

BUY

TP: Rs 410 | ▲ 25%

CROMPTON GREAVES

Consumer Durables

16 May 2025

Robust operating performance; capex plans underway

- Revenue broadly in line, EBITDA margin positively surprises (120bps ahead of estimates)
- Revenue grew 5% YoY led by 6% YoY growth in ECD, while lighting declined 2% YoY; lighting margin came in at 15.9% (+700bps YoY)
- Assign 35x to FY27 E EPS to arrive at Mar'26 TP of Rs 410; assume coverage with BUY

Vineet Shanker

research@bobcaps.in

Better-than-expected operating performance led to EBITDA beat: Q4 revenue was broadly in line (1% below estimates). EBITDA margin — coming in as a positive surprise — was 170bps above our estimates; resulting in 9%/10% beat in EBITDA/PAT. Consolidated revenue saw a muted growth of 5% YoY led by 6% YoY growth in ECD and 11% growth in Butterfly, while lighting declined 2% YoY. Gross margin improved significantly by 200bps YoY to 33.9%, on account of improved product mix. Further, EBITDA margin expanded 240bps YoY to 12.8% and adjusted PAT saw a 29% YoY jump. For FY25, consolidated revenue/EBITDA/PAT grew 8%/12%/28% YoY, respectively.

Muted growth in Lighting & ECD; Lighting margins a positive surprise: ECD segment reported a muted growth of 6% YoY, due to subdued consumer demand. In the lighting segment, revenue declined 2% YoY, impacted by continued price erosion. However, profitability improved — ECD EBIT margin remained flat YoY, while lighting EBIT margin expanded sharply by 700bps YoY to 15.9%, despite a fall in revenue. The margin uplift was driven by a structural shift in product mix, with panels emerging as the largest sub-segment, surpassing traditional lamps and battens. Additionally, the Unnati cost efficiency program contributed meaningfully to the margin expansion.

Capex on cards; foray in Solar rooftop: Management has announced two: (a) Rs 3.5bn greenfield capex plan to expand fan manufacturing capacity in Phase 1, including land acquisition, with further details to be shared in the coming weeks (b) entry into the solar rooftop segment under an outsourcing model, aligned with the PM-KUSUM scheme. We believe these two growth initiatives will provide strong levers for the business to grow, going forward.

Assume coverage with BUY: We expect Crompton to deliver 16% PAT CAGR over FY25–27E, led by product launches in fans (BLDC and induction), better lighting mix, Butterfly revival. Assigning 35x FY27E EPS, we arrive at a Mar'26 TP of Rs 410; assume coverage with a BUY rating.

Key changes

Target	Rating
▼	◀ ▶

Ticker/Price	CROMPTON IN/Rs 327
Market cap	US\$ 2.4bn
Free float	100%
3M ADV	US\$ 10.8mn
52wk high/low	Rs 484/Rs 301
Promoter/FPI/DII	0%/40%/44%

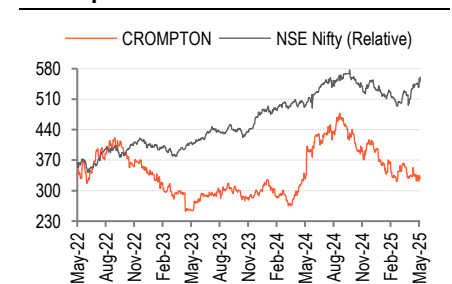
Source: NSE | Price as of 15 May 2025

Key financials

Y/E 31 Mar	FY25A	FY26E	FY27E
Total revenue (Rs mn)	78,636	89,633	1,05,512
EBITDA (Rs mn)	8,882	9,760	11,479
Adj. net profit (Rs mn)	5,560	6,208	7,506
Adj. EPS (Rs)	8.6	9.6	11.7
Consensus EPS (Rs)	9.5	12.0	15.0
Adj. ROAE (%)	17.4	17.1	18.1
Adj. P/E (x)	37.9	34.0	28.1
EV/EBITDA (x)	22.7	21.1	18.0
Adj. EPS growth (%)	26.4	11.7	20.9

