

**BUY****TP: Rs 313 | ▲ 24%****CANARA ROBECO AMC**

Diversified Financials

27 January 2026

## Fund performance trending better, yet not fully there

- Core revenue growth healthy at 14% YoY, QAAUM growth of 13% YoY (2% QoQ)
- However, EBITDA de-grew 6% YoY (down 5% QoQ) impacted by higher employee and other expenses
- Maintain BUY with TP of Rs 313 (earlier Rs 362), valuing the stock at 22x Dec'27E EPS

Vijiya Rao  
 Research Analyst  
 Niraj Jalan  
 Research Analyst  
 research@bobcaps.in

**Decent operating performance:** CRAMC reported a decent core revenue growth of 14% YoY and 6% QoQ to Rs 1,098 mn in Q3FY26. This was primarily driven by healthy QAAUM growth of 13% YoY (2% QoQ). However, EBITDA de-grew 6% YoY (down 5% QoQ), impacted by higher employee and other expenses. Employee expenses were impacted by one-time expenses due to the implementation of New Labor Code (Rs 51.5 mn), along with other expenses to the tune of Rs 50 mn. PAT came in at Rs 527 mn (up 10% YoY and 8% QoQ), largely aided by significant MTM gains.

**Sustained Equity MF growth:** Sustained Equity MF growth: QAAUM Equity MF and debt MF grew 10% YoY (up 3% QoQ) and 58% YoY (down 2% QoQ) respectively to Rs 1,106 bn and Rs 117 bn. Equity mix increased to 90.4% vs 90.1% in Q2FY26. Management reiterated strategic focus on MFs by expanding product range to address portfolio gaps, expanding geographic footprint, and strengthening sales team. Additionally, CRAMC may evaluate entry into PMS and AIF segments over the medium term. However, the company still has some distance to cover in improving fund performance, with a larger proportion of schemes yet to feature in the first quartile over 3Y and 5Y horizons. B-30 mix in the total MAAUM increased to 23.9% in Q3FY26 vs 23.7% in Q2FY26 vs 18% of the industry.

**Stable revenue yields:** Overall revenue yields stood at 36bps vs 35bps in Q2FY26 vs 36bps in Q3FY25. This is largely on account of the improving fund performance and rationalisation of commissions. Equity (35-36bps), debt (28-29bps) and liquid yields (2-3 bps) witnessed improvement sequentially during the quarter. The company expects to maintain revenue yields at these levels, going forward.

**Maintain BUY:** Q3 was a stable quarter with healthy QAAUM growth YoY. With improving equity fund performance on a 1Y basis, number of schemes in the 1st and 2nd quartiles has been steadily increasing. We broadly maintain our FY26E-28E revenue/ EBITDA/ PAT estimates with a TP of Rs 313 (earlier TP Rs 362), valuing the stock at 22x Dec'27E.

## Key changes

	Target	Rating
Ticker/Price	CRAMC IN/Rs 252	
Market cap	US\$ 549.4mn	
Free float	25%	
3M ADV	US\$ 4.4mn	
52wk high/low	Rs 353/Rs 245	
Promoter/FPI/DII	75%/4%/9%	

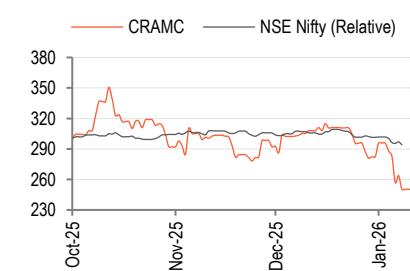
Source: NSE | Price as of 27 Jan 2026

## Key financials

Y/E 31 Mar	FY25A	FY26E	FY27E
Core PBT (Rs mn)	2,182	2,419	2,932
Core PBT (YoY)	49.2	10.9	21.2
Adj. net profit (Rs mn)	1,907	2,173	2,579
EPS (Rs)	9.6	10.9	12.9
Consensus EPS (Rs)	9.6	10.9	12.9
MCap/AAAUM (%)	5.6	4.5	3.8
ROAAAUM (bps)	21.1	19.3	19.3
ROE (%)	36.2	31.8	29.6
P/E (x)	26.4	23.2	19.5

