

HOLD

TP: Rs 1,700 | ▲ 11%

HAVELLS INDIA

| Consumer Durables

| 22 July 2025

Weak summer dampens performance; pain persists for Lloyd

- Q1 revenue declined 6% YoY, as the 14%/34% drop in ECD/Lloyd was partially offset by 27% growth in W&C
- EBITDA margin contracted by 40bps YoY, limited by a 100bps YoY improvement in W&C margin
- We cut estimates, introduce FY28, and roll forward to Jun-27E EPS, assigning an unchanged 50x multiple to arrive at TP of Rs 1,700

Vineet Shanker

research@bobcaps.in

Misses estimates as summer products see a sharp dip in revenues: HAVL's reported a weak quarter as revenue/EBITDA/PAT was 8%/3%/4% below estimates. Revenue declined by 6% YoY/17% QoQ to Rs 54.6 bn, led by weak demand for summer products. ECD segment revenue declined by 14% YoY/9% QoQ, while Lloyd revenue declined 34% YoY/32% QoQ. The decline in summer products were partially offset by a strong growth in the wires & cables (W&C) division, which grew 27% YoY (-11% QoQ). On the profitability front, despite a 6% YoY decline in revenue, EBITDA margin contraction was limited to 40bps YoY to 9.5% (50bps above estimates). Absolute EBITDA declined 10% YoY to Rs 5.2 bn. Adjusted PAT came in at Rs 3.5bn (-15% YoY).

ECD segment revenue declined (-14% YoY/-9% QoQ) on weak seasonal demand: ECD revenue declined 14% YoY due to weak summer demand, driven by a delayed onset of summer and an early monsoon. Fans and air coolers — which contributed ~40% to the segment in Q1 — saw a sharp decline in volume. Management highlights that channel inventory remained elevated during the quarter, and its liquidation is likely to weigh on primary sales in the coming quarters. The company launched new models in the premium fan category and expanded its BLDC fan portfolio.

A challenging summer for Lloyd, pain to persist: Lloyd's revenue declined 34% YoY to Rs 12.7bn, impacted by a high base and weak summer demand. After a significantly profitable prior quarter, the company reported a loss of Rs 209mn in Q1 with EBIT margin contracting to -1.6% vs 3.3% in the year-ago period. While Lloyd achieved full-year profitability in FY25, turning profitable in FY26 appears challenging. Channel inventory remains elevated — both for the company and the broader industry — which is likely to exert continued pressure on volumes and margins, as brands resort to discounts and promotional schemes. We expect inventory liquidation to take another two quarters, with a potential recovery only by Q4FY26.

Key changes

Target	Rating
▼	◀ ▶

Ticker/Price	HAVL IN/Rs 1,532
Market cap	US\$ 11.1bn
Free float	41%
3M ADV	US\$ 18.2mn
52wk high/low	Rs 2,106/Rs 1,381
Promoter/FPI/DII	60%/23%/10%

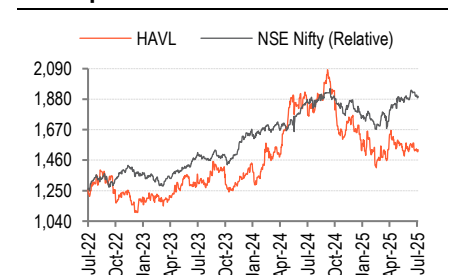
Source: NSE | Price as of 21 Jul 2025

Key financials

Y/E 31 Mar	FY24A	FY25E	FY26E
Total revenue (Rs mn)	1,85,900	2,17,781	2,32,345
EBITDA (Rs mn)	18,426	21,309	23,873
Adj. net profit (Rs mn)	12,708	14,723	16,513
Adj. EPS (Rs)	20.3	23.5	26.4
Consensus EPS (Rs)	20.3	24.5	30.9
Adj. ROAE (%)	18.1	18.7	18.8
Adj. P/E (x)	75.5	65.2	58.1
EV/EBITDA (x)	52.1	45.0	40.2
Adj. EPS growth (%)	18.6	15.9	12.2

Source: Company, Bloomberg, BOBCAPS Research

Stock performance



Source: NSE



C&W posts strong growth, driven by infra-activity and price hikes: C&W revenue grew 27% YoY to Rs 19.3 bn, supported equally by 21% growth in volume and remaining through price hikes. Volume growth in cables was aided by improvement in infra-activity and capacity expansion in power cables. Contribution margins expanded 120bps YoY to 16% on a favourable product mix, steady copper prices and operating leverage. EBIT margin stood at 11.9%, largely stable YoY. The company is investing in expanding capacity for power cables, i.e. medium voltage and high-tension underground cables.

