BOBCAPS
TRUST | INNOVATION | EXCELLENCE

FIRST LIGHT

11 July 2025

RESEARCH

BOB ECONOMICS RESEARCH | MONTHLY CHARTBOOK

Tariff hazes market and macro outlook

TATA CONSULTANCY SERVICES | TARGET: Rs 3,304 | -2% | HOLD

Slowdown intensified. Impacting multiple sectors and margins

CEMENT | Q1FY26 PREVIEW

Good start for the year; monsoon holds the key

INSURANCE | Q1FY26 PREVIEW

A mixed quarter

PHARMACEUTICALS | Q1FY26 PREVIEW

Healthy quarter for non-Revlimid companies

SUMMARY

INDIA ECONOMICS: MONTHLY CHARTBOOK

On global front, tariff jitters are blindsiding growth-inflation dynamics. With fresh commodity specific and country-specific tariff rates being anticipated, inflationary concerns have again reignited. Recent Fed minutes also highlighted it as a hindrance to monetary policy easing. Based on the underlying murky global backdrop, domestic markets are likely to exhibit some degree of volatility. Key risks remain to FPI flows. Domestic macro indicators are suggesting that growth is holding ground. Both services and manufacturing PMIs have improved, other consumption and service sectors indicators are also showing momentum in Q1 versus Q4.

Click here **for the full report.**

TATA CONSULTANCY SERVICES

- 1QFY26 was weaker than expected on both international and BSNL fronts. Even BFSI on a QoQ basis was impacted (Europe driven)
- While the narrative was that there was no deterioration beyond what was indicated post 4QFY25, the weakness intensified
- Retain estimates, target PE multiple and rating. While valuation from a historical 5-year perspective looks cheap, see no immediate triggers

Click here **for the full report.**

BOBCAPS Research
research@bobcaps.in

CEMENT: Q1FY26 PREVIEW

- A healthy ~9% (coverage universe) demand, driven by improved rural sentiment and lower base YoY on general elections in May 2024
- Cement prices hiked early in Q1 failed to continue its momentum due to early onset of the monsoon, realisations
- Avg EBITDA margin (cement coverage) estimated at ~22% up by ~500 bps on weak base YoY (+150bps QoQ), EBITDA/t at ~Rs 1,164

Click here for the full report.

INSURANCE: Q1FY26 PREVIEW

- For our coverage private players and LICI, APE is likely to grow moderate at 6% YoY in Q1FY26
- VNB margin is likely to witness expansion during the quarter for most of the players, private players, and LICI in the range of 100-300bps YoY
- HDFC Life is expected to report healthy APE growth, better margins on a balanced product mix

Click here for the full report.

PHARMACEUTICALS: Q1FY26 PREVIEW

- Domestic sales driven by new product launches and price hike. Insulin players like Eris/Lupin benefit from outgoing Novo's pen based insulin
- In US, Revlimid selling companies to report lower growth vs non-Revlimid companies. The gap unlikely to be filled soon by new launches
- In CDMOs, growth to be driven across companies as molecules swiftly move from one phase to another, leading to record commercialisation

Click here for the full report.

MONTHLY CHARTBOOK

10 July 2025

Tariff hazes market and macro outlook

Economic Research Department
Dipanwita Mazumdar | Sonal Badhan
Aditi Gupta | Jahnavi
Economist

On global front, tariff jitters are blindsiding growth-inflation dynamics. With fresh commodity specific and country-specific tariff rates being anticipated, inflationary concerns have again reignited. Recent Fed minutes also highlighted it as a hindrance to monetary policy easing. Based on the underlying murky global backdrop, domestic markets are likely to exhibit some degree of volatility. Key risks remain to FPI flows. Domestic macro indicators are suggesting that growth is holding ground. Both services and manufacturing PMIs have improved, other consumption and service sectors indicators are also showing momentum in Q1 versus Q4.

Capital goods production, capex spending and new project announcements in Q1 fared well. However, some strains can be seen in performance of 2-wheeler sales, and moderation in consumer durables and FMCG output. However, domestic inflation remains in favour which hints at softer monetary policy.

Growth remains on track: High frequency data available for Q1FY26 so far shows that consumption demand appears to be improving compared with last quarter. This is reflective in rise in steel consumption growth, increase in electronic imports, and higher central government revenue spending. Services indicators are also showing a pickup in activity, as can be seen in case of services PMI, vehicle registrations, diesel consumption, revenue collection of states and e-way bill generations. Monsoon activity is also healthy at 15% above LPA so far (as of 9 Jul 2025).

