2,155	(32.1)	1,471	(0.6)
(%) of net sales	35	43		35		35	
Staff cost	788	720	9.4	725	8.8	798	(1.2)
(%) of net sales	19	13		12		19	
SG&A	426	458	(7.0)	558	(23.6)	378	12.7
(%) of net sales	10	8		9		9	
EBITDA	1,506	1,914	(21.3)	2,672	(43.6)	1,555	(3.1)
Depreciation	300	264	13.4	396	(24.3)	399	(24.9)
EBIT	1,206	1,650	(26.9)	2,276	(47.0)	1,155	4.4
Interest	9	16	(44.9)	19	(53.3)	20	(55.7)
Other Income	249	228	9.1	512	(51.4)	378	(34.2)
PBT	1,446	1,862	(22.3)	2,769	(47.8)	1,514	(4.5)
Less: Taxation	246	505	(51.2)	882		381	(35.3)
Recurring PAT	1,199	1,357	(11.6)	1,887	(36.4)	1,133	5.9
Less: Minority Interest	0	0		0		0	
Exceptional items	0	0		10		10	
PAT attributable to shareholders	1,199	1,357	(11.6)	1,897	(36.8)	1,143	5.0
Key Ratios (%)							
Gross Margin	65.0	57.3	778.6	64.7	31.1	65.0	4.2
EBITDA Margin	36.0	35.4	56.2	43.7	(773.2)	37.0	(99.8)
Tax / PBT	17.0	27.1	(1,005.9)	31.8	(1,479.7)	25.2	(811.8)
NPM	28.7	25.1	355.2	30.9	(221.5)	27.0	171.9
EPS	2.1	2.4	(12.4)	1.6	29.3	3.4	(36.8)

Source: Company, BOBCAPS Research

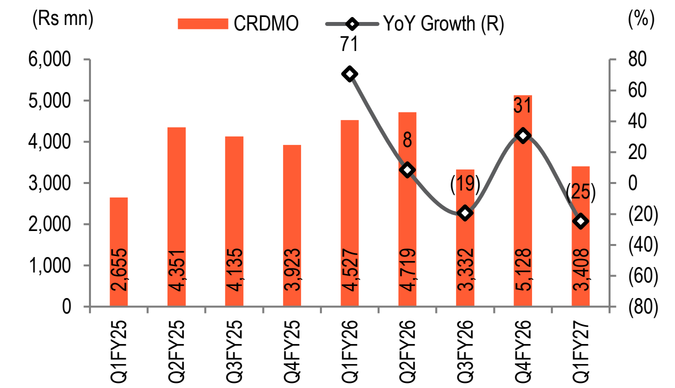
Fig 2 – Segmental break up

(Rs mn)	Q1FY27	Q1FY26	YoY (%)	Q4FY26	QoQ (%)	Q4FY26E	Var (%)
CRDMO	3,408	4,527	(24.7)	5,128	(33.5)	3,431	(0.7)
Specialty Ingredient	774	875	(11.5)	981	(21.1)	770	0.5
Net Sales	4,182	5,402	(22.6)	6,109	(31.5)	4,201	(0.5)