Source: Company, Bloomberg, BOBCAPS Research

Stock performance



Source: NSE



Fig 1 – Quarterly performance

Particulars (Rs mn)	Q4FY25	Q4FY24	YoY (%)	Q3FY25	QoQ (%)	FY25	FY24	YoY (%)	Q4FY25E	Var (%)
Revenue	20,606	19,610	5.1	17,692	16.5	78,636	73,128	7.5	20,839	(1)
Gross Profit	6,991	6,258	11.7	5,891	18.7	25,902	23,125	12.0	6,721	4
Gross Margin (%)	33.9	31.9	200bps	33.3	60bps	32.9	31.6	170bps	32.3	167bps
EBITDA	2,644	2,036	29.9	1,880	40.6	8,882	7,137	24.5	2,416	9
EBITDA Margin (%)	12.8	10.4	240bps	10.6	220bps	11.3	9.8	150bps	11.6	124bps
Depreciation	396	350		379		1,528	1,288		392	0.9
Interest	100	156		105		480	792		107	(7.2)
Other Income	159	160		116		688	674		152	5.1
PBT	2,308	1,690	36.5	1,512	52.7	7,562	5,731	32.0	2,068	11.6
Tax	591	356		393		1,921	1,313		514	14.8
Adjusted PAT	1,717	1,334	28.7	1,119	53.4	5,641	4,418	27.7	1,553	10.6
Exceptional item	-	-		-		-	-		-	
Reported PAT	1,717	1,334	28.7	1,119	53.4	5,560	4,399	26.4	1,553	10.6
Adj. PAT Margin (%)	8.3	6.8	150bps	6.3	200bps	7.2	6.0	110bps	7.5	88bps
EPS (Rs)	2.7	2.1	27.9	1.8	53.2	8.6	6.9	24.9	2.4	10.6

Source: Company, BOBCAPS Research

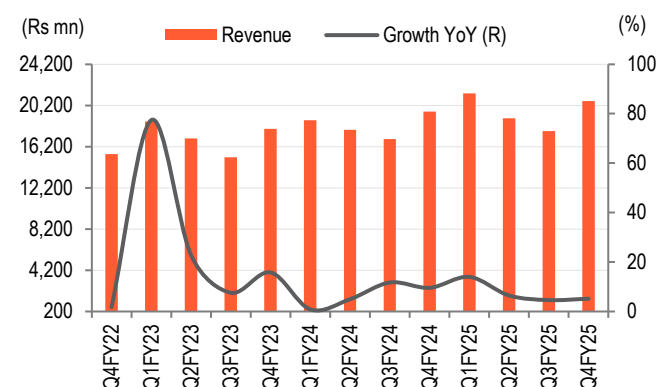
Fig 2 – Segmental performance

Particulars (Rs mn)	Q4FY25	Q4FY24	YoY (%)	Q3FY25	QoQ (%)	FY25	FY24	YoY (%)
Segment revenue								
ECD	16,029	15,160	6	12,878	24	60,100	53,922	11
Lighting	2,761	2,811	(2)	2,577	7	10,203	9,982	2
Butterfly Gandhimathi	1,817	1,639	11	2,237	(19)	8,333	9,225	(10)
EBIT								
ECD	2,675	2,533	6	1,957	37	9,283	7,747	20
EBIT Margin (%)	16.7	16.7	(2bps)	15.2	149bps	15.4	14.4	108bps
Lighting	440	251	75	278	58	1,196	1,053	14
EBIT Margin (%)	15.9	8.9	701bps	10.8	514bps	11.7	11.4	31bps
Butterfly Gandhimathi	123	(261)	NA	123	0	464	82	466
EBIT Margin (%)	6.7	(15.9)	NA	5.5	124bps	5.6	1.1	451bps

