RESULT REVIEW

BOBCAPS
TRUST | INNOVATION | EXCELLENCE

HOLD
TP: Rs 174 | ∀ 4%

GAIL | Oil & Gas | 01 August 2026

Results above expectations on gas marketing performance

- **Revenue & EBITDA increased by 16.7%YoY and 93.5%YoY respectively primarily driven by improved gas marketing performance**
- **Gas marketing margins to come down as Brent price corrects. Overall, outlook is contingent on normalisation of LNG supply/prices**
- **Raise to HOLD from SELL; considering improved performance & rollover to June'28E, we raise TP to Rs174 from Rs147**

Sukhwinder Singh
Research Analyst
research@bobcaps.in

Performance above expectations: GAIL reported revenue at Rs412bn (+16.7% YoY, +15.8%QoQ) and was 23% above our estimates. EBITDA at Rs70bn (+93.5% YoY, +388.4% QoQ), was 199% above our estimates. Performance was strong due to strong recovery in gas marketing business as favourable movement in gas price indexes supported the elevated marketing spread during the quarter.

Gas transmission performance: Volumes performance showed a 0.8%YoY to 122mmscmd in Q1FY27 from 121mmscmd in Q1FY26. It was 119mmscmd in Q4FY26. The YoY increase is incremental offtake by CGD sector and fertiliser sectors, owing to the normalisation in spot LNG prices. Management expect volumes to improve gradually with normalization of LNG supply/prices and estimate volume of 123mmscmd for FY27E.

Petchem business continues to incur losses: Volumes fell 79.1%YoY to 37KT v/s 177KT in Q1FY26. Petchem business reported lower EBIT loss of Rs1,372mn in Q1FY27 vs a loss of Rs2,895mn in Q1FY26 due to feedstock gas supply shortage. Prices of polypropylene end products remain weak, which impacted profitability.

Outlook : Environment remains uncertain in terms of constraints on gas supply from the Middle East and the price volatility in spot LNG prices. LNG prices remains between USD17 and USD21/mmbtu. This will have a bearing on the gas marketing business as well as the profitability of the Petchem business. On positive side, demand for gas remains healthy, management expects demand to increase every year by CGD, refineries, fertilizer and power sector.

Capex: GAIL incurred a capex of Rs62bn in Q1FY27 and guided capex of Rs115bn for FY27E.

Raise to HOLD from SELL; revise TP upwards: Gas marketing business has shown strong recovery. Considering improved performance and rollover to June'28E, revise TP to Rs174 from Rs147; on SoTP-based EV/EBITDA of 6.0-6.5x for the business segments on June'28E EBITDA.

Key changes

Target	Rating
▲	▲

Ticker/Price	GAIL IN/Rs 181
Market cap	US$ 12.6bn
Free float	48%
3M ADV	US$ 17.0mn
52wk high/low	Rs 187/Rs 134
Promoter/FPI/DII	52%/13%/21%

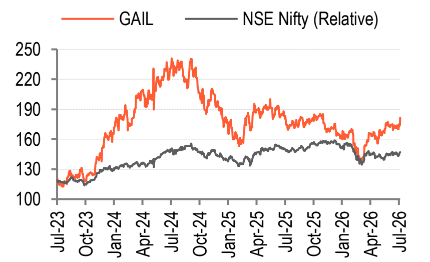
Source: NSE | Price as of 31 Jul 2026

Key financials

Y/E 31 Mar	FY26A	FY27E	FY28E
Total revenue (Rs mn)	1,415,977	1,520,462	1,598,736
EBITDA (Rs mn)	115,101	166,841	189,431
Adj. net profit (Rs mn)	75,825	115,382	122,354
Adj. EPS (Rs)	11.5	17.5	18.6
Adj. ROAE (%)	8.7	12.5	12.5
Adj. P/E (x)	15.7	10.3	9.8
EV/EBITDA (x)	11.7	8.3	7.3
Adj. EPS growth (%)	25.8	(39.1)	52.2