Switchgears grew by 9% YoY, though margins recovered sequentially:

Switchgears revenue grew 9% YoY to Rs 6.3 bn (-9% QoQ), driven by product range expansion, and improvement in project business traction. EBIT margin contracted 120bps YoY/230bps QoQ to 23.4%. Lighting segment revenue declined 2%, led by 10% YoY decline in prices of LED lights. Contribution margin in the lighting segment remained at 30.1% (contraction of 180bps YoY). Margin contraction was limited as margins were supported by a premium product mix and shift towards solution-leading offerings. The company continues to invest in the lighting segment and expects pricing erosion to moderate.

Solar business poised to deliver robust growth over the next 2-3 years:

Management highlighted that the solar business, which reported a revenue of Rs 5bn in the last financial year, is expected to scale Rs 10-15bn over the next 2-3 years. The company expects this vertical to contribute both as a standalone business and through cross-selling into wires, switchgear, and power distribution.

Cut estimates, maintain HOLD: We revise our FY26/FY27 EPS estimates downward by 10%/7%, respectively, to reflect the ongoing weakness in the summer product categories — ECD and Lloyd — expected to weigh on the overall FY26 growth. We also introduce FY28 estimates and now expect HAVL to deliver revenue/EBITDA/PAT CAGR of 12%/17%/17% over FY25–28E, supported by healthy growth and improving profitability across key segments. Rolling forward our valuation, we now base TP on June-27E EPS (vs Mar-27E earlier), assigning an unchanged multiple of 50x to arrive at a revised June-26 TP of Rs 1,700. While we remain constructive on the company's fundamentals, the modest upside from the current levels leads us to maintain our **HOLD** rating.

Fig 1 – Havells 1QFY26 performance snapshot

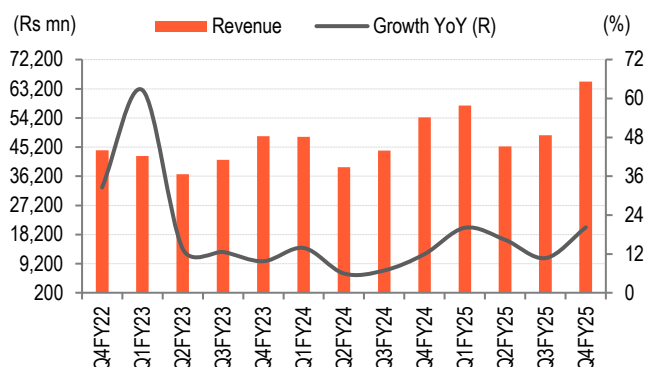
Particulars (Rs mn)	Q1FY26	Q1FY25	YoY (%)	Q4FY25	QoQ (%)	Q1FY26E	Var (%)
Revenue	54,554	58,062	(6)	65,436	(17)	59,398	(8)
EBITDA	5,157	5,722	(10)	7,570	(32)	5,304	(3)
EBITDA Margin (%)	9.5	9.9	(40bps)	11.6	(210bps)	8.9	52bps
Depreciation	1,057	920		1,097		1,100	(4)
Interest	94	86		152		124	(24)
Other Income	692	773		687		739	(6)
PBT	4,698	5,490	(14.4)	7,009	(33)	4,819	(3)
Tax	1,222	1,415		1,839		1,214	1
Adjusted PAT	3,475	4,075	(14.7)	5,170	(33)	3,605	(4)
Exceptional item							
Reported PAT	3,477	4,075	(14.7)	5,178	(33)	0	NA
Adj. PAT Margin (%)	6.4	7.0	(65bps)	7.9	(150bps)	6.1	30bps
EPS (Rs)	5.5	6.5	(14.7)	8.3	(33)	0.0	NA