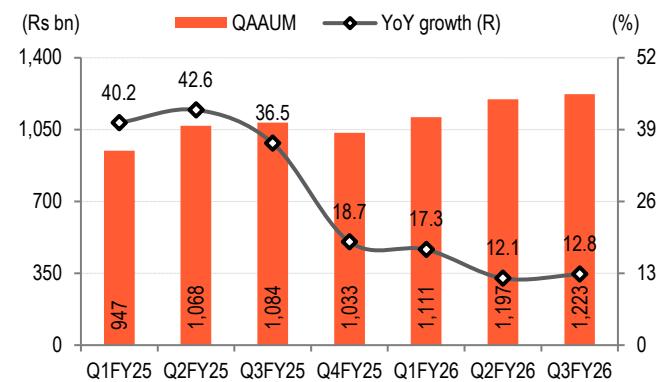
Source: Company, Bloomberg, BOBCAPS Research

## Stock performance

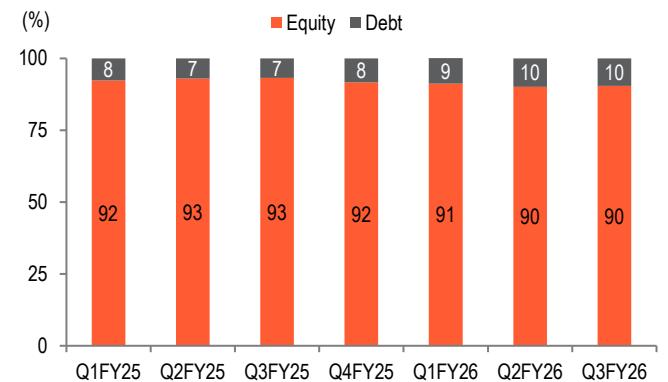


Source: NSE

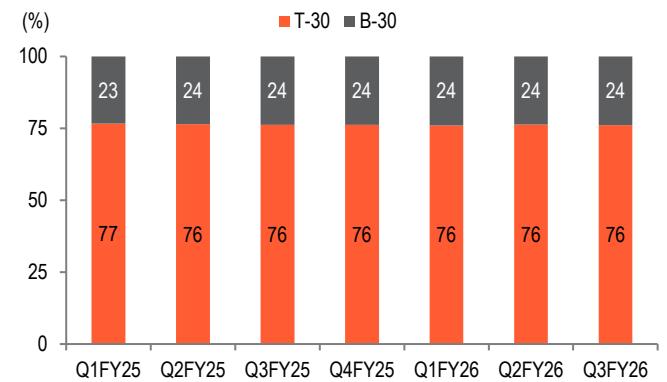


**Fig 1 – QAAUM grew by 12.8% YoY in Q3FY26**

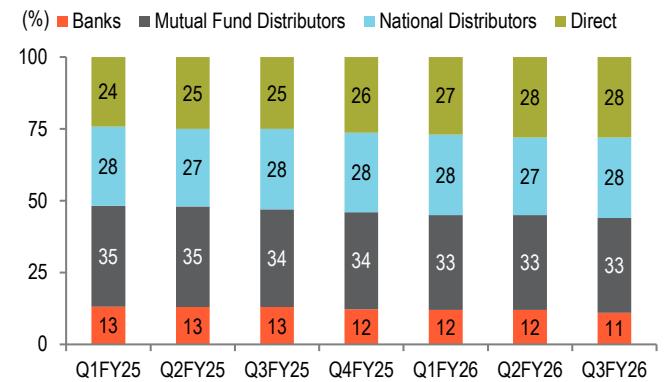
Source: Company, BOBCAPS Research

**Fig 2 – Equity mix stood at 90.4% in Q3FY26**

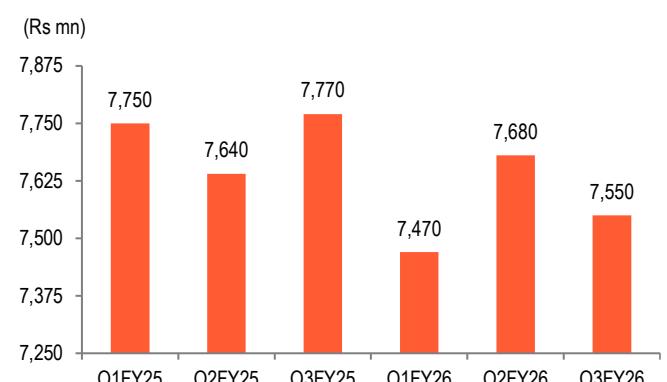
