BUY
TP: Rs 923 | ▲ 26%

BLUESTONE JEWELLERY & LIFESTYLE

| Retail - Jewellery | 25 October 2026

Growth Momentum Sustained

- **28% SSSG and 29% YoY growth in AOV supported revenue growth.**
- **Store network expanded to 379 stores (+68 YoY), supporting broad-based growth.**
- **Repeat revenue contribution improved to 56.3%, while adjusted PAT turned positive in Q2'27**

Lavita Lasrado
Research Analyst

Nistha Pala
Research Associate
research@bobcaps.in

Strong YoY growth; sequential margin moderation: Co reported rev growth of 45.1% YoY (+1.1% QoQ) to Rs 7.45bn in Q2'27, supported by 28% SSSG and store additions (379 stores; +68 YoY). AOV grew 29% YoY to Rs 77,290, while repeat revenue ratio improved 497bps to 56.3%. Gross profit grew 35.3% YoY to Rs 2.75bn, while gross margin declined 267bps YoY (388bps QoQ) to 36.9%. Reported EBITDA increased 127.7% YoY to Rs 0.95bn, although it declined 12.0% QoQ. EBITDA margin expanded 462bps YoY to 12.7%, but moderated 190bps QoQ. Reported PAT stood at a loss of Rs 0.04bn versus a loss of Rs 0.52bn in Q2FY26, with PAT margin improving 956bps YoY to -0.6%.

Key Concall KTAs: Demand remained broad-based across city tiers, supported by online discovery, lightweight jewellery and the shift towards organised retail. Manufacturing productivity and direct-cost optimisation supported contribution margins, while management prioritises market share and repeat purchases over maximising margins. Advertising spends was 6.0% of revenue; management expects the ratio to decline over the next four years, with online remaining the primary marketing channel. The network reached 379 stores, with ~50% in Tier 2/3 cities; BlueStone also launched a 3,200+ sq. ft. flagship in Kolkata. ESOP charges were Rs 0.58bn in H1FY27, with existing-grant costs expected to decline ~95% by FY30 versus FY26. Cumulative inventory gains reached Rs 1.82bn, including Rs 0.07bn in Q2FY27. Net debt increased to Rs 5.40bn from Rs 3.47bn at FY26-end, while inventory turnover improved to 1.16x from 1.13x. Management retained its ~50% gold-hedging policy and expects store maturity, internal accruals and capital productivity to support its Rs 120bn revenue target by 2030. Lab-grown diamond enquiries remain limited in core stores; solitaires account for less than 1% of sales.

Outlook: We believe Bluestone is well positioned for sustained growth given its focus on design-differentiated, technology-led products as compared to competition. We have revised our estimates and expect the Revenue/EBITDA CAGR to be 35%/32% over FY26-29E respectively. We maintain our Buy rating with a revised TP of Rs 923 basis 25x EV/EBITDA for Sep'28, with an upside of 26%.

Key changes

Target	Rating
▲	◀ ▶

Ticker/Price	BLUESTON IN/Rs 731
Market cap	US$ 1.2bn
Free float	84%
3M ADV	US$ 28.4mn
52wk high/low	Rs 970/Rs 400
Promoter/FPI/DII	16%/35%/49%

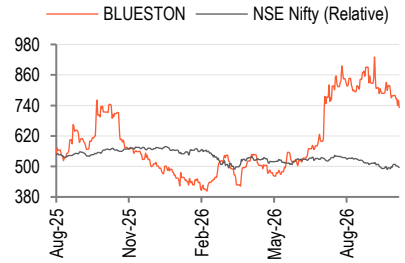
Source: NSE | Price as of 23 Oct 2026

Key financials

Y/E 31 Mar	FY26A	FY27E	FY28E
Total revenue (Rs mn)	24,364	34,424	46,268
EBITDA (Rs mn)	3,895	4,303	6,385
Adj. net profit (Rs mn)	132	157	1,100
Adj. EPS (Rs)	0.9	1.0	7.2
Consensus EPS (Rs)	0.9	2.5	10.0
Adj. ROAE (%)	1.0	0.9	5.9
Adj. P/E (x)	NA	NA	NA
EV/EBITDA (x)	30.4	26.9	18.4
Adj. EPS growth (%)	NA	19.4	NA