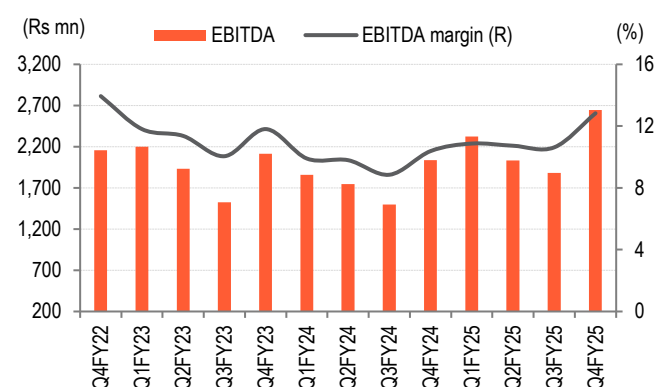
Source: Company, BOBCAPS Research

Earnings call highlights

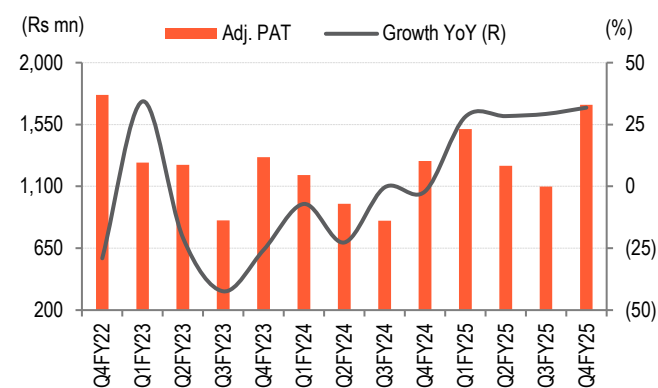
- Butterfly posted 12% YoY revenue growth in Q4FY25, with EBITDA margin improving to 8.6%. EBIT rose to Rs 420mn in FY25. Management expects Butterfly to deliver mid-teen revenue growth and approach double-digit EBITDA margins over the next 3–5 years, driven by portfolio repositioning and upcoming new product launches. Phase-1 of the turnaround is complete, and FY26 marks the beginning of the next leg of profitable growth.
- Large domestic appliances segment delivered high-teen growth, supported by 50% plus YoY growth in air coolers and 30% plus in mixer grinders. Large kitchen appliances revenue touched Rs 600 mn in FY25, with EBITDA losses narrowing and Crompton gaining traction online (now third on Amazon in the category).
- Crompton rolled out two new motor technology platforms - Nucleus (in-house BLDC) and X-Tech (Induction) - under its platform-first strategy in fans. These initiatives are aimed at strengthening product differentiation and supporting long-term margin resilience amid evolving energy efficiency norms.
- While FY25 saw modest volume growth, the company added 1–1.5 million units, equivalent to the annual scale of smaller players.
- Crompton is expanding into the solar rooftop segment (Rs 200 bn addressable market), following a similar strategy to its solar pumps business, which scaled Rs 2 bn in 3 years. Solar vertical will be initially outsourced but margin-accretive, leveraging Crompton's brand equity, sourcing capabilities, and B2C distribution network.
- Residential pumps business continues to perform well with sustained market leadership. Solar pumps have reached meaningful scale and are expected to grow further, with the opportunity viewed as structural and not solely subsidy-driven (PM Kusum).
- Extended rainfall and cooler weather conditions led to slower-than-expected Q1 summer offtake, particularly in cooling categories. Management expects demand normalisation as temperature trends improve and remains focused on agile inventory management.