Source: Company, BOBCAPS Research

**Fig 3 – B-30 mix increased marginally driven by branch expansion and strong Canara Bank brand recognition**

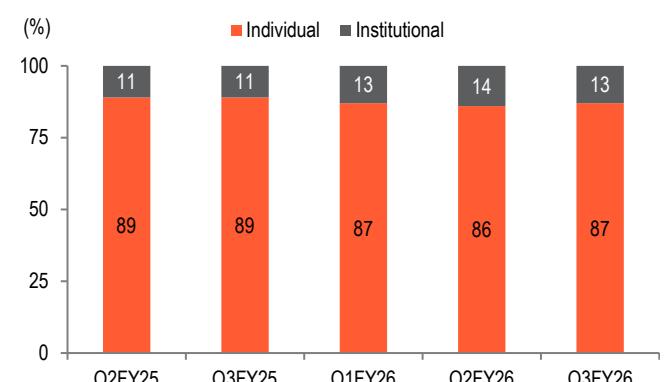
Source: Company, BOBCAPS Research

**Fig 4 – Banks contribute 11% to the MAAUM mix**

Source: Company, BOBCAPS Research

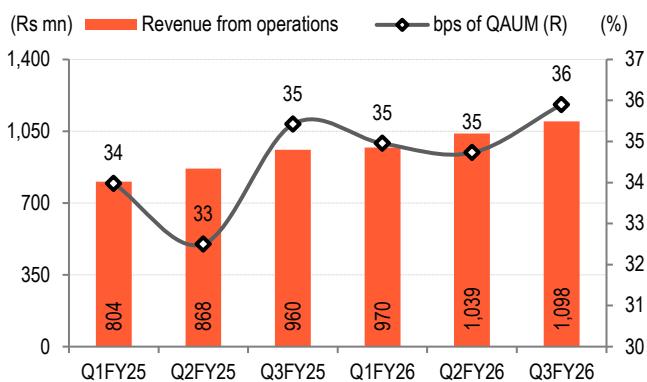
**Fig 5 – Monthly SIP flows came in at Rs 7,550 mn**