Source: Company, Bloomberg, BOBCAPS Research

Stock performance



Source: NSE

Earnings KTAs

Demand Trends & Same-Store Sales Growth: BlueStone reported 28% SSSG in Q2'27, with H1FY27 SSSG at 32.9%. Growth trends remained broadly similar across Tier 1, Tier 2 and Tier 3 markets and across store-age cohorts, indicating broad-based demand. Management continues to see three structural industry trends supporting organised jewellery retailers: increasing online research before purchase, rising preference for lightweight jewellery and a gradual shift from the unorganised to the organised market. The repeat revenue ratio stood at 56.3%, up 497bps YoY, although it declined 338bps QoQ from 59.7%. The cumulative customer base increased 19.3% YoY to approximately 1.02mn.

Revenue Growth & Profitability: Revenue grew 43.9% YoY to Rs 7.38bn in Q2'27, while reported EBITDA increased 127.3% YoY to Rs 0.97bn. Reported EBITDA margin expanded 483bps YoY to 13.2%, supported by inventory gains. Excluding inventory gains/losses, pre-Ind AS EBITDA stood at Rs 0.54bn, up 234.2% YoY, with the margin improving 413bps to 7.3%. Adjusted PAT was Rs 0.20bn, compared with a loss of Rs 0.27bn in Q2FY26. Sequentially, the pre-Ind AS EBITDA margin was broadly stable at 7.3% versus 7.5% in Q1'27, while reported EBITDA margin declined from 15.0% to 13.2%.

Gross Margin & Contribution Margin: GM declined 297bps YoY to 36.6%, while contribution margin fell 272bps to 32.2%. Management indicated that product mix, design-level margins and customer preferences influence profitability, and that non-studded jewellery does not necessarily carry a uniform margin profile. The company has also improved manufacturing productivity over the past four to five quarters through factory consolidation and productivity improvements at newer facilities, alongside optimisation of logistics and certification costs. Management does not intend to maximise contribution margins at the expense of market share, repeat purchases or customer use cases. It also indicated that product-category returns on inventory are not significantly different, supporting a focus on overall product economics rather than margins in isolation.

Entry-Level Portfolio & Product Strategy: Management continues to focus on lightweight jewellery and a broad design-led portfolio to address evolving consumer preferences and maintain affordability amid elevated gold prices. Product mix and design variety remain important differentiators, alongside the ability to serve customers across different purchase occasions and price points. Management believes the shift towards lightweight products is a structural demand trend rather than a temporary response to gold-price movements.

Advertising & Marketing: Advertising and marketing expenditure stood at Rs 0.44bn, equivalent to 6.0% of revenue(vs 6.9% in Q2'26 and 6.5% in Q1'27). Spend increased 5.7% YoY but declined 12.6% QoQ. Management expects marketing expenditure as a percentage of sales to decline over the next four years as the business scales, while continuing to invest in brand building and performance marketing. Online channels remain central to both objectives, as management sees consumers increasingly shifting towards digital and OTT platforms rather than traditional mass-media channels. No material seasonal change in the marketing-to-sales ratio is expected between Q2 and the subsequent festive quarters.

Store Expansion & Omnichannel Strategy: The store network increased to 379 stores, adding 68 stores YoY and 27 stores QoQ. Retail area stood at approximately 0.91mn sq. ft. The company continues to expand its physical footprint while leveraging digital channels for product discovery and customer engagement. Management believes that growth can be supported by a combination of new-store additions, improving productivity as stores mature and broad-based same-store growth. It also highlighted the importance of improving capital productivity and returns as the network scales.

Average Order Value & Customer Metrics: AOV increased 29.0% YoY to Rs 77,290, although it declined 1.0% QoQ. The higher YoY AOV reflects the value-led growth environment, including elevated gold prices, alongside the company's product and design mix. The repeat revenue ratio was 56.3%, compared with 51.4% in Q2FY26 and 59.7% in Q1FY27, while the cumulative customer base reached approximately 1.02mn.