Source: Company, Bloomberg, BOBCAPS Research

Stock performance



Source: NSE

Fig 1 – Quarterly performance

(Rs mn)	Q1FY27	Q4FY26	QoQ (%)	Q1FY26	YOY (%)
Revenue	**411,976**	**355,766**	**15.8**	**353,107**	**16.7**
EBITDA	**70,979**	**14,534**	**388.4**	**36,688**	**93.5**
EBITDA margin (%)	17.23	4.09	1314bps	10.39	684bps
Depreciation	9,865	4,736	108.3	9,927	(0.6)
Interest	3,190	2,631	21.2	2,129	49.8
Other income	1,325	7,914	(83.3)	1,441	(8.1)
PBT	59,248	15,082	292.8	26,073	127.2
Tax	15,966	4,849	229.3	6,466	146.9
Reported PAT	**46,710**	**14,815**	**215.3**	**23,823**	**96.1**
PATM (%)	11.34	4.16	717bps	6.75	459bps
EPS (Rs)	**7.10**	**2.25**	**215.3**	**3.62**	**96.1**

Source: Company

Fig 2 – Standalone performance

(Rs mn)	Q1FY27	Q4FY26	QoQ (%)	Q1FY26	YOY (%)
Revenue	389,527	347,725	12.0	347,689	12.0
EBITDA	63,758	38,482	65.7	33,337	91.3
PAT	42,923	12,622	240.1	18,863	127.5
EPS	6.5	1.9	240.1	2.9	127.5

Source: Company

Fig 3 – Q1FY27 Actual v/s Estimates

Particulars	Q4Actual	Estimates	VAR (%)
Revenue (Rs mn)	347,725	347,846	(0.0)
EBITDA (Rs mn)	18,271	28,503	(35.9)
EBITDA margin (%)	5.3	8.2	(294bps)
PAT (Rs mn)	12,622	17,327	(27.2)
EPS (Rs)	1.9	2.6	(27.2)

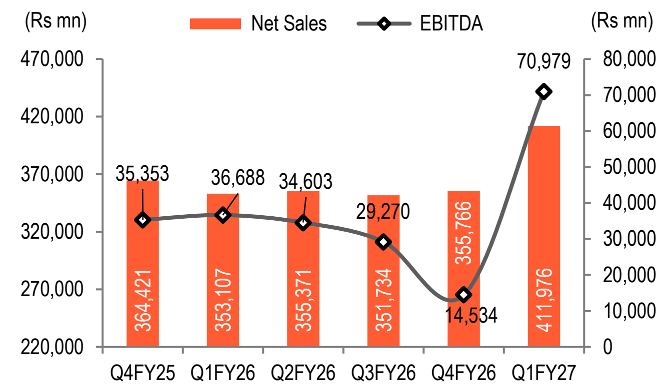
Source: Company, Bloomberg

Fig 4 – Business performance

Particulars	Q1FY27	Q4FY26	QoQ (%)	Q1FY26	YoY (%)
Natural gas transmission(mmscmd)	122.0	119.0	2.5	121.0	0.8
LPG transmission (Kt)	1,077.0	1,114.0	(3.3)	1,131.0	(4.8)
Natural gas marketing (mmscmd)	94.0	101.9	(7.7)	105.0	(10.5)
Polymer sales (Kt)	37.0	180.0	(79.4)	177.0	(79.1)