Source: Company, BOBCAPS Research

**Fig 6 – Trend in Individual mix**

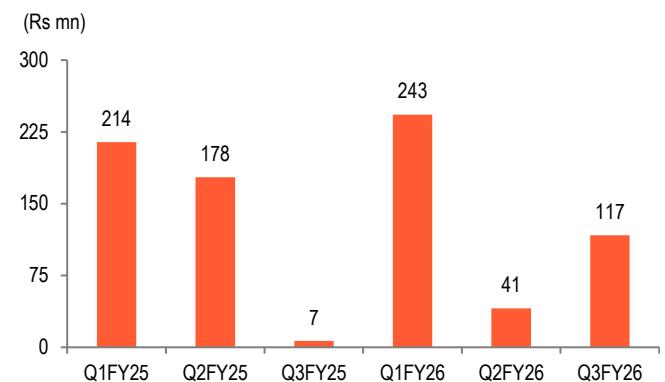
Source: Company, BOBCAPS Research

**Fig 7 – Revenue from operations grew strong by 14.3% YoY at Rs 1,098 mn**



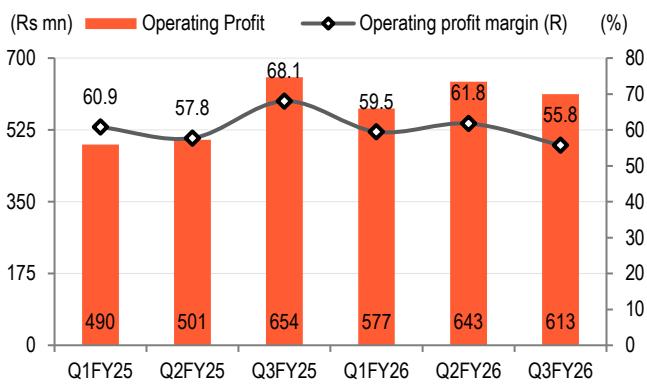
Source: Company, BOBCAPS Research

**Fig 8 – Other Income came in at Rs 117 mn in Q3FY26**



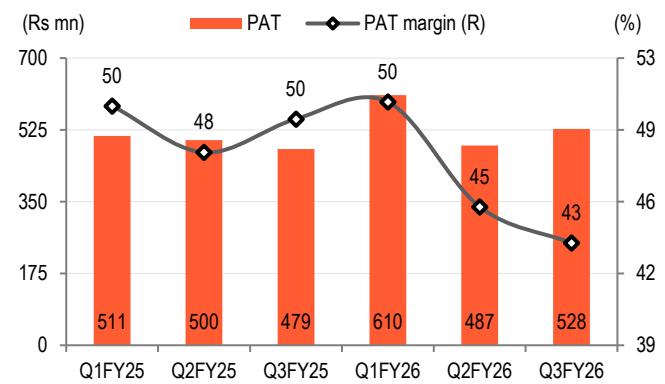
Source: Company, BOBCAPS Research

**Fig 9 – Operating profit declined by 6.3% YoY due to higher employee and other expenses**



Source: Company, BOBCAPS Research

**Fig 10 – PAT grew 10.2% YoY at Rs 528 mn**



Source: Company, BOBCAPS Research

**Fig 11 – Quarterly result snapshot**

(Rs mn)	Q3FY26	Q3FY25	YoY (%)	Q2FY26	QoQ (%)
<b>Total Revenue</b>					
Asset Management Services	1,098	960	14.3	1,039	5.6
Other Income	117	7	-	41	188.3
<b>Total Income</b>	<b>1,215</b>	<b>967</b>	<b>25.7</b>	<b>1,080</b>	<b>12.5</b>
QAAUM	12,23,000	10,84,000	12.8	11,97,000	2.2
Yields as % of QAAUM (bps)	35.9	35.7	0bps	34.7	1bps
Yields as % of QAAUM (bps) (total revenue)	39.7	35.7	4bps	36.1	4bps
<b>Expenses</b>					
Employee Benefits Expenses	328	198	65.4	257	27.6
Other Expenses	157	108	45.4	140	12.5
<b>Total Operating Expenses</b>	<b>485</b>	<b>306</b>	<b>58.3</b>	<b>397</b>	<b>22.3</b>
Employee Benefits Expenses as % of QAAUM (bps)	10.7	7.3	3bps	8.6	2bps
Other Expenses as % of QAAUM (bps)	5.1	4.0	1bps	4.7	0bps
Total Operating Expenses as % of QAAUM (bps)	15.9	11.3	5bps	13.3	3bps
<b>EBITDA</b>	<b>613</b>	<b>654</b>	<b>(6.3)</b>	<b>643</b>	<b>(4.7)</b>
EBITDA Margin (%)	55.8	68.1	(1,228)	61.8	(602)
Depreciation and amortisation expenses	20	13	51.9	18	10.3
Finance cost	5	4	20.2	5	0.3
<b>Profit Before Tax</b>	<b>705</b>	<b>643</b>	<b>9.6</b>	<b>661</b>	<b>6.7</b>
<b>Tax Expense</b>					
Current Tax	183	183	-	177	-
Deferred Tax	(6)	(19)	-	(4)	-
<b>Total Tax Expense</b>	<b>177</b>	<b>164</b>	<b>7.8</b>	<b>173</b>	<b>2.3</b>
Tax Rate (%)	25.2	25.6	-	26.3	-
<b>Profit After Tax</b>	<b>528</b>	<b>479</b>	<b>10.2</b>	<b>487</b>	<b>8.3</b>
As % of QAAUM (bps)	17.3	17.7	(0bps)	16.3	1bps
<b>Core Operating Income</b>	<b>613</b>	<b>654</b>	<b>(6.3)</b>	<b>643</b>	<b>(4.7)</b>
<b>Core PBT</b>	<b>589</b>	<b>637</b>	<b>(7.5)</b>	<b>623</b>	<b>(5.4)</b>
<b>Core PAT</b>	<b>526</b>	<b>478</b>	<b>10.1</b>	<b>484</b>	<b>8.7</b>