Central government finances: Centre's fiscal deficit ratio (12MMA trailing basis) eased to 4.5% as of May'25 from 4.6% as of Apr'25. In FYTD26 (Apr-May), centre's net revenue increased by 11.3%, slightly slower than 14.5% growth registered last year during the same period. Moderation was led by direct tax collections, which came off a high base (12.9% versus 34.1%). Indirect tax collections also eased (4.3% versus 6.3%). On the spending front, overall expenditure softened to 4.8% from 5.9% last year. This was on account of capital expenditure, which eased to 10.9% from a high base of 28.3% last year. In contrast, revenue expenditure rose by 3.1% from 1.2% earlier. For now we believe, government remains on track to meet its budgeted targets.

Yields to remain rangebound: India's 10Y yield after a moderate correction in Jun'25 is showing bit of stability in Jul'25. This month broadly India's 10Y yield is likely to trade sideways cautiously without showing much momentum. Key watchable would be the evolution of global tariff policies and the likely impact on global yields. RBI's liquidity management operations through VRRR will be closely looked.

HOLD

TP: Rs 3,304 | ▽ 2%

TATA CONSULTANCY SERVICES | IT Services | 11 July 2025

Slowdown intensified. Impacting multiple sectors and margins

- **1QFY26 was weaker than expected on both international and BSNL fronts. Even BFSI on a QoQ basis was impacted (Europe driven)**
- **While the narrative was that there was no deterioration beyond what was indicated post 4QFY25, the weakness intensified**
- **Retain estimates, target PE multiple and rating. While valuation from a historical 5-year perspective looks cheap, see no immediate triggers**

Girish Pai
research@bobcaps.in

Worse than the positive narrative: Much against the industry perspective that the worst was largely behind in 4QFY25, it looks like that uncertainty's impact on demand intensified in 1QFY26 leading to even sectors like BFSI declining on a QoQ basis. BSNL contract too declined QoQ much more than what the company indicated in the previous quarter The slowdown intensification has caught TCS by surprise leading to lowering of Utilization and therefore impacting its margins adversely. Thus, against our flat growth revenue estimate in CC terms, T CS delivered a 3.3% decline and an EBIT margin (which improved 30bps QoQ) that was lower than our expectation by 70bps.

Key sectors declined QoQ: The three largest sectors, BFSI, consumer and Healthcare and Lifesciences, declined by 0.5%, 2.2% and 1.7% QoQ in CC terms respectively. India declined by ~33% (comes under regional markets) and drove the 3.3% QoQ revenue decline overall. International revenues contributed 50bps to the 330bps decline while 280bps came from India. The YoY picture is a tad different.

Company expects clarity by end July 2025. We are not as sanguine: While there is likely to be a kicker in a follow through order of BSNL (us$350mn) to be largely executed in 2Q and 3Q. We expect international business to be under pressure as we believe the uncertainty will linger as indicated in our recent note (**Uncertainty stays and 'eating the tariff' may impact even FY27**). While optically in USD terms the annual growth seems to have picked up due to cross currency tailwinds, on a CC basis, we believe international business will struggle to show growth in FY26

The company is talking of a pent-up demand uptick: In the past these upticks have been post sharp declines in tech spending. What we see here is a shallow weakness and hence do not expect a major rebound. Hence, we expect a growth pick up to mid-single digits in FY27 and FY28 but not a rebound to high single digits.

Not sure if TCS's performance should be applicable to others too: The readthrough for TCS's peers is not too good. But there could be variations across players based on their vertical mix and customer set.

Key changes

Target	Rating
▲	◄ ►

Ticker/Price	TCS IN/Rs 3,382
Market cap	US$ 142.9bn
Free float	28%
3M ADV	US$ 96.6mn
52wk high/low	Rs 4,592/Rs 3,056
Promoter/FPI/DII	72%/12%/11%