Source: BOBCAPS Research, Company

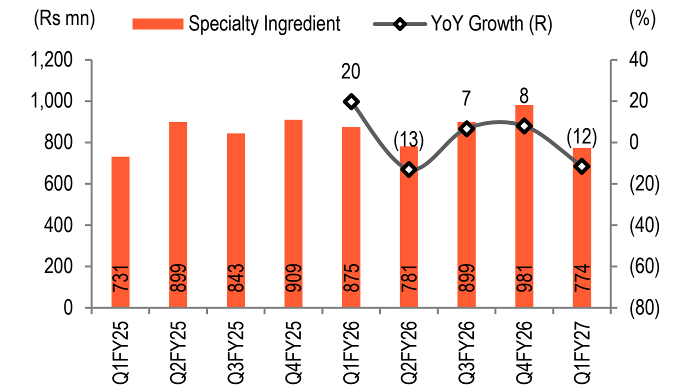
Financial Charts

Fig 3 – CRDMO sales lowered due to deferred shipments



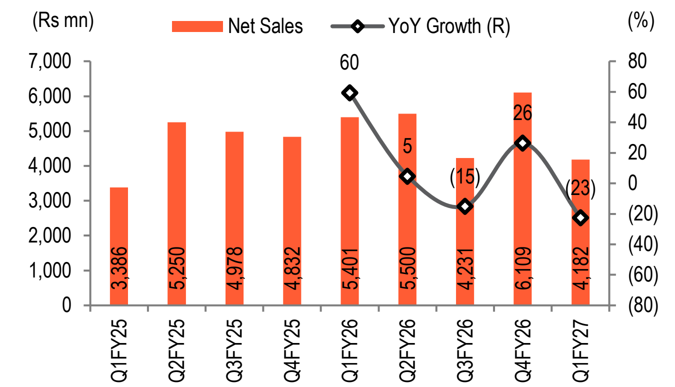
Source: Company, BOBCAPS Research

Fig 4 – Specialty Ingredient sales lowered due to supply chain issue



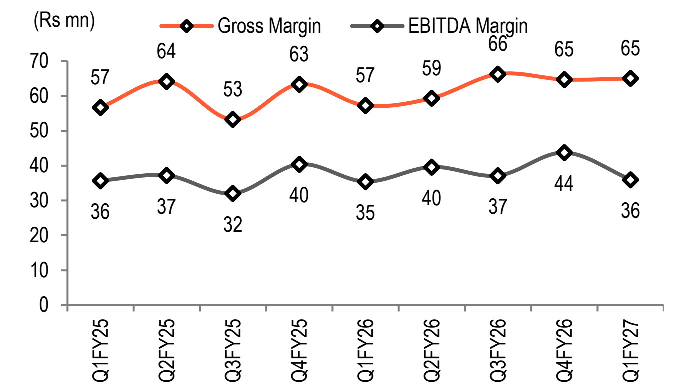
Source: Company, BOBCAPS Research

Fig 5 – Overall sales declined due to lower segmental sales



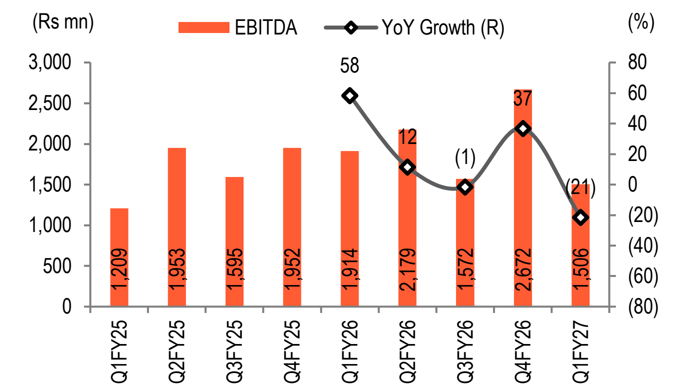
Source: Company, BOBCAPS Research

Fig 6 – Gross Margin maintained towards its highs due to backward integration



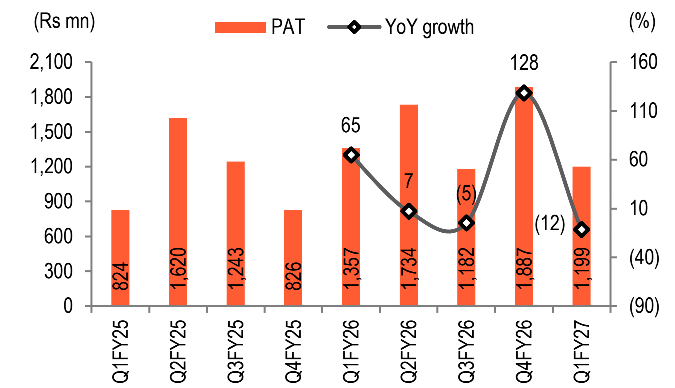
Source: Company, BOBCAPS Research

Fig 7 – EBITDA growth lowered due to lower product mix



Source: Company, BOBCAPS Research

Fig 8 – PAT growth lowered due to lower operations and higher depreciation



Source: Company, BOBCAPS Research

Valuation methodology

ANTHEM reported a set of numbers in line with expectations of a softer quarter on account of deferred shipments. Despite weaker sales, the company reported a healthy gross margin in the CRDMO segment, reflecting positively on the overall Gross Margin.

Going forward, the company expects a recovery from 2QFY27 with visibility of shipments, as it has 60% visibility of FY27 orderbook deliveries. However, the company is in an expansion phase with the greenfield commercialization of Unit 4, for which it would place orders for equipment; hence, operational deleverage might occur from 2QFY27E. Factoring in operational deleverage, we reduce our EPS by 3.2%/8.4%/7% for FY27E/FY28E/FY29E to Rs 12.2/14.8/19 per share, respectively.

Thus, our Sales/EBITDA/PAT CAGR for FY27E–29E stands at 20%/24%/25%, respectively. Rolling forward, at CMP, the stock trades at 49x on Jun'28 EPS of Rs 15.8 per share, and we ascribe 57x (earlier 56x) due to 1) industry-high margins, 2) presence across different modalities, and 3) backward integration in a key molecule and 4) couple of molecules in the ADC modality in Phase 3 (overall 10 molecules) and slightly below 1Y forward mean PE of 58x to arrive at a similar PT of Rs 900, implying a 15% upside; thus, we maintain BUY on the stock.