Source: Company, BOBCAPS Research

**Fig 12 – Quarterly result snapshot**

(Rs mn)	Q3FY26	Q3FY25	YoY (%)	Q2FY26	QoQ (%)
<b>QAAUM</b>					
Equity	11,06,000	10,10,000	9.5	10,78,000	2.6
Debt	1,17,000	74,000	58.1	1,19,000	(1.7)
<b>Total</b>	<b>12,23,000</b>	<b>10,84,000</b>	<b>12.8</b>	<b>11,97,000</b>	<b>2.2</b>
<b>QAAUM Mix (%)</b>					
Equity	90.4	93.2	(274bps)	90.1	37bps
Debt	9.6	6.8	274bps	9.9	(37bps)
<b>Total</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>
Individual MAAUM Mix (%)	87.0	89.0	(200bps)	86.0	100bps
Investor folios (mn)	5.1	5.0	2.0	5.1	(0.4)
SIP and STP Monthly Contribution (Rs mn)	7,550	7,770	(2.8)	7,680	(1.7)
<b>Geographical Spread (%)</b>					
T-30	76.1	76.2	(10bps)	76.3	(20bps)
B-30	23.9	23.8	10bps	23.7	20bps

Source: Company, BOBCAPS Research

## Key Takeaways

### Financial Performance

- Revenue from operations grew 14.3% YoY, reaching Rs 1,098 mn.
- Employee benefit expenses rose 65.4% YoY to Rs 328 mn in Q3FY26 as the company recognized a one-time employee benefit cost of Rs 101.5 mn due to new labour laws and IPO-related expenses.
- Other expenses went up 45.4% YoY to Rs 157 mn in Q3FY26, driven by higher technology, compliance regulatory expenses along with some marginal one-time expenses. However, management expects these costs to stabilise by March 2026.
- Management highlighted that other expenses are expected to rise in tandem with the company's profitability in FY27.
- There was no ESOP cost recorded in 9MFY26.
- Management emphasized maintaining the cost-to-income ratio within the 40% range.

### Product Mix

- The company reported modest QAAUM growth of 2.2% QoQ impacted by heightened market volatility, given the global uncertainties and geopolitical issues. However, management expects conditions to stabilise over the next year and is confident of achieving 20% CAGR. This will be driven by rising SIP flows, improving B-30 share, new product launches, anticipated strong fund performance and continued close partnerships with distributors.
- Equity QAAUM increased by 9.5% YoY at Rs 1,106 bn with market share at 2.4%.
- Yields for the quarter stood at Equity: 35-36 bps, Debt: 28-29 bps, Liquid: 2-3 bps. Overall yields for the quarter stood at 33-34 bps.

### Others

- B-30 mix rose to 23.9% in Q3FY26, driven by an increase in branches from 20 to 29 over the past two years and strong brand recognition of Canara Bank.
- The company continues to focus on both expanding the number of distributors and increasing wallet share from existing distributors.
- The number of folios decreased 0.4% QoQ to 5.07 mn mainly due to rise in SIP discontinuation through digital channels.
- The company is currently in the process of obtaining regulatory approvals for launching of 2 NFOs. However, it expects to launch one NFO in the next 2-3 months.
- The company expects to maintain the payout ratio in the range of 40%-50% of PAT over the next couple of years.

## Valuation Methodology

Q3 was a stable quarter marked by healthy QAAUM growth. With the improving equity fund performance on a 1Y basis, number of schemes in the 1st and 2nd quartiles has been steadily increasing, which we believe would aid higher net inflows going forward. However, the company still has some distance to cover in improving fund performance, with a larger proportion of schemes yet to feature in the first quartile over 3Y and 5Y horizons. Further, SIP inflows have also moderated in the past three quarters, which remains a concern, particularly when the industry is witnessing strong monthly SIP inflows (up 5.3% MoM in Dec'25).