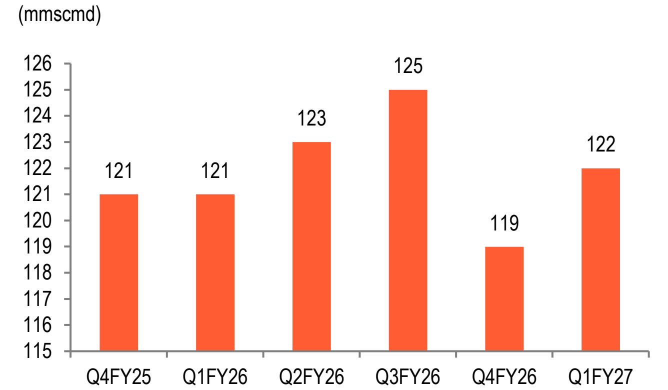
Source: Company

Fig 5 – EBITDA rebounds as sales improve



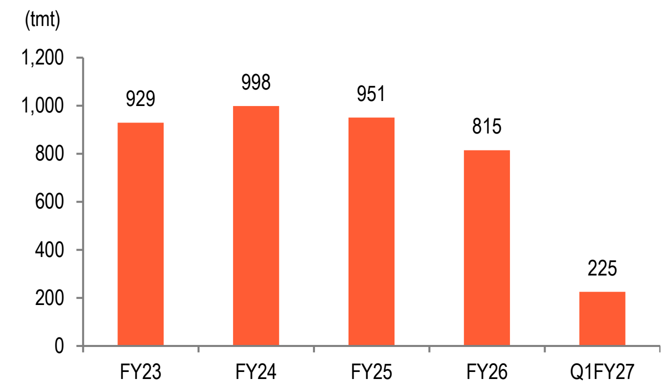
Source: Company

Fig 6 – Natural gas transmission



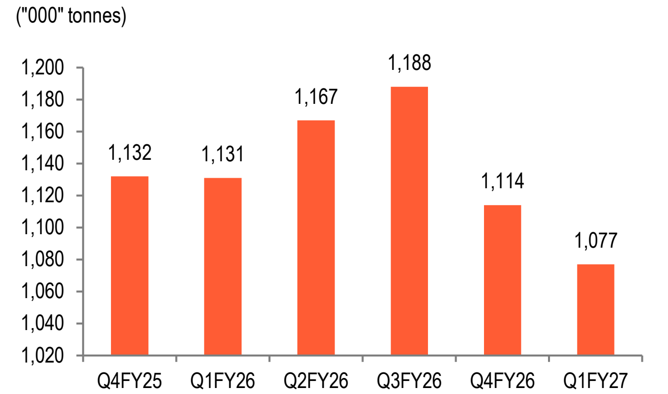
Source: Company

Fig 7 – Liquid hydrocarbon



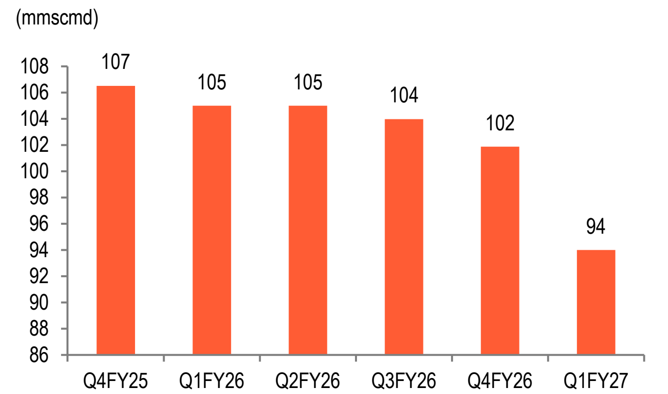
Source: Company

Fig 8 – LPG transmission



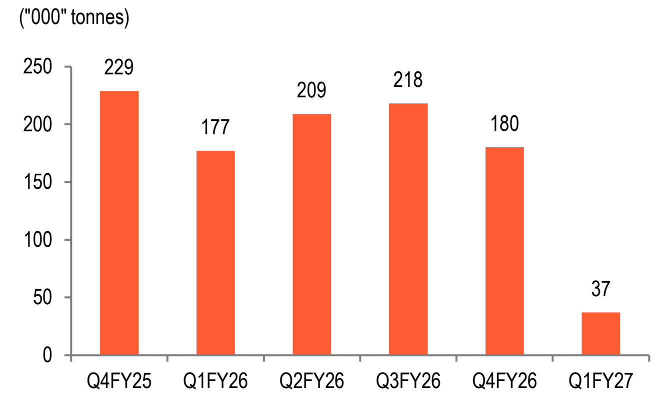
Source: Company

Fig 9 – Natural gas marketing



Source: Company

Fig 10 – Polymer sales



Source: Company

Call Highlights

- **Gas transmission business:** Transmission volume in Q1 stood at 122.4mmscmd v/s 118.9mmscmd in Q4FY26. Management indicated FY27 transmission volume guidance at ~123mmscmd referring to PNGRB's 2030 demand estimate of 297mmscmd driven by CGD, fertilizer, power, industrial demand and LNG long-haul trucking.
- **Gas marketing business:** Gas marketing volume stood at 93.82mmscmd, including 8.76mmscmd overseas sales, impacted by Qatar force majeure and disruptions in other contracts. GAIL sourced 8 spot cargoes during the quarter to bridge the demand gap. Out of the ~21mmscmd Henry Hub-linked LNG portfolio, around half is back-to-back contracted, ~20% is used internally at Pata petchem, and the balance 25-30% is available for cross-index sales. Expect elevated marketing spread reported in Q1 to normalize as Brent prices corrects.
- **Petchem business:** Petchem remained weak due to lower production. Polymer sales declined sharply to 37kt, while polymer production was 51kt as gas was diverted to priority sectors under government notification. The petchem segment reported a loss of Rs1.3bn in Q1FY27. Q1 landed gas cost for petchem was US$10.54/mmbtu, and breakeven would require polymer price of around Rs130,000/t at landed gas cost of US$13-14/mmbtu. Management expects the plant to operate at breakeven level during FY27.
- **Pipeline projects:** The 1,707km Mumbai-Nagpur-Jharsuguda pipeline became operational on 31 May 2026, strengthening GAIL's gas transmission network. Key pipeline projects scheduled for completion in FY27 include JHBDPL remaining section, KKMBPL Phase 2, Gurdaspur-Jammu pipeline and C2/C3 pipeline.
- **Gas business:** GAIL operates 6 GAs under its CGD business. GAIL gas (own and through JVs) targets to add 275 new CNG stations in next 2 years.
- **Capex:** GAIL incurred Q1FY27 capex of Rs62bn, against FY27 planned capex of Rs115bn. Key projects include pipelines, petrochemicals, renewables, CGD and E&P. Standalone long-term loan outstanding stood at Rs138bn, while debt/equity was 0.32x as of Q1FY27.