Inventory & Inventory Turns: Average inventory increased to Rs 25.04bn on TTM basis as of September 2026, compared with Rs 21.52bn in FY26. Inventory turnover improved to 1.16x from 1.13x in FY26. Inventory remains a key working-capital requirement for the jewellery business, particularly as the store network expands and the company maintains a broad product assortment. Management emphasised the importance of improving capital productivity and store maturity over time. The inventory position should be assessed alongside the company's growth, product availability requirements and gold-price movements.

Net Debt & Growth Funding: Net debt increased to Rs 5.40bn at H1’27-end from Rs 3.47bn in FY26. Gross borrowings (exl GML), rose to Rs 8.92bn from Rs 7.44bn, while net debt-to-equity increased to 0.29x from 0.19x. During the call, management discussed the company's ambition to reach Rs 120bn in revenue by 2030 and indicated that it expects store maturity, improved capital productivity and internal accruals to support growth. It also cited balance-sheet flexibility and customer advances/schemes as sources of funding flexibility. Management did not quantify a specific additional equity requirement or provide a definitive inventory-turn assumption for achieving the target.

ESOP Costs: ESOP charges were Rs 0.93bn in FY26 and Rs 0.58bn in H1FY27. The presentation indicates that charges relating to current grants are expected to decline from approximately Rs 0.32bn in FY27E to Rs 0.05bn in FY30E, implying a reduction of around 95% by FY30 compared with FY26. The unallocated ESOP pool is approximately 2.6mn shares, equivalent to around 1.7% of equity, while approximately 9.1mn shares have been allocated. Management indicated that the founder is classified as a promoter and is not eligible for ESOPs, and that it does not see specific leadership gaps requiring a material change to the current management structure.

Inventory Mark-to-Market Gains: Cumulative inventory gains stood at Rs 1.82bn at the end of Q2FY27, compared with Rs 1.75bn at the end of Q1’27. The Q2’27 inventory gain was approximately Rs 0.07bn, following a similar gain in Q1’27. These gains materially support reported EBITDA and should be distinguished from underlying operating performance. Accordingly, pre-Ind AS EBITDA, which excludes inventory gains/losses, provides a clearer view of the underlying operating margin trajectory.

Gold Hedging Policy: Management reiterated that there has been no change to the communicated gold-hedging policy, which is approximately 50% hedging. Inventory gains and losses remain relevant to reported earnings, making it important to distinguish the mark-to-market impact from the underlying operating performance when assessing quarterly margins.

Long-Term Growth Drivers & Capital Productivity: Management believes that the long-term opportunity is supported by the shift towards organised jewellery retail, digital product discovery and lightweight jewellery. The company expects store maturation and better capital productivity to support its growth ambition, alongside internal accruals and balance-sheet flexibility. Management did not provide a specific quantified target for inventory turns or a detailed funding split for achieving the Rs 120bn revenue ambition by 2030.

Lab-Grown Diamonds & Industry Developments: Management indicated that it has not observed meaningful customer enquiries for lab-grown diamonds in BlueStone's core stores. Its subsidiary, Athera, operates in the lab-grown diamond segment. Management views current competition from lab-grown diamonds as concentrated primarily in solitaires, which account for less than 1% of BlueStone's sales. It believes India's jewellery market remains predominantly design-led, with gold value and cultural preferences supporting demand for its core products. Lab-grown gold was discussed as an experimental concept rather than a near-term commercial issue.

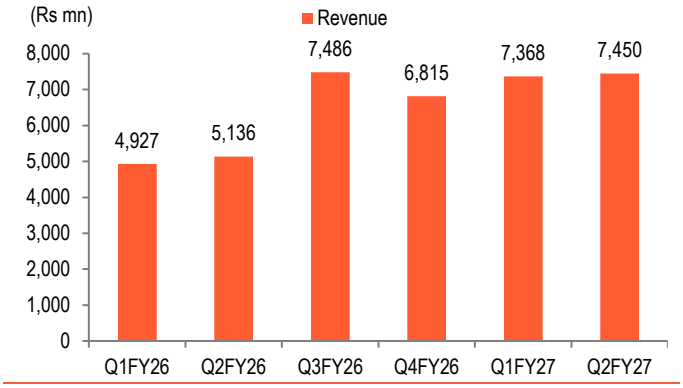
Outlook: BlueStone is expected to sustain healthy growth, supported by strong SSSG, store expansion, improving store maturity and the structural shift towards organised jewellery retail. The company’s focus on lightweight, design-led jewellery and digital customer acquisition should support customer additions and repeat purchases. While operating leverage and manufacturing efficiencies are expected to aid underlying profitability, margins will remain sensitive to product mix and the balance between growth investments and profitability. Management expects advertising expenditure as a percentage of sales to decline over the next four years and believes internal accruals, store maturity and balance-sheet flexibility can support its long-term revenue ambition of Rs 120bn by 2030. However, rising inventory requirements and higher net debt warrant monitoring as the company scales its store network.