Fig 9 – change in estimates table

	New			Old			Change (%)		
	FY27E	FY28E	FY29E	FY27E	FY28E	FY29E	FY27E	FY28E	FY29E
Sales	25457	31147	36604	25,441	30,538	36,840	0.1	2.0	(0.6)
EBITDA	9705	11939	14936	10,207	13,061	16,512	(4.9)	(8.6)	(9.5)
EBITDA Margin (%)	38.1	38.3	40.8	40.1	42.8	44.8	(200bps)	(444bps)	(402bps)
EPS (Rs)	12.2	14.8	19.0	12.6	16.1	20.4	(3.2)	(8.4)	(7.0)

Source: Company, BOBCAPS Research

Financials

Income Statement

Y/E 31 Mar (Rs mn)	FY25A	FY26A	FY27E	FY28E	FY29E
Total revenue	**18,446**	**21,243**	**25,457**	**31,147**	**36,604**
EBITDA	6,709	8,338	9,705	11,939	14,936
Depreciation	894	1,341	1,524	2,221	2,294
EBIT	5,815	6,997	8,181	9,718	12,642
Net interest inc./(exp.)	(103)	(69)	(46)	(49)	(53)
Other inc./(exp.)	857	1,558	1,018	1,402	1,647
Exceptional items	4	5	6	7	7
EBT	6,569	8,486	9,154	11,071	14,236
Income taxes	2,056	2,324	2,304	2,786	3,583
Extraordinary items	0	(244)	0	0	0
Min. int./Inc. from assoc.	0	0	0	0	0
Reported net profit	**4,513**	**5,918**	**6,850**	**8,284**	**10,653**
Adjustments	4	5	6	7	7
Adjusted net profit	**4,509**	**5,913**	**6,844**	**8,277**	**10,646**

Balance Sheet

Y/E 31 Mar (Rs mn)	FY25A	FY26A	FY27E	FY28E	FY29E
Accounts payables	1,101	752	926	1,028	1,092
Other current liabilities	1,488	2,042	1,940	1,970	1,877
Provisions	114	373	305	315	315
Debt funds	1,133	539	535	573	619
Other liabilities	141	161	161	161	161
Equity capital	1,118	1,123	1,123	1,123	1,123
Reserves & surplus	22,980	29,302	36,152	44,436	55,089
Shareholders' fund	24,099	30,425	37,275	45,559	56,212
Total liab. and equities	**28,076**	**34,293**	**41,141**	**49,605**	**60,275**
Cash and cash eq.	3,170	2,749	1,706	4,200	9,238
Accounts receivables	4,535	5,937	7,703	8,991	11,063
Inventories	3,404	1,245	1,501	1,808	2,066
Other current assets	2,128	1,476	1,785	2,495	3,297
Investments	4,331	10,075	10,084	9,956	9,734
Net fixed assets	7,012	7,828	13,345	17,138	19,858
CWIP	2,969	2,643	2,643	2,643	2,643
Intangible assets	39	4	39	39	39
Deferred tax assets, net	179	273	273	273	273
Other assets	309	2,063	2,063	2,063	2,063
Total assets	**28,076**	**34,293**	**41,141**	**49,605**	**60,275**

Cash Flows

Y/E 31 Mar (Rs mn)	FY25A	FY26A	FY27E	FY28E	FY29E
Cash flow from operations	**2,710**	**8,450**	**6,097**	**8,398**	**9,846**
Capital expenditures	(2,589)	(2,074)	(7,075)	(6,015)	(5,014)
Change in investments	428	(5,783)	0	0	0
Other investing cash flows	739	825	0	0	0
Cash flow from investing	**(1,422)**	**(7,032)**	**(7,075)**	**(6,015)**	**(5,014)**
Equities issued/Others	-	266	0	0	0
Debt raised/repaid	(1,259)	(597)	(4)	38	46
Interest expenses	(97)	(69)	(46)	(49)	(53)
Dividends paid	-	-	-	-	-
Other financing cash flows	(1)	0	0	0	0
Cash flow from financing	**(1,356)**	**(400)**	**(50)**	**(11)**	**(7)**
Chg in cash & cash eq.	**(69)**	**1,018**	**(1,028)**	**2,373**	**4,824**
Closing cash & cash eq.	**1,723**	**2,749**	**1,706**	**4,200**	**9,238**

Per Share

Y/E 31 Mar (Rs)	FY25A	FY26A	FY27E	FY28E	FY29E
Reported EPS	8.0	11.0	12.2	14.8	19.0
Adjusted EPS	8.0	11.0	12.2	14.8	19.0
Dividend per share	0.0	10.5	12.3	15.0	17.4
Book value per share	42.9	54.2	66.4	81.1	100.1