Valuation Methodology

The environment has been challenging, in terms of LNG gas supply as well as the volatility in LNG prices.

We revise our EBITDA numbers upwards primarily on gas transmission volumes and gas marketing business margins.

- Transmission volumes: We estimate transmission gas volumes at 123mmscmd vs the earlier 119mmscmd for FY27E; at 128mmscmd vs the earlier 125mmscmd for FY28E; at 136mmscmd vs earlier 135mmscmd for FY29E.
- Gas marketing business margins are revised up marginally due to strong performance.
- USD-INR assumption revised to Rs97.0 vs the earlier Rs91.0 for FY27E and FY28E.

Fig 11 – Revision in Estimates

(Rs mn)	Actual	New			Old			Change (%)		
	FY26A	FY27E	FY28E	FY29E	FY27E	FY28E	FY29E	FY27E	FY28E	FY29E
Revenue	1,415,977	1,520,462	1,598,736	1,686,033	1,474,501	1,556,104	1,640,586	3.1	2.7	2.8
EBITDA	115,101	166,841	189,431	223,246	151,098	176,256	209,115	10.4	7.5	6.8
EBITDA % margin	8.1	11.0	11.8	13.2	10.2	11.3	13			
PAT	75,825	115,198	122,001	145,902	102,839	111,659	134,809	12.0	9.3	8.2
EPS (Rs)	11.5	17.5	18.6	22.2	15.6	17.0	21	12.0	9.3	8.2

Source: Company

Fig 12 – Key assumptions

	FY25	FY26	FY27E	FY28E	FY29E
Transmission and Trading					
Transmission volumes (mmscmd)	127	122.0	123.0	128.0	136.0
% growth		-4.2	0.8	4.1	6.3
Transmission tariff (Rs/scm)	2.3	2.4	2.6	2.6	2.6
% growth		3.0	8.9	0.0	0.0
Rs/mmbtu	58.6	60.3	65.7	65.7	65.7
Gas Trading					
Blended realization (USD/mmbtu)	12.0	11.5	11.6	11.6	11.6
Margin (Rs/'000scm)	800	900	1,500	1,350	1,300
Petrochemicals					
Utilization (%)	90.0	94.0	97.0	98.0	98.0
Volumes (mn MT)	0.9	0.8	0.9	0.9	0.9
HDPE price (USD/MT)	1,200	1,080	1,150	1,275	1,300
Spot LNG price (USD/mmbtu)	12.5	12.5	14.0	12.5	12.5
LPG/OLHC					
LPG price (USD/MT)	710	710	750	750	750
USD-INR	87.0	90.0	97.0	97.0	97.0

Source: Company

EV/EBITDA-based Valuation Rationale

Gas marketing business has shown strong recovery. Raise to HOLD from SELL ; considering improved performance and rollover to June'28E, revise TP to Rs174 from Rs147 on SoTP-based EV/EBITDA of 6.0-6.5x for the business segments on June'28E EBITDA.:

- Multiple of 6.5x for Gas and LPG transmission businesses – in line with commodity cycle
- Multiple of 6.0x for the Petrochemical business
- Multiple of 6.0x for the LPG business

Fig 13 – Valuation summary

Business	June.28 EBITDA (Rs mn)	Multiple (x)	Holding co. discount (%)	Rs mn	Value (Rs/share)
Pipeline (Gas + LPG transmission)	100,016	6.5	NA	654,103	99
Natural Gas Trading	28,986	6.5	NA	188,406	29
Petchem	12,849	6.0	NA	77,479	12
LPG	63,564	6.0	NA	383,927	58
Sub-total	**205,414**			**1,303,916**	**198**
CGD investments	2xBV/25% Holding co discount		25	10,776	2
Investment in other PSUs	40% discount to CMP		40	7,407	1
Investment in Konkan LNG	1.5xBV, 20% discount		20	882	0
Other investments	BV/CMP at discount		25	682	0
Total EV				1,323,664	201
Less - Net Debt				178,376	27
Target price (Rs)				**1145,288**	**174**