Fig 1 – Quarterly Table

Particulars (Rs mn)	Q2FY27	Q2FY26	% yoy/bps	Q1FY27	% q0q/bps
Sales	7,450	5,136	45.1	7,368	1.1
COGS	4,702	3,104	51.5	4,364	7.7
GP	2,749	2,032	35.3	3,004	(8.5)
Gross Margin(%)	36.9	39.6	(267bps)	40.8	(388bps)
Employee	706	721	(2.1)	759	(7.0)
Other expenses	1,094	895	22.3	1,167	(6.3)
EBITDA	949	417	127.7	1,078	(12.0)
EBITDA margin (%)	12.7	8.1	462bps	14.6	(190bps)
Interest	584	524	11.4	554	5.4
Depreciation	558	604	(7.8)	657	(15.2)
Other income	244	117	109.1	150	62.9
PBT	312	59	424.1	971	(67.9)
Tax	-	-	-	-	-
PAT	(44)	(521)	(91.6)	59	(173.5)
PAT margin (%)	(0.6)	(10.1)	NA	0.8	NA

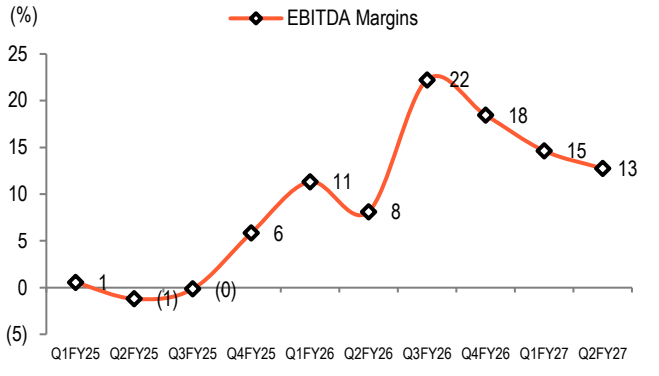
Source: Company, BOBCAPS Research

Fig 2 – Revenue Trend



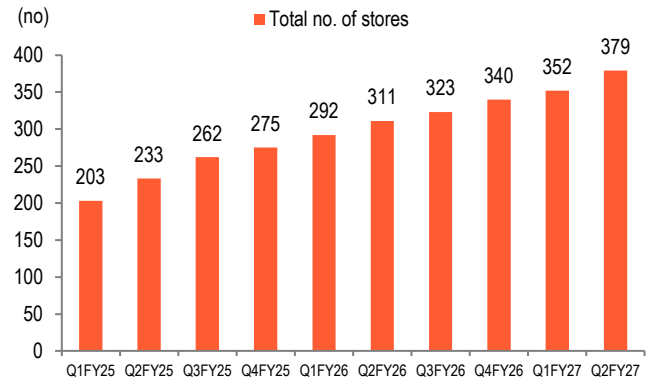
Source: Company, BOBCAPS Research

Fig 3 – EBITDA Margin



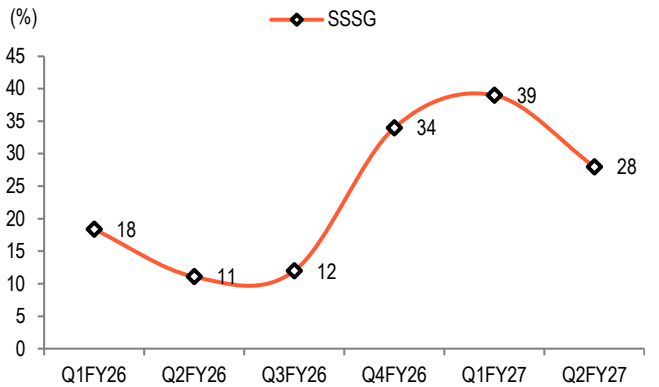
Source: Company, BOBCAPS Research

Fig 4 – Store Count



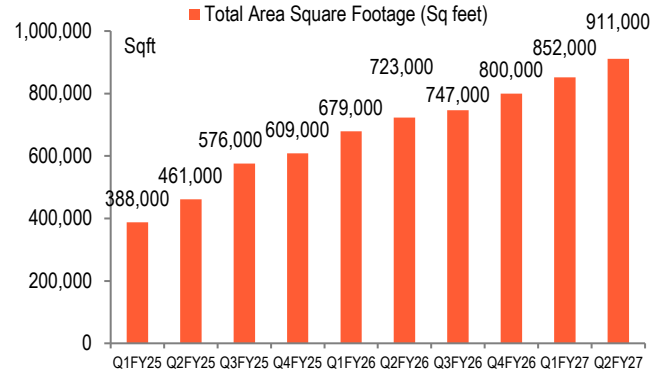
Source: Company, BOBCAPS Research

Fig 5 – SSSG



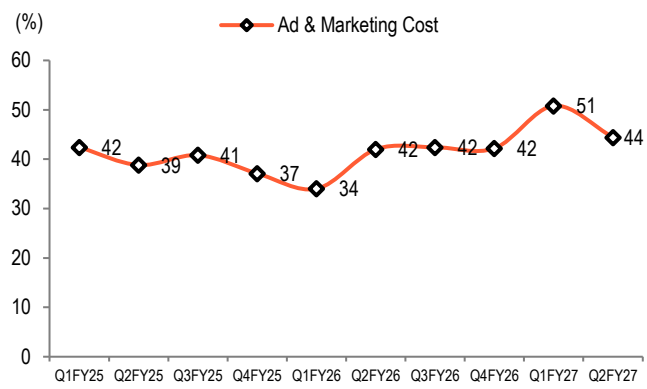
Source: Company, BOBCAPS Research

Fig 6 – Total Area Sq feet