Source: Company, BOBCAPS Research

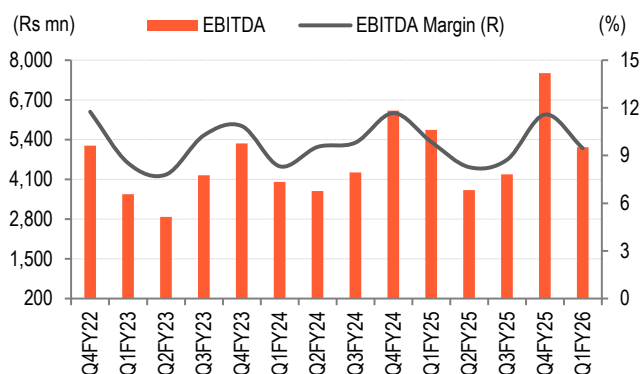
Fig 2 – Segment performance snapshot

Particulars (Rs mn)	Q1FY26	Q1FY25	YoY (%)	Q4FY25	QoQ (%)
Segment revenue					
ECD	9,073	10,554	(14)	9,973	(9)
Lighting	3,802	3,876	(2)	4,417	(14)
Switch gears	6,298	5,768	9	6,918	(9)
C&W	19,332	15,212	27	21,694	(11)
Lloyd	12,711	19,287	(34)	18,736	(32)
EBIT					
ECD	788	1146.7	(31)	1248.2	(37)
margin %	8.7	10.9	(200bps)	12.5	(400bps)
Lighting	455	630	(28)	725	(37)
margin %	12.0	16.2	(400bps)	16.4	(400bps)
Switch gears	1476	1422	4	1776	(17)
margin %	23.4	24.6	(100bps)	25.7	(200bps)
C&W	2426	1711	42	2586	(6)
margin %	12.6	11.2	100bps	11.9	100bps
Lloyd	(209)	636	(133)	1144	(118)
margin %	(1.6)	3.3	(500bps)	6.1	(800bps)