Valuations Ratios

Y/E 31 Mar (x)	FY25A	FY26A	FY27E	FY28E	FY29E
EV/Sales	23.7	20.7	17.2	14.2	12.2
EV/EBITDA	65.3	52.7	45.2	36.9	29.9
Adjusted P/E	96.9	71.0	63.9	52.8	41.1
P/BV	18.1	14.4	11.7	9.6	7.8

DuPont Analysis

Y/E 31 Mar (%)	FY25A	FY26A	FY27E	FY28E	FY29E
Tax burden (Net profit/PBT)	68.6	69.7	74.8	74.8	74.8
Interest burden (PBT/EBIT)	113.0	121.3	111.9	113.9	112.6
EBIT margin (EBIT/Revenue)	31.5	32.9	32.1	31.2	34.5
Asset turnover (Rev./Avg TA)	65.7	61.9	61.9	62.8	60.7
Leverage (Avg TA/Avg Equity)	1.2	1.1	1.1	1.1	1.1
Adjusted ROAE	18.7	19.4	18.4	18.2	18.9

Ratio Analysis

Y/E 31 Mar	FY25A	FY26A	FY27E	FY28E	FY29E
YoY growth (%)					
Revenue	30.0	15.2	19.8	22.4	17.5
EBITDA	32.8	24.3	16.4	23.0	25.1
Adjusted EPS	24.1	36.5	11.2	20.9	28.6
Profitability & Return ratios (%)					
EBITDA margin	36.4	39.3	38.1	38.3	40.8
EBIT margin	31.5	32.9	32.1	31.2	34.5
Adjusted profit margin	24.4	27.8	26.9	26.6	29.1
Adjusted ROAE	18.7	19.4	18.4	18.2	18.9
ROCE	23.0	22.6	21.6	21.1	22.2
Working capital days (days)					
Receivables	89	101	110	105	110
Inventory	167	56	60	62	65
Payables	22	13	12	11	10
Ratios (x)					
Gross asset turnover	1.2	1.2	1.0	1.0	1.0
Current ratio	5.0	5.5	5.7	6.7	9.0
Net interest coverage ratio	56.3	101.5	179.5	198.3	237.9
Adjusted debt/equity	(0.1)	(0.1)	0.0	(0.1)	(0.2)

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 (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. Nilesh Mehta
Email ID: head-customercare@bobcaps.in; Phone no: 92288 60945

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

Logo:

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%

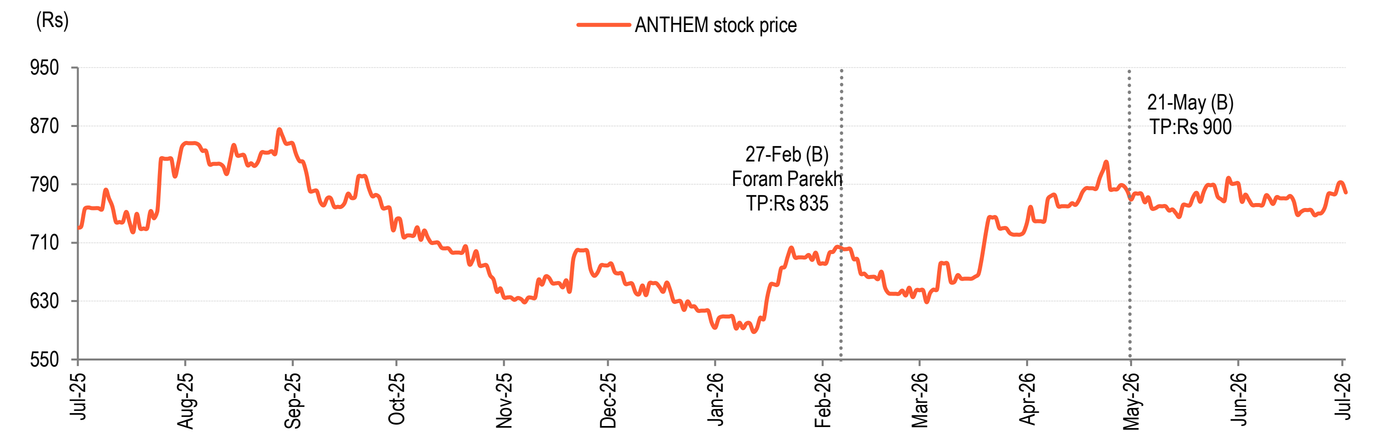
HOLD – Expected return from -6% to +15%

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): ANTHEM BIOSCIENCES (ANTHEM 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.