Source: Company, BOBCAPS Research

Fig 7 – A&P Spends



Source: Company, BOBCAPS Research

Valuation methodology

We believe Bluestone is well positioned for sustained growth given its focus on design-differentiated, technology-led products as compared to competition. We have revised our estimates and expect the Revenue/EBITDA CAGR to be 35%/32% over FY26-29E respectively. We maintain our Buy rating with a revised TP of Rs 923 basis 25x EV/EBITDA for Sep'28, with an upside of 26%.

Fig 8 – Actual vs Estimates

Rs mn	Q2FY27A	Q2FY27E	Deviation (%)
Sales	7450	7151	4.2%
EBITDA	949	937	1.3%
EBITDA Margin	12.7	13.1	(37bps)
Adjusted PAT	(44)	(37)	NA

Source: Company, BOBCAPS Research

Fig 9 – Revised estimates

(Rs mn)	New			Old			Change (%)		
	FY27E	FY28E	FY29E	FY27E	FY28E	FY29E	FY27E	FY28E	FY29E
Sales	34,424	46,268	60,044	30,870	38,872	46,967	11.51	19.03	27.84
EBITDA	4,303	6,385	8,887	3,972	5,944	7,571	8.33	7.42	17.38
EBITDA Margin	12.5	13.8	14.8	12.9	15.3	16.1	(37bps)	(149bps)	(132bps)
Adjusted PAT	157	1100	1670	151	1293	1639	4.17	(14.95)	1.88
Adjusted EPS	1.03	7.22	10.97	1.0	8.5	10.80	3.33	(15.02)	1.56