Additionally, with respect to industry trends, near-to-medium term headwinds including the removal of additional TER (5bps) on exit loads, change in the definition of TER and rationalisation of brokerage limits, all which are likely to impact the industry and thereon the company. These challenges are showing up in the monthly industry numbers as well. Further, the TER changes suggest that the companies may pass on most of the impact, coupled with the ongoing distributor renegotiations. Hence, until greater clarity emerges, there would be a medium-term overhang. Additionally, Nifty 50 index returns for Oct'25, Nov'25, and Dec'25 were moderate and stood at 4.5% MoM, 1.9% MoM and -0.3% MoM respectively, which would weigh on industry inflows. In Dec'25, the industry witnessed net outflows to the tune of Rs 665.9bn with equity inflows declining by 6% MoM, which have been on a declining trend in the past four months (except Oct'25).

Due to the above factors, we have revised our target multiple to 22x from the ascribed multiple of 25x. Hence, we maintain BUY with TP of Rs 313 (earlier Rs 362), valuing the stock at 22x its Dec'27E EPS.

**Fig 13 – Revised estimates**

(Rs mn)	New			Old			Change (%)		
	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E
Total Revenue	4,818	5,648	6,648	4,644	5,449	6,377	3.7	3.7	4.3
Operating Profit	2,488	3,004	3,525	2,539	3,045	3,586	(2.0)	(1.3)	(1.7)
PAT	2,173	2,579	3,011	2,137	2,525	2,944	1.7	2.1	2.3

Source: BOBCAPS Research

## Key Risks

Key downside risks to our estimates:

- Equity market correction affecting fund performance
- Shifts in regulatory landscape
- Intensifying industry competition

## Financials

### Income Statement

Y/E 31 Mar (Rs mn)	FY24A	FY25A	FY26E	FY27E	FY28E
Investment mgmt. fees	2,699	3,645	4,301	5,097	6,029
YoY (%)	41.5	35.1	18.0	18.5	18.3
Operating expenses	1,169	1,396	1,812	2,092	2,504
Core operating profits	1,529	2,249	2,488	3,004	3,525
Core operating profits growth (%)	54.5	47.1	10.6	20.7	17.3
Depreciation and Interest	67	67	69	73	76
Core PBT	1,463	2,182	2,419	2,932	3,449
Core PBT growth (%)	57.4	49.2	10.9	21.2	17.6
Other income	489	395	517	552	619
PBT	1,952	2,576	2,936	3,484	4,068
PBT growth (%)	82.4	32.0	13.9	18.7	16.8
Tax	442	669	763	905	1,057
Tax rate (%)	22.6	26.0	26.0	26.0	26.0
<b>Reported PAT</b>	<b>1,510</b>	<b>1,907</b>	<b>2,173</b>	<b>2,579</b>	<b>3,011</b>

### Balance Sheet

Y/E 31 Mar (Rs mn)	FY24A	FY25A	FY26E	FY27E	FY28E
Equity capital	499	1,994	1,994	1,994	1,994
Reserves & surplus	4,046	4,006	5,681	7,761	10,273
Net worth	4,545	6,001	7,675	9,755	12,268
Borrowings	-	-	-	-	-
Other liab. & provisions	623	740	80	83	87
<b>Total liab. &amp; equities</b>	<b>5,168</b>	<b>6,740</b>	<b>7,755</b>	<b>9,838</b>	<b>12,355</b>
Cash & bank balance	4,587	6,044	6,926	8,897	11,280
Other assets	581	696	829	941	1,075
<b>Total assets</b>	<b>5,168</b>	<b>6,740</b>	<b>7,755</b>	<b>9,838</b>	<b>12,355</b>

### Per Share

Y/E 31 Mar (Rs)	FY24A	FY25A	FY26E	FY27E	FY28E
EPS	7.6	9.6	10.9	12.9	15.1
Dividend per share	5.0	2.3	2.5	2.5	2.5
Book value per share	91.2	30.1	38.5	48.9	61.5

### Valuations Ratios

Y/E 31 Mar (x)	FY24A	FY25A	FY26E	FY27E	FY28E
P/E	33.3	26.4	23.2	19.5	16.7
P/BV	2.8	8.4	6.6	5.2	4.1
Dividend yield (%)	2.0	0.9	1.0	1.0	1.0