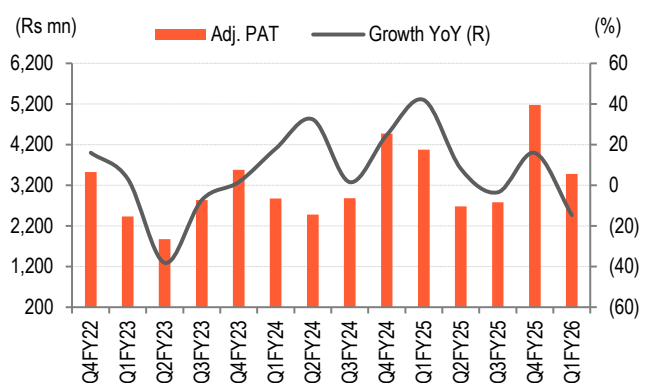
Source: Company, BOBCAPS Research

Fig 3 – Revenue trend

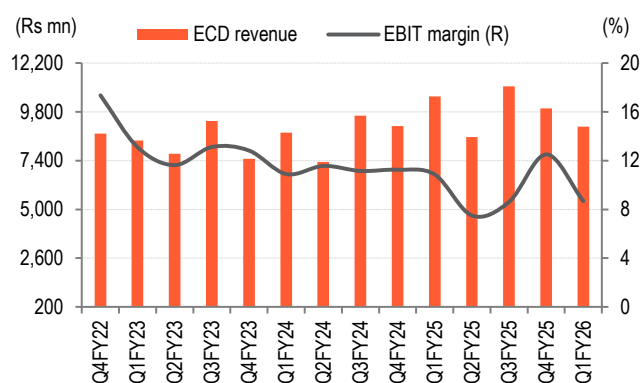
Source: Company, BOBCAPS Research

Fig 4 – EBITDA trend

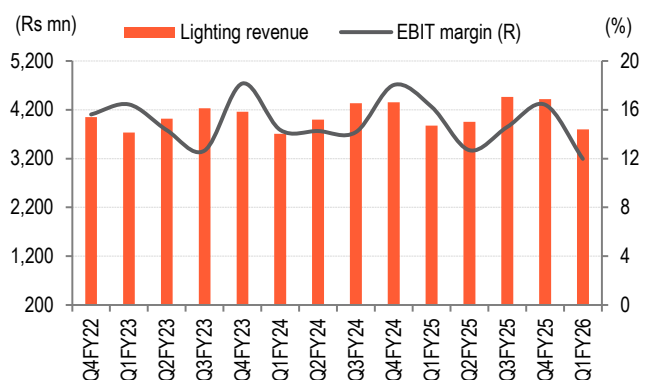
Source: Company, BOBCAPS Research

Fig 5 – Profit trend

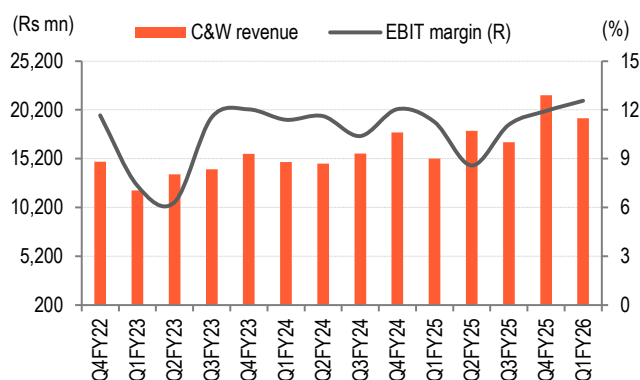
Source: Company, BOBCAPS Research

Fig 6 – ECD business growth

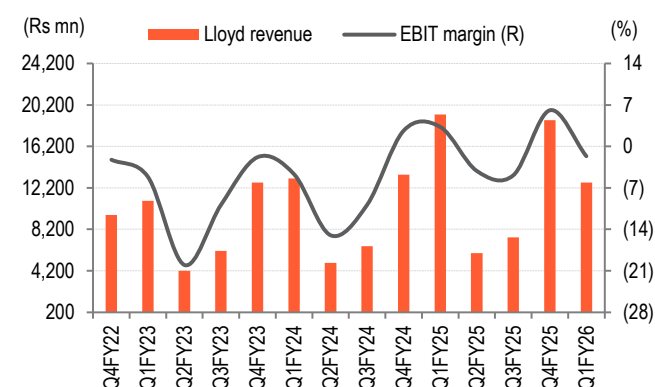
Source: Company, BOBCAPS Research

Fig 7 – Lighting's business growth

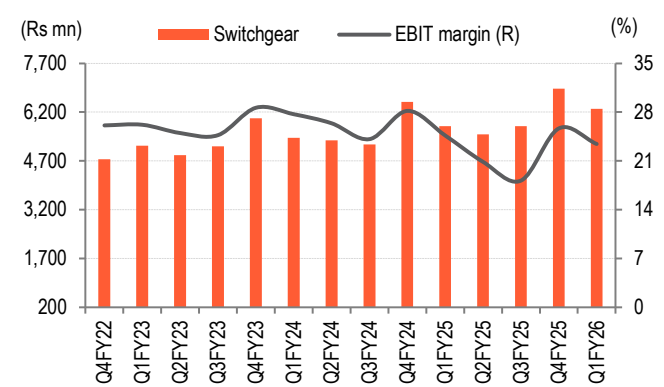
Source: Company, BOBCAPS Research

Fig 8 – Cables & Wires business growth

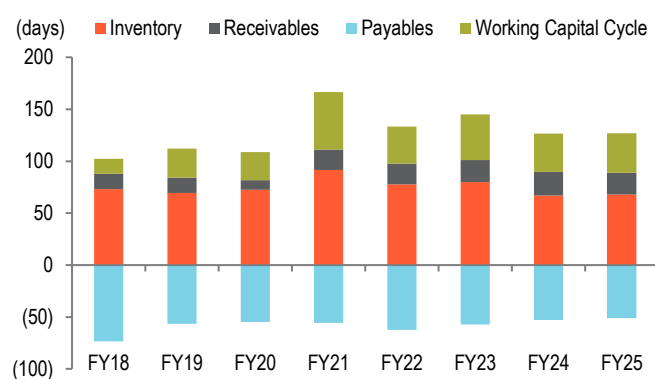
Source: Company, BOBCAPS Research

Fig 9 – Lloyd's business growth

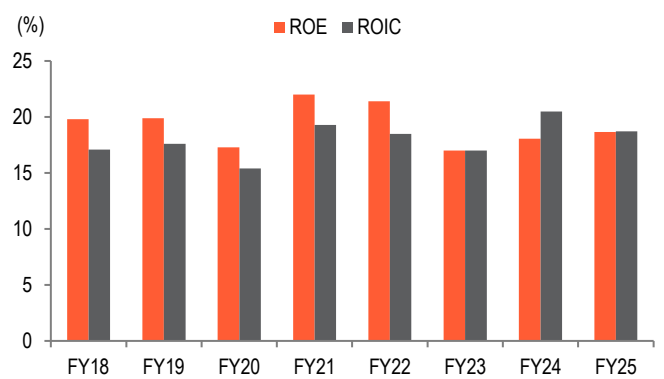