Source: BOBCAPS Research

Financials

Income Statement

Y/E 31 Mar (Rs mn)	FY25A	FY26A	FY27E	FY28E	FY29E
Total revenue	**17,700**	**24,364**	**34,424**	**46,268**	**60,044**
EBITDA	751	3,895	4,303	6,385	8,887
Depreciation	1,475	2,099	2,410	3,470	4,804
EBIT	(724)	1,796	1,893	2,915	4,083
Net interest inc./(exp.)	2,075	2,104	2,231	3,053	3,658
Other inc./(exp.)	600	496	516	1,388	1,801
Exceptional items	0	0	0	0	0
EBT	(2,218)	132	179	1,250	2,226
Income taxes	0	0	21	150	557
Extraordinary items	0	0	0	0	0
Min. int./Inc. from assoc.	(19)	(56)	0	0	0
Reported net profit	**(2,218)**	**132**	**157**	**1,100**	**1,670**
Adjustments	0	0	0	0	0
Adjusted net profit	**(2,218)**	**132**	**157**	**1,100**	**1,670**

Balance Sheet

Y/E 31 Mar (Rs mn)	FY25A	FY26A	FY27E	FY28E	FY29E
Accounts payables	1,647	1,604	2,264	3,803	4,935
Other current liabilities	6,156	11,347	11,347	11,347	11,347
Provisions	28	37	37	37	37
Debt funds	11,152	10,291	19,328	24,197	28,952
Other liabilities	7,231	8,301	8,301	8,301	8,301
Equity capital	297	152	152	152	152
Reserves & surplus	8,811	17,878	18,035	19,135	20,805
Shareholders' fund	9,107	18,030	18,187	19,287	20,957
Total liab. and equities	**35,323**	**49,610**	**59,464**	**66,972**	**74,529**
Cash and cash eq.	1,869	5,117	15,172	16,064	18,444
Accounts receivables	56	75	94	254	329
Inventories	16,525	26,718	25,464	31,690	36,191
Other current assets	2,847	3,701	3,701	3,701	3,701
Investments	86	30	30	30	30
Net fixed assets	2,660	2,662	3,695	3,927	4,527
CWIP	44	27	27	27	27
Intangible assets	7,480	8,681	8,681	8,681	8,681
Deferred tax assets, net	117	99	99	99	99
Other assets	3,639	2,499	2,499	2,499	2,499
Total assets	**35,323**	**49,610**	**59,464**	**66,972**	**74,529**

Cash Flows

Y/E 31 Mar (Rs mn)	FY25A	FY26A	FY27E	FY28E	FY29E
Cash flow from operations	**(873)**	**636**	**6,176**	**1,389**	**4,886**
Capital expenditures	(5,641)	(3,287)	(3,442)	(3,701)	(5,404)
Change in investments	(86)	56	0	0	0
Other investing cash flows	(19)	(56)	516	1,388	1,801
Cash flow from investing	**(5,746)**	**(3,287)**	**(2,926)**	**(2,313)**	**(3,603)**
Equities issued/Others	18	(144)	0	0	0
Debt raised/repaid	2,423	(860)	5,000	2,500	2,000
Interest expenses	(2,075)	(2,104)	(2,231)	(3,053)	(3,658)
Dividends paid	0	0	0	0	0
Other financing cash flows	7,566	8,935	4,037	2,369	2,755
Cash flow from financing	**7,931**	**5,826**	**6,806**	**1,815**	**1,097**
Chg in cash & cash eq.	**1,312**	**3,176**	**10,056**	**891**	**2,381**
Closing cash & cash eq.	**1,869**	**5,117**	**15,172**	**16,064**	**18,444**

Per Share

Y/E 31 Mar (Rs)	FY25A	FY26A	FY27E	FY28E	FY29E
Reported EPS	(7.5)	0.9	1.0	7.2	11.0
Adjusted EPS	(7.5)	0.9	1.0	7.2	11.0
Dividend per share	0.0	0.0	0.0	0.0	0.0
Book value per share	30.7	118.4	119.5	126.7	137.7

Valuations Ratios

Y/E 31 Mar (x)	FY25A	FY26A	FY27E	FY28E	FY29E
EV/Sales	6.8	4.9	3.4	2.5	2.0
EV/EBITDA	159.3	30.4	26.9	18.4	13.6
Adjusted P/E	(97.7)	844.6	707.6	101.2	66.7
P/BV	23.8	6.2	6.1	5.8	5.3