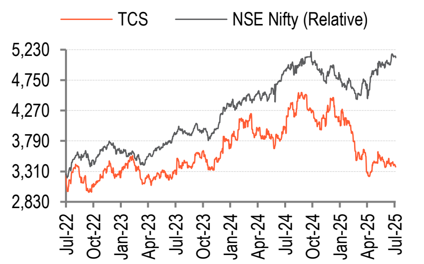
Source: NSE | Price as of 10 Jul 2025

Key financials

Y/E 31 Mar	FY25A	FY26E	FY27E
Total revenue (Rs mn)	2,553,240	2,661,695	2,857,269
EBITDA (Rs mn)	674,070	713,838	760,723
Adj. net profit (Rs mn)	485,530	523,111	551,938
Adj. EPS (Rs)	134.2	144.6	152.5
Consensus EPS (Rs)	134.2	143.2	156.9
Adj. ROAE (%)	51.9	55.9	58.9
Adj. P/E (x)	25.2	23.4	22.2
EV/EBITDA (x)	18.0	16.9	15.9
Adj. EPS growth (%)	4.2	7.7	5.5

Source: Company, Bloomberg, BOBCAPS Research

Stock performance



Source: NSE

BOBCAPS
TRUST | INNOVATION | EXCELLENCE

CEMENT | Q1FY26 Preview | 10 July 2025

Good start for the year; monsoon holds the key

- **A healthy ~9% (coverage universe) demand, driven by improved rural sentiment and lower base YoY on general elections in May 2024**
- **Cement prices hiked early in Q1 failed to continue its momentum due to early onset of the monsoon, realisations +2%/1% YoY/QoQ**
- **Avg EBITDA margin (cement coverage) estimated at ~22% up by ~500 bps on weak base YoY (+150bps QoQ), EBITDA/t at ~Rs 1,164**

Milind Raginwar
research@bobcaps.in

Healthy vol growth; a weak base helps: Cement demand was steady in Q1FY26, though a weak base helped reflect healthier gains. Demand revival visible in Q4FY25 was extended in many pockets reflected in the ~9% volume growth in our coverage universe. Demand was healthy in the eastern and western regions, helped by states like Bihar (pre-election demand), West Bengal, Gujarat and Maharashtra. Predictions of above-normal monsoon helped improve the sentiments in the rural segment and improved infrastructure activity helped urban demand. However, across-the-border tensions and early monsoon were the dampeners.

Price revival in early Q1FY26 steadily tapers: The aggressive price hikes taken in South India and price revival in the eastern and central region helped improve pricing sentiment early in the quarter. However, political tensions kept pricing on tenterhooks in East and South India. Further, arrival of monsoon two weeks ahead of the schedule added concerns on maintaining prices at elevated levels. Pan-India cement prices were higher by ~5-6%, skewed by steep price hikes in South India, followed by North & Central; while the West remained range-bound.

Limited margin fall: Realisations of our coverage companies improved by an average ~2%YoY (up by ~1% QoQ). With limited negative cost headwinds and better operating leverage available, margin profile improved with margins at ~21% in Q1FY26. Efficiently driven companies like UTCEM, STRCEM, and SRCM outperformed the industry while ACC, TRCL and JK Lakshmi were below par.

Better pricing helps EBITDA/t recovery YoY: We estimate EBITDA/t at ~Rs 1,164/t recovering further from ~Rs995/tonne QoQ, on healthy pricing and limited cost headwinds. Better efficiencies by the use of alternate fuel helped recovery. EBITDA/t improvement was healthy on a weak base of general election quarter YoY. UTCEM, SRCM and STRCEM stayed above industry average, but ACC and Ramco Cements faired below average.

No major change in stance: We continue to be positive on UTCEM (BUY) and our negative stance (SELL Rating) on JK Lakshmi, Dalmia Bharat and TRCL.

INSURANCE | Q1FY26 Preview | 10 July 2025

A mixed quarter

- **For our coverage private players and LICI, APE is likely to grow moderate at 6% YoY in Q1FY26**
- **VNB margin is likely to witness expansion during the quarter for most of the players, private players, and LICI in the range of 100-300bps YoY**
- **HDFC Life is expected to report healthy APE growth, better margins on a balanced product mix**

Vijiya Rao | Niraj Jalan
research@bobcaps.in

Strong VNB growth ahead: For the coverage private players and LICI, APE is likely to grow moderate at 6% YoY in Q1FY26. This is likely on account of mixed performance with companies' growth ranging from (-3) to 14% YoY. However, VNB growth is expected to remain strong at 18% YoY in Q1FY26, aided by favourable product mix leading to margin expansion. During the quarter, VNB margin is likely to witness expansion for most of the players, private players, and LICI in the range of 100-300bps YoY; except for ICICI Pru (margin contraction of 65bps YoY). This is owing to the increasing share of high-margin products - non-par and protection products in the overall mix, coupled with the rising contribution of high-margin ULIP sales with higher sum assured with rider attachments. HDFCLIFE is likely to see the strongest APE growth of ~14% YoY in Q1FY26, while IPRU and SBILIFE may see a modest growth in the range of -3 to 7% YoY in Q1FY26.