Fig 3 – Revenue growth

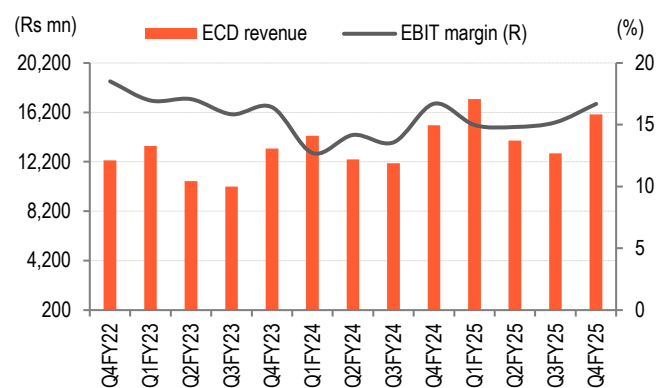
Source: Company, BOBCAPS Research

Fig 4 – EBITDA growth

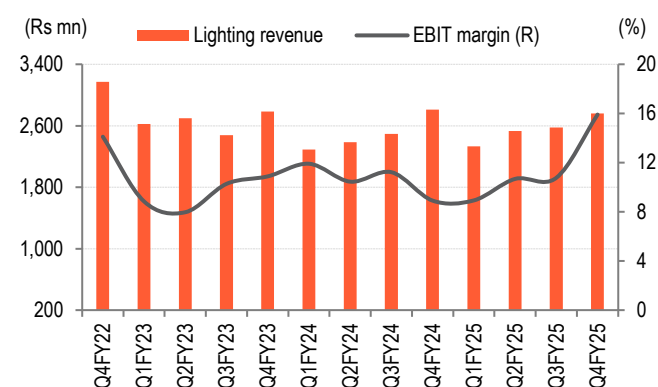
Source: Company, BOBCAPS Research

Fig 5 – Profit growth

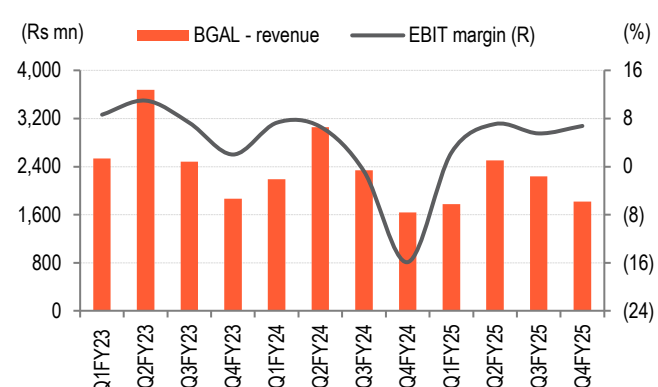
Source: Company, BOBCAPS Research

Fig 6 – ECD business performance

Source: Company, BOBCAPS Research

Fig 7 – Lighting business performance

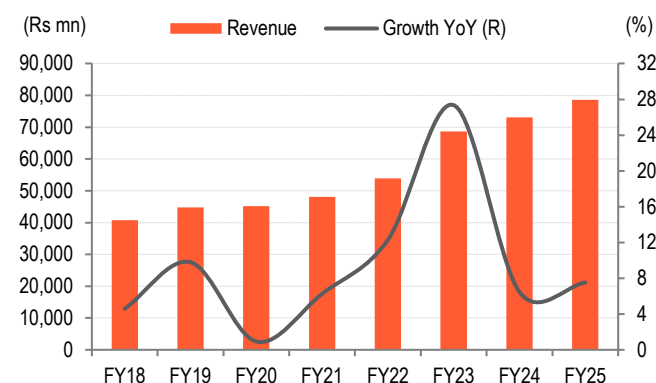
Source: Company, BOBCAPS Research

Fig 8 – BGAL's performance

Source: Company, BOBCAPS Research

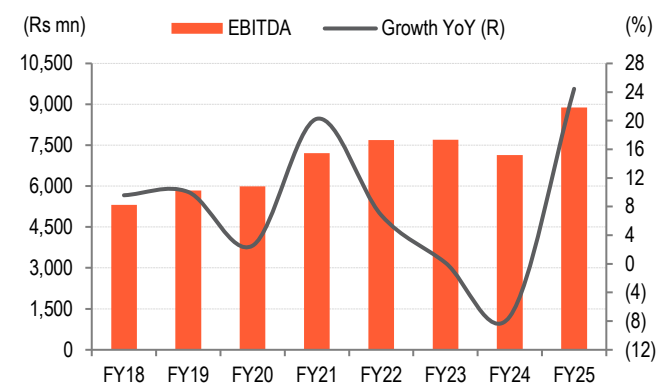
Annual Charts

Fig 9 – Revenue growth



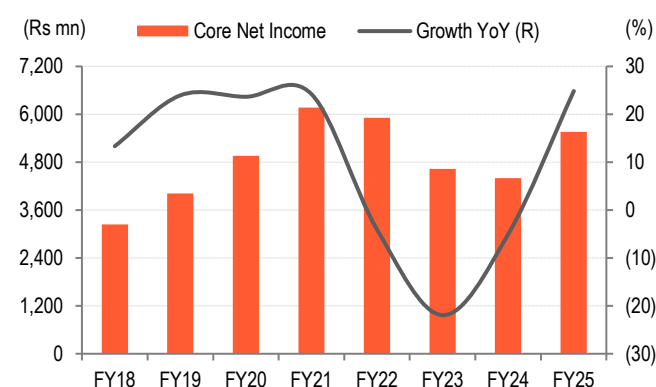
Source: Company, BOBCAPS Research

Fig 10 – EBITDA growth



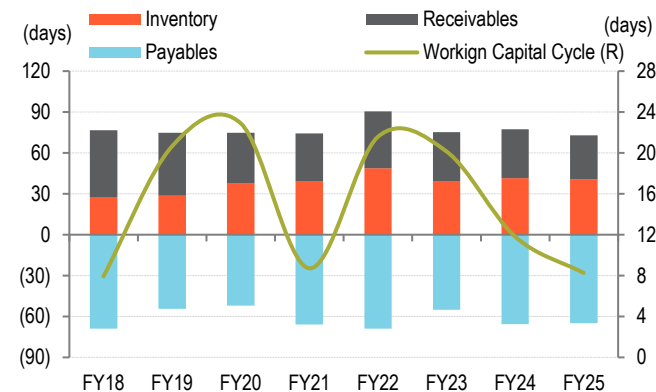
Source: Company, BOBCAPS Research

Fig 11 – Core net income



Source: Company, BOBCAPS Research

Fig 12 – Working capital cycle



Source: Company, BOBCAPS Research

Financials

Income Statement

Y/E 31 Mar (Rs mn)	FY23A	FY24A	FY25A	FY26E	FY27E
Total revenue	68,696	73,128	78,636	89,633	1,05,512
EBITDA	7,705	7,137	8,882	9,760	11,479
Depreciation	1,159	1,288	1,528	1,624	1,769
EBIT	6,546	5,849	7,354	8,135	9,710
Net interest inc./(exp.)	1,092	792	480	484	400
Other inc./(exp.)	668	674	688	757	833
Exceptional items	0	0	0	0	0
EBT	6,122	5,731	7,562	8,408	10,143
Income taxes	1,358	1,313	1,921	2,119	2,556
Extraordinary items	0	0	0	0	0
Min. int./Inc. from assoc.	0	0	0	0	0
Reported net profit	4,632	4,399	5,560	6,208	7,506
Adjustments	0	0	0	0	0
Adjusted net profit	4,632	4,399	5,560	6,208	7,506

Balance Sheet

Y/E 31 Mar (Rs mn)	FY23A	FY24A	FY25A	FY26E	FY27E
Accounts payables	10,354	13,145	13,948	16,208	18,790
Other current liabilities	3,496	4,174	4,135	5,157	6,071
Provisions	-	-	-	-	-
Debt funds	10,051	6,832	4,786	4,286	3,536