### DuPont Analysis

Y/E 31 Mar (bps of AAAUM)	FY24A	FY25A	FY26E	FY27E	FY28E
Operating income	40.3	40.4	38.2	38.2	38.0
Operating expenses	17.4	15.5	16.1	15.7	15.8
EBITDA	22.8	24.9	22.1	22.5	22.2
Depreciation and Others	1.0	0.7	0.6	0.5	0.5
Core PBT	21.8	24.2	21.5	22.0	21.8
Other income	7.3	4.4	4.6	4.1	3.9
PBT	29.1	28.5	26.1	26.1	25.7
Tax	6.6	7.4	6.8	6.8	6.7
ROAAAUM	22.5	21.1	19.3	19.3	19.0

### Ratio Analysis

Y/E 31 Mar	FY24A	FY25A	FY26E	FY27E	FY28E
YoY growth (%)					
Investment mgmt. fees	41.5	35.1	18.0	18.5	18.3
Core operating profit	54.5	47.1	10.6	20.7	17.3
EPS	91.2	26.3	14.0	18.7	16.8
Profitability & Return ratios (%)					
Operating income to Total inc.	84.7	90.2	89.3	90.2	90.7
Cost to Core income ratio	43.3	38.3	42.1	41.1	41.5
EBITDA margin	56.7	61.7	57.9	58.9	58.5
Core PBT margin	54.2	59.9	56.2	57.5	57.2
PBT margin (on total inc.)	61.2	63.8	60.9	61.7	61.2
ROE	38.6	36.2	31.8	29.6	27.3
Dividend payout ratio	66.1	23.5	22.0	22.0	22.0

### Annual Average AUM

Y/E 31 Mar	FY24A	FY25A	FY26E	FY27E	FY28E
AAAUM (Rs bn)	670	903	1,127	1,334	1,585
YoY Growth (%)	36.7	34.6	24.8	18.4	18.8
% of AAAUM					
Equity	92	92	91	91	90
Debt	8	8	9	9	10
Liquid	-	-	-	-	-
Others	-	-	-	-	-

Source: Company, BOBCAPS Research

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](http://www.barodaetrade.com)

CIN: U65999MH1996GOI098009

Logo:  TRUST | INNOVATION | EXCELLENCE

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%

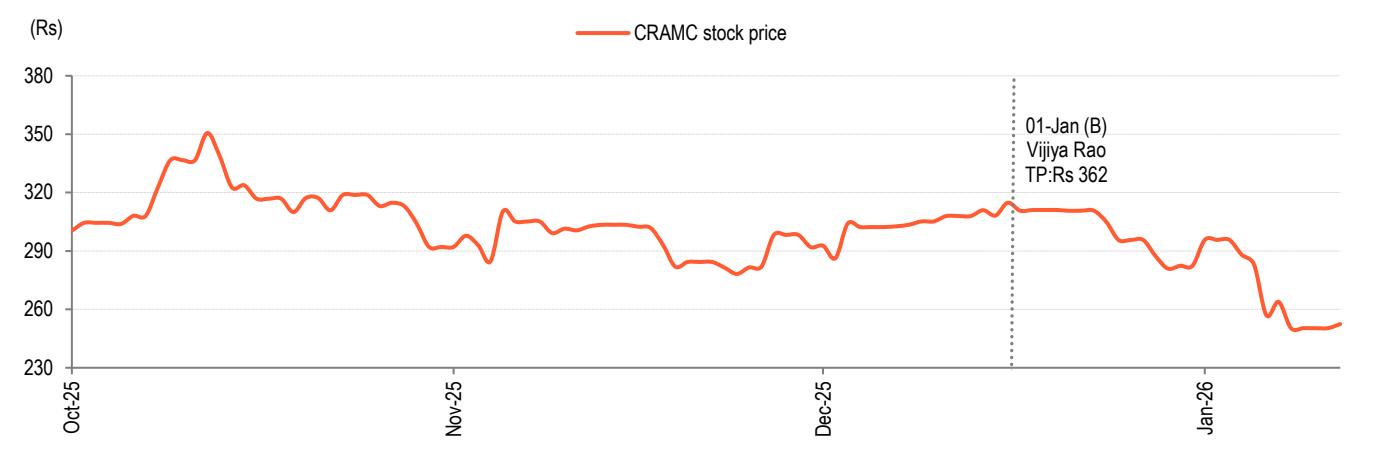
**HOLD** – Expected return from -6% to +15%

**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): CANARA ROBECO AMC (CRAMC 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.