DuPont Analysis

Y/E 31 Mar (%)	FY25A	FY26A	FY27E	FY28E	FY29E
Tax burden (Net profit/PBT)	100.0	100.0	88.0	88.0	75.0
Interest burden (PBT/EBIT)	306.5	7.3	9.4	42.9	54.5
EBIT margin (EBIT/Revenue)	(4.1)	7.4	5.5	6.3	6.8
Asset turnover (Rev./Avg TA)	50.1	49.1	57.9	69.1	80.6
Leverage (Avg TA/Avg Equity)	3.9	2.8	3.3	3.5	3.6
Adjusted ROAE	(24.4)	0.7	0.9	5.7	8.0

Ratio Analysis

Y/E 31 Mar	FY25A	FY26A	FY27E	FY28E	FY29E
YoY growth (%)					
Revenue	39.8	37.7	41.3	34.4	29.8
EBITDA	41.6	418.6	10.5	48.4	39.2
Adjusted EPS	46.7	(111.6)	19.4	599.1	51.8
Profitability & Return ratios (%)					
EBITDA margin	4.2	16.0	12.5	13.8	14.8
EBIT margin	(4.1)	7.4	5.5	6.3	6.8
Adjusted profit margin	(12.5)	0.5	0.5	2.4	2.8
Adjusted ROAE	(34.5)	1.0	0.9	5.9	8.3
ROCE	(0.6)	8.1	6.4	9.9	11.8
Working capital days (days)					
Receivables	1	1	1	2	2
Inventory	341	400	270	250	220
Payables	34	24	24	30	30
Ratios (x)					
Gross asset turnover	0.5	0.5	0.6	0.7	0.8
Current ratio	1.3	1.7	1.5	1.5	1.5
Net interest coverage ratio	(0.3)	0.9	0.8	1.0	1.1
Adjusted debt/equity	1.0	0.3	0.2	0.4	0.5

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%

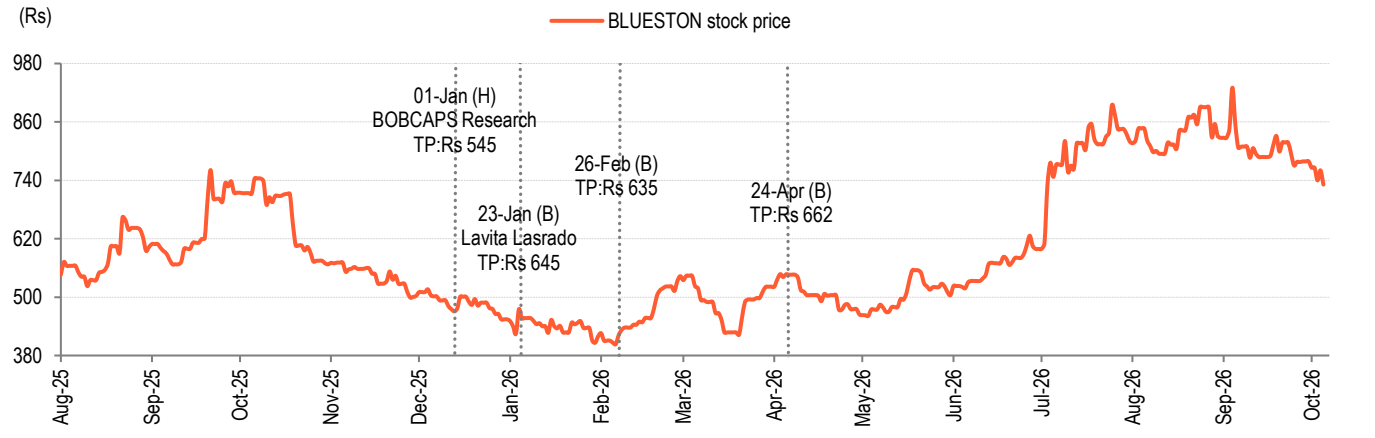
HOLD – Expected return from -6% to +15%

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): BLUESTONE JEWELLERY & LIFESTYLE (BLUESTON 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.