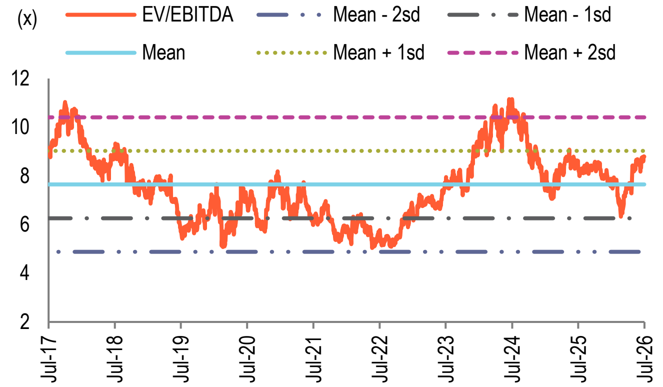
Source: Company, BOBCAPS Research

Key Risks

Key risks to our estimates:

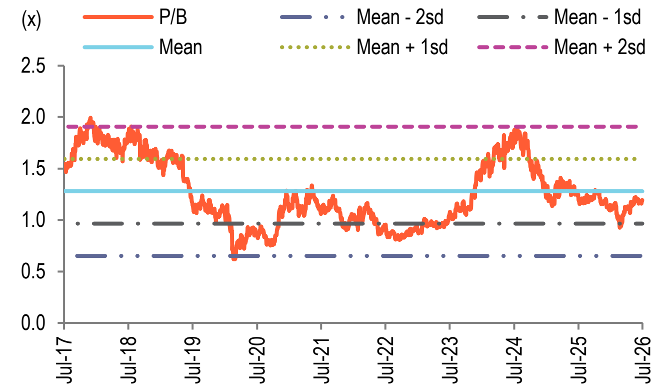
- **Petchem business performance relies on LNG prices and end products:** GAIL has been using imported LNG as a feedstock for the petchem plant. This business continues to report EBIT losses due to the weak end-product prices and higher LNG cost. We expect this risk to increase. The company is looking to use Ethane as a feedstock, where the price volatility is relatively lesser and thus would bring stability in the business EBITDA.
- **Offtake in Gas transmission business:** Volume offtake depends on favourable pricing vs alternate fuels. Therefore, if LNG pricing gets favourable, we may see a faster offtake from various sectors. This would ramp up GAIL's revenue as well as EBITDA growth.

Fig 14 – EV/EBITDA 1YF



Source: Bloomberg

Fig 15 – P/B 1YF



Source: Bloomberg

BOBCAPS
TRUST | INNOVATION | EXCELLENCE

Financials

Income Statement

Y/E 31 Mar (Rs mn)	FY25A	FY26A	FY27E	FY28E	FY29E
Total revenue	**1,419,017**	**1,415,977**	**1,520,462**	**1,598,736**	**1,686,033**
EBITDA	154,224	115,101	166,841	189,431	223,246
Depreciation	(37,992)	(38,351)	(44,267)	(58,428)	(63,928)
EBIT	128,926	91,852	137,903	146,561	175,109
Net interest inc./(exp.)	(7,404)	(9,642)	(10,464)	(10,632)	(9,132)
Other inc./(exp.)	12,694	15,101	15,328	15,558	15,791
Exceptional items	0	0	0	0	0
EBT	145,923	82,210	127,438	135,929	165,977
Income taxes	(36,326)	(21,437)	(27,399)	(29,225)	(35,685)
Extraordinary items	24,400	0	0	0	0
Min. int./Inc. from assoc.	14,902	15,052	15,343	15,650	15,963
Reported net profit	**124,498**	**75,825**	**115,382**	**122,354**	**146,255**
Adjustments	0	0	0	0	0
Adjusted net profit	**124,498**	**75,825**	**115,382**	**122,354**	**146,255**