Other liabilities	1,567	2,177	1,952	2,259	3,578
Equity capital	1,272	1,286	1,288	1,288	1,288
Reserves & surplus	29,805	33,204	37,190	41,846	47,475
Shareholders' fund	31,077	34,490	38,478	43,133	48,763
Total liab. and equities	56,544	60,817	63,298	71,043	80,737
Cash and cash eq.	1,095	2,608	3,530	2,729	5,449
Accounts receivables	6,706	7,209	6,912	8,841	10,696
Inventories	7,439	8,304	8,817	11,051	13,876
Other current assets	7,344	8,927	9,565	11,051	13,876
Investments	-	-	-	-	-
Net fixed assets	32,710	32,439	33,151	34,027	33,757
CWIP	55	114	142	2,000	1,500
Intangible assets	0	0	0	0	0
Deferred tax assets, net	-	-	-	-	-
Other assets	1,197	1,216	1,180	1,345	1,584
Total assets	56,544	60,817	63,298	71,043	80,737

Cash Flows

Y/E 31 Mar (Rs mn)	FY23A	FY24A	FY25A	FY26E	FY27E
Cash flow from operations	5,526	8,434	7,374	5,467	5,266
Capital expenditures	(708)	(805)	(1,028)	(2,500)	(1,500)
Change in investments	-	-	-	-	-
Other investing cash flows	3,340	(1,264)	(283)	(1,716)	1,581
Cash flow from investing	2,632	(2,069)	(1,311)	(4,216)	81
Equities issued/Others	416	893	204	0	0
Debt raised/repaid	9,250	(4,394)	(4,021)	(500)	(750)
Interest expenses	-	-	-	-	-
Dividends paid	-	-	-	-	-
Other financing cash flows	(18,771)	(1,912)	(1,930)	(1,552)	(1,876)
Cash flow from financing	(9,105)	(5,413)	(5,747)	(2,052)	(2,626)
Chg in cash & cash eq.	(948)	952	316	(801)	2,720
Closing cash & cash eq.	1,095	2,608	3,530	2,729	5,449

Per Share

Y/E 31 Mar (Rs)	FY23A	FY24A	FY25A	FY26E	FY27E
Reported EPS	7.3	6.9	8.6	9.6	11.7
Adjusted EPS	7.3	6.9	8.6	9.6	11.7
Dividend per share	3.0	3.0	3.0	2.4	2.9
Book value per share	41.8	47.2	52.7	59.9	68.6

Valuations Ratios

Y/E 31 Mar (x)	FY23A	FY24A	FY25A	FY26E	FY27E
EV/Sales	3.1	2.8	2.6	2.3	2.0
EV/EBITDA	27.7	28.5	22.7	21.1	18.0
Adjusted P/E	45.0	47.3	37.9	34.0	28.1
P/BV	7.8	6.9	6.2	5.5	4.8