HDFC Life: The company is expected to witness double-digit healthy APE growth of 14% YoY. Gross premium may see a growth of 21% YoY. VNB margin is likely to be at 26.1% in Q1FY26 vs 26.5% in Q4FY25 vs 25.1% in Q1FY25; aided by product shift towards traditional products and margin improvement in ULIPs. For Jun'25, its total APE grew 8% YoY, driven by individual APE growth (up 12% YoY). However, its group APE declined 22% YoY in Jun'25. Market share increased by 45bps, on a total APE basis. New business premium was down 6% YoY in Jun'25.

ICICI Pru Life: APE is likely to decline 3% YoY in Q1FY26, on a higher base (up 34% YoY in Q1FY25). Gross premium is expected to increase 8% YoY. VNB margin is likely to be at 23.4% vs 24% in Q1FY25 vs 22.7% in Q4FY25. Sequential increase in VNB margins would be aided by continued improvement in the product mix (favourable). In Jun'25, its APE rose 11% YoY, supported by group APE (up 51% YoY). Individual APE de-grew 10% YoY in Jun'25. It witnessed an increase in the market share of 55bps YoY. New business premium increased by 4% YoY.

BOBCAPS
TRUST | INNOVATION | EXCELLENCE

PHARMACEUTICALS | Q1FY26 Preview | 10 July 2025

Healthy quarter for non-Revlimid companies

- **Domestic sales driven by new product launches and price hike. Insulin players like Eris/Lupin benefit from outgoing Novo's pen based insulin**
- **In US, Revlimid selling companies to report lower growth vs non-Revlimid companies. The gap unlikely to be filled soon by new launches**
- **In CDMOs, growth to be driven across companies as molecules swiftly move from one phase to another, leading to record commercialisation**

Foram Parekh
research@bobcaps.in

Overall decent quarter expected: We expect sales growth for our coverage companies to report at 10.57% YoY and 2.3% QoQ to Rs 560 bn, driven by healthy sales of 10.5% YoY in the domestic region and 2.4% YoY in the US region. EBITDA margin for our coverage companies is expected to be flat and increase by 16bps YoY and 5bps QoQ to 24.6%. Adjusted PAT is expected to grow by 43% YoY and 5.5% QoQ to Rs 93bn. From our coverage companies, Laurus Labs is expected to report 380% YoY PAT growth; Eris's PAT is expected to grow 66% YoY and Divi's is expected to grow at 39% YoY PAT.

All-round growth expected in domestic region: We expect all our companies, ex-acute business, to surpass IPM growth of ~9%, grow by 10.5% YoY and 12.8% QoQ to Rs 170mn, driven by price hike and new product launches. Companies like Sun will likely lead the growth through volume. Eris is expected to grow by cannibalising the opportunity of Mixtard, while others are expected to drive value growth. Acute focus companies like Alkem and Alembic are expected to grow in line with the IPM growth.

US cos' growth to be driven by non-generics: We expect US countries to report 2.4% YoY growth and 3.3% QoQ growth, driven by complex generics and specialty products. Though gRevlimid sales will taper in 1QFY26 due to competition, we expect the export to US to be better on the filing of channel inventory ahead of Tariff uncertainties.

CDMO companies: Sales for CDMO companies will likely grow by 38.6% YoY, though will decline by 10% to Rs 53bn in 1QFY26. We expect Laurus Labs sales to grow by 88% YoY given the very low base, followed by 14% YoY growth in Divi's and 15% YoY growth in Cohance. Overall, CDMO companies are likely to continue witnessing strong traction as all companies have record-high commercialised molecules.

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:

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.

Analyst certification

Each of the analysts mentioned in this research report certify, with respect to the sections of the report for which they are responsible, that (1) all of the views expressed in this 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).

Important disclosures

This product is a compilation of previously published research notes. To view the complete report along with the associated Analyst certifications and Company-specific disclosures, please click on the hyperlink accompanying each excerpt.

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.

Other disclosures

BOBCAPS does not have any financial interest in the subject company. BOBCAPS does 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.

BOBCAPS is not engaged in any market making activities for 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.