Balance Sheet

Y/E 31 Mar (Rs mn)	FY25A	FY26A	FY27E	FY28E	FY29E
Accounts payables	77,599	61,042	66,588	71,110	76,148
Other current liabilities	76,337	99,180	99,180	99,180	99,180
Provisions	9,797	9,235	9,235	9,235	9,235
Debt funds	163,074	199,642	222,642	212,642	182,642
Other liabilities	152,277	143,351	143,351	143,351	143,351
Equity capital	65,751	65,751	65,751	65,751	65,751
Reserves & surplus	784,225	824,745	884,239	947,417	1,031,208
Shareholders' fund	849,976	890,496	949,990	1,013,168	1,096,959
Total liab. and equities	**1,331,487**	**1,405,366**	**1,493,405**	**1,551,106**	**1,609,936**
Cash and cash eq.	27,205	21,267	23,419	31,942	46,215
Accounts receivables	104,293	86,051	92,401	97,158	102,463
Inventories	62,499	51,549	55,353	58,203	61,381
Other current assets	30,744	38,001	38,001	38,001	38,001
Investments	227,646	262,332	262,332	262,332	262,332
Net fixed assets	493,529	594,243	669,976	711,548	747,620
CWIP	274,211	240,722	240,722	240,722	240,722
Intangible assets	94,826	92,429	92,429	92,429	92,429
Deferred tax assets, net	0	0	0	0	0
Other assets	181,889	178,608	204,622	238,783	244,283
Total assets	**1,331,487**	**1,405,366**	**1,493,405**	**1,551,106**	**1,609,936**

Cash Flows

Y/E 31 Mar (Rs mn)	FY25A	FY26A	FY27E	FY28E	FY29E
Cash flow from operations	**149,188**	**135,076**	**150,162**	**172,681**	**199,906**
Capital expenditures	(112,405)	(103,179)	(120,000)	(100,000)	(100,000)
Change in investments	(8,546)	(34,686)	0	0	0
Other investing cash flows	21,643	(2,113)	0	0	0
Cash flow from investing	**(99,308)**	**(139,977)**	**(120,000)**	**(100,000)**	**(100,000)**
Equities issued/Others	0	0	0	0	0
Debt raised/repaid	(23,006)	36,568	23,000	(10,000)	(30,000)
Interest expenses	(7,404)	(9,642)	(10,464)	(10,632)	(9,132)
Dividends paid	(49,313)	(36,163)	(55,888)	(59,176)	(62,463)
Other financing cash flows	82,958	39,927	8,199	15,343	15,650
Cash flow from financing	**(39,796)**	**(1,037)**	**(28,010)**	**(64,158)**	**(85,633)**
Chg in cash & cash eq.	**10,084**	**(5,939)**	**2,153**	**8,522**	**14,274**
Closing cash & cash eq.	**27,205**	**21,266**	**23,419**	**31,942**	**46,215**

Per Share

Y/E 31 Mar (Rs)	FY25A	FY26A	FY27E	FY28E	FY29E
Reported EPS	18.9	11.5	17.5	18.6	22.2
Adjusted EPS	18.9	11.5	17.5	18.6	22.2
Dividend per share	7.5	5.5	8.5	9.0	9.5
Book value per share	129.3	135.4	144.5	154.1	166.8

Valuations Ratios

Y/E 31 Mar (x)	FY25A	FY26A	FY27E	FY28E	FY29E
EV/Sales	0.9	1.0	0.9	0.9	0.8
EV/EBITDA	8.7	11.7	8.3	7.3	6.1
Adjusted P/E	9.6	15.7	10.3	9.8	8.2
P/BV	1.4	1.3	1.3	1.2	1.1

DuPont Analysis

Y/E 31 Mar (%)	FY25A	FY26A	FY27E	FY28E	FY29E
Tax burden (Net profit/PBT)	0.8	0.7	0.8	0.8	0.8
Interest burden (PBT/EBIT)	0.9	0.9	0.9	0.9	0.9
EBIT margin (EBIT/Revenue)	9.1	6.5	9.1	9.2	10.4
Asset turnover (Rev./Avg TA)	1.1	1.0	1.0	1.1	1.1
Leverage (Avg TA/Avg Equity)	1.6	1.6	1.6	1.6	1.5
Adjusted ROAE	15.4	8.7	12.5	12.5	13.9