DuPont Analysis

Y/E 31 Mar (%)	FY23A	FY24A	FY25A	FY26E	FY27E
Tax burden (Net profit/PBT)	75.7	76.8	73.5	73.8	74.0
Interest burden (PBT/EBIT)	93.5	98.0	102.8	103.4	104.5
EBIT margin (EBIT/Revenue)	9.5	8.0	9.4	9.1	9.2
Asset turnover (Rev./Avg TA)	2.1	2.2	2.4	2.7	3.1
Leverage (Avg TA/Avg Equity)	1.3	1.2	1.0	0.9	0.8
Adjusted ROAE	18.1	15.5	17.4	17.1	18.1

Ratio Analysis

Y/E 31 Mar	FY23A	FY24A	FY25A	FY26E	FY27E
YoY growth (%)					
Revenue	27.4	6.5	7.5	14.0	17.7
EBITDA	0.1	(7.4)	24.5	9.9	17.6
Adjusted EPS	(21.7)	(5.0)	26.4	11.7	20.9
Profitability & Return ratios (%)					
EBITDA margin	11.2	9.8	11.3	10.9	10.9
EBIT margin	9.5	8.0	9.4	9.1	9.2
Adjusted profit margin	6.7	6.0	7.1	6.9	7.1
Adjusted ROAE	18.1	15.5	17.4	17.1	18.1
ROCE	16.9	15.9	19.5	20.0	21.4
Working capital days (days)					
Receivables	36	36	32	36	37
Inventory	40	41	41	45	48
Payables	55	66	65	66	65
Ratios (x)					
Gross asset turnover	2.0	2.1	2.1	2.3	2.5
Current ratio	1.3	1.3	1.3	1.4	1.6
Net interest coverage ratio	6.0	7.4	15.3	16.8	24.3
Adjusted debt/equity	0.2	0.1	0.0	0.0	0.0

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

NOT FOR DISTRIBUTION, DIRECTLY OR INDIRECTLY, IN OR INTO THE UNITED STATES OF AMERICA ("US") OR IN OR INTO ANY OTHER JURISDICTION IF SUCH AN ACTION IS PROHIBITED BY APPLICABLE LAW.

Disclaimer

Name of the Research Entity: **BOB Capital Markets Limited**

Registered office Address: **1704, B Wing, Parinee Crescenzo, G Block, BKC, Bandra East, Mumbai 400051**

SEBI Research Analyst Registration No: **INH000000040 valid till 03 February 2025**

Brand Name: **BOBCAPS**

Trade Name: **www.barodaetrade.com**

CIN: **U65999MH1996GOI098009**

Logo:  **BOBCAPS**
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%

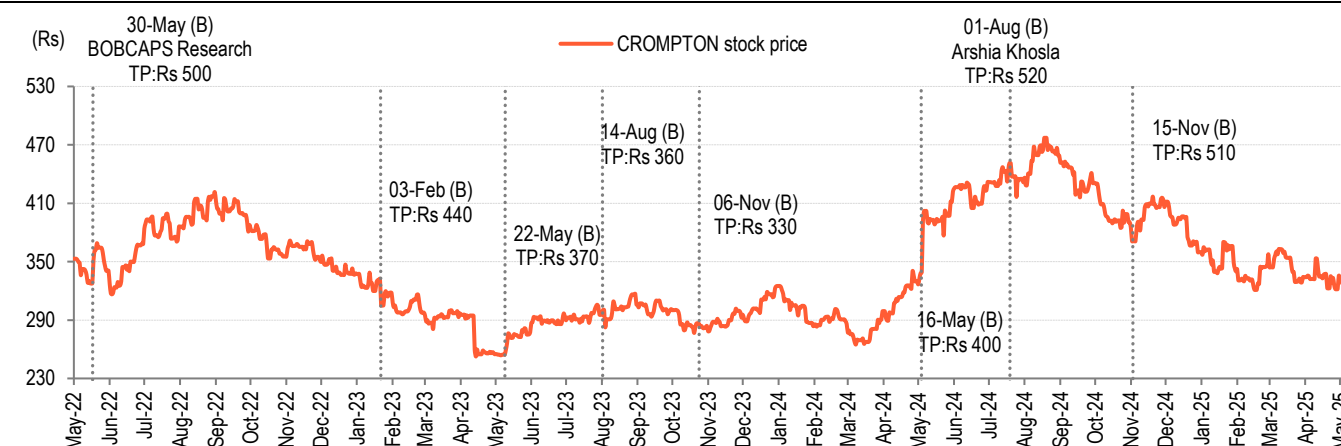
HOLD – Expected return from -6% to +15%

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): CROMPTON GREAVES (CROMPTON 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.