Ratio Analysis

Y/E 31 Mar	FY25A	FY26A	FY27E	FY28E	FY29E
YoY growth (%)					
Revenue	(8.5)	6.5	(0.2)	7.4	5.1
EBITDA	91.0	7.9	(25.4)	45.0	13.5
Adjusted EPS	76.3	25.8	(39.1)	52.2	6.0
Profitability & Return ratios (%)					
EBITDA margin	10.9	8.1	11.0	11.8	13.2
EBIT margin	9.1	6.5	9.1	9.2	10.4
Adjusted profit margin	8.8	5.4	7.6	7.7	8.7
Adjusted ROAE	15.4	8.7	12.5	12.5	13.9
ROCE	11.4	7.6	10.8	10.9	12.5
Working capital days (days)					
Receivables	27	22	22	22	22
Inventory	16	13	13	13	13
Payables	22	17	18	18	19
Ratios (x)					
Gross asset turnover	1.1	1.0	1.0	1.1	1.1
Current ratio	1.0	0.8	0.9	0.9	1.0
Net interest coverage ratio	17.4	9.5	13.2	13.8	19.2
Adjusted debt/equity	0.2	0.2	0.2	0.2	0.1

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

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

Disclaimer

Name of the Research Entity: **BOB Capital Markets Limited**
Registered office Address: **1704, B Wing, Parinee Crescenzo, G Block, BKC, Bandra East, Mumbai 400051**
SEBI Research Analyst Registration No: **INH000000040 (Perpetual)**
SEBI Stock Broker Registration No: **INZ000159332**
SEBI Depository Participant Registration No: **IN-DP-728-2022**
SEBI Merchant Banker Registration No: **INM000009926**
Phone: +91-22-61389300
Name of the Compliance Officer: Mr. Sameer Khobrekar
Email ID: Compliance@bobcaps.in; Phone no.: +91-22-61389358
For any queries or grievances, you may contact the Grievance Officer.
Name of the Grievance Officer: Mr. Nilesh Mehta
Email ID: head-customercare@bobcaps.in; Phone no: 92288 60945

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

Logo:

Investments in securities market are subject to market risks. Read all the related documents carefully before investing.
Registration granted by SEBI and certification from NISM in no way guarantee performance of the intermediary or provide any assurance of returns to investors.

Recommendation scale: Recommendations and Absolute returns (%) over 12 months

BUY – Expected return >+15%

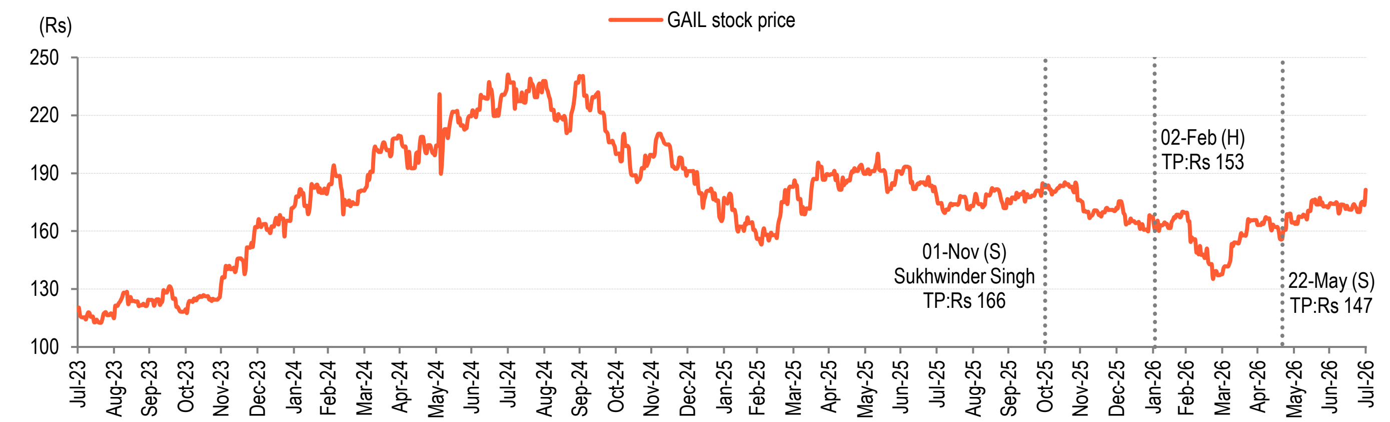
HOLD – Expected return from -6% to +15%

SELL – Expected return <-6%

Note: Recommendation structure changed with effect from 21 June 2021

Our recommendation scale does not factor in short-term stock price volatility related to market fluctuations. Thus, our recommendations may not always be strictly in line with the recommendation scale as shown above.

Ratings and Target Price (3-year history): GAIL (GAIL IN)



B – Buy, H – Hold, S – Sell, A – Add, R – Reduce

Analyst certification

The research analyst(s) authoring this report hereby certifies that (1) all of the views expressed in this research report accurately reflect his/her personal views about the subject company or companies and its or their securities, and (2) no part of his/her compensation was, is, or will be, directly or indirectly, related to the specific recommendation(s) or view(s) in this report. Analysts are not registered as research analysts by FINRA and are not associated persons of BOB Capital Markets Limited (BOBCAPS).

General disclaimers

BOBCAPS is engaged in the business of Stock Broking and Investment Banking. BOBCAPS is a member of the National Stock Exchange of India Limited and BSE Limited and is also a SEBI-registered Category I Merchant Banker. BOBCAPS is a wholly owned subsidiary of Bank of Baroda which has its various subsidiaries engaged in the businesses of stock broking, lending, asset management, life insurance, health insurance and wealth management, among others.

BOBCAPS's activities have neither been suspended nor has it defaulted with any stock exchange authority with whom it has been registered in the last five years. BOBCAPS has not been debarred from doing business by any stock exchange or SEBI or any other authority. No disciplinary action has been taken by any regulatory authority against BOBCAPS affecting its equity research analysis activities.

BOBCAPS prohibits its analysts, persons reporting to analysts, and members of their households from maintaining a financial interest in the securities or derivatives of any companies that the analysts cover. Additionally, BOBCAPS prohibits its analysts and persons reporting to analysts from serving as an officer, director, or advisory board member of any companies that the analysts cover.

Our salespeople, traders, and other professionals may provide oral or written market commentary or trading strategies to our clients that reflect opinions contrary to the opinions expressed herein, and our proprietary trading and investing businesses may make investment decisions that are inconsistent with the recommendations expressed herein. In reviewing these materials, you should be aware that any or all of the foregoing, among other things, may give rise to real or potential conflicts of interest. Additionally, other important information regarding our relationships with the company or companies that are the subject of this material is provided herein.

This material should not be construed as an offer to sell or the solicitation of an offer to buy any security in any jurisdiction We are not soliciting any action based on this material. It is for the general information of BOBCAPS's clients. It does not constitute a personal recommendation or take into account the particular investment objectives, financial situations, or needs of individual clients. Before acting on any advice or recommendation in this material, clients should consider whether it is suitable for their particular circumstances and, if necessary, seek professional advice. BOBCAPS research reports follow rules laid down by Securities and Exchange Board of India and individuals employed as research analysts are separate from other employees who are performing sales trading, dealing, corporate finance advisory or any other activity that may affect the independence of its research reports.

The price and value of the investments referred to in this material and the income from them may go down as well as up, and investors may realize losses on any investments. Past performance is not a guide for future performance, future returns are not guaranteed and a loss of original capital may occur. BOBCAPS does not provide tax advice to its clients, and all investors are strongly advised to consult with their tax advisers regarding any potential investment in certain transactions — including those involving futures, options, and other derivatives as well as non-investment-grade securities — that give rise to substantial risk and are not suitable for all investors. The material is based on information that we consider reliable, but we do not represent that it is accurate or complete, and it should not be relied on as such. Opinions expressed are our current opinions as of the date appearing on this material only. We endeavour to update on a reasonable basis the information discussed in this material, but regulatory, compliance, or other reasons may prevent us from doing so.

We and our affiliates, officers, directors, and employees, including persons involved in the preparation or issuance of this material, may from time to time have "long" or "short" positions in, act as principal in, and buy or sell the securities or derivatives thereof of companies mentioned herein and may from time to time add to or dispose of any such securities (or investment). We and our affiliates may assume an underwriting commitment in the securities of companies discussed in this document (or in related investments), may sell them to or buy them from customers on a principal basis, and may also perform or seek to perform investment banking or advisory services for or relating to these companies and may also be represented in the supervisory board or any other committee of these companies.

For the purpose of calculating whether BOBCAPS and its affiliates hold, beneficially own, or control, including the right to vote for directors, one per cent or more of the equity shares of the subject company, the holdings of the issuer of the research report is also included.

BOBCAPS and its non-US affiliates may, to the extent permissible under applicable laws, have acted on or used this research to the extent that it relates to non-US issuers, prior to or immediately following its publication. Foreign currency denominated securities are subject to fluctuations in exchange rates that could have an adverse effect on the value or price of or income derived from the investment. In addition, investors in securities such as ADRs, the value of which are influenced by foreign currencies, effectively assume currency risk. In addition, options involve risks and are not suitable for all investors. Please ensure that you have read and understood the Risk disclosure document before entering into any derivative transactions.

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.