Source: Company, BOBCAPS Research

Fig 10 – Switchgear's business growth

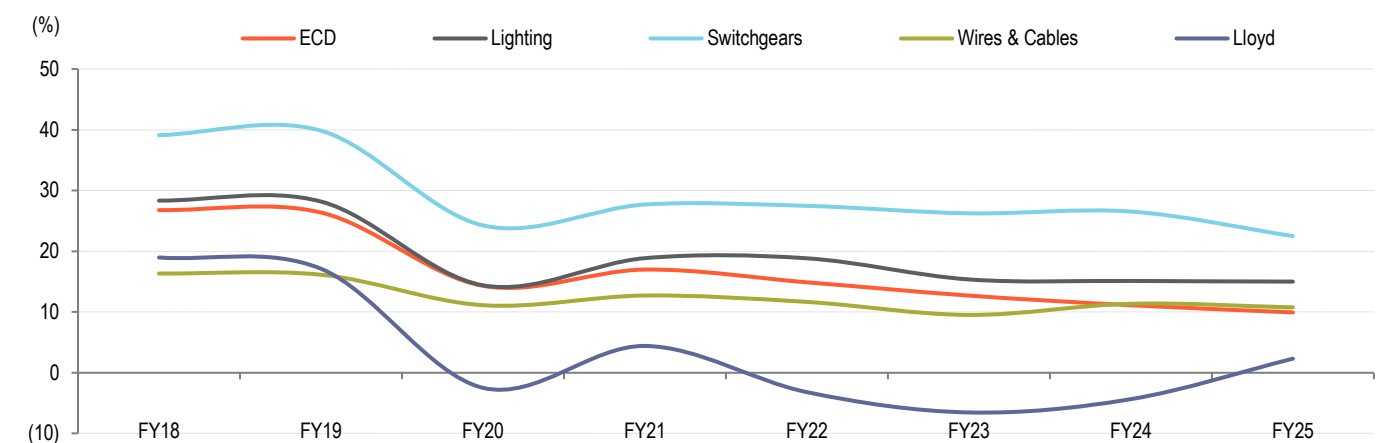
Source: Company, BOBCAPS Research

Fig 11 – Working Capital Trends

Source: Company, BOBCAPS Research

Fig 12 – ROE vs ROIC – Yearly Trend

Source: Company, BOBCAPS Research

Fig 13 – Segmental EBIT Margins

Source: Company, BOBCAPS Research

Financials

Income Statement

Y/E 31 Mar (Rs mn)	FY24A	FY25E	FY26E	FY27E	FY28E
Total revenue	1,85,900	2,17,781	2,32,345	2,64,653	3,04,305
EBITDA	18,426	21,309	23,873	29,799	34,560
Depreciation	3,385	4,004	4,455	5,189	5,723
EBIT	15,041	17,305	19,417	24,610	28,837
Net interest inc./(exp.)	(457)	(432)	(495)	(515)	(515)
Other inc./(exp.)	2,490	3,033	3,154	3,280	3,411
Exceptional items	0	0	0	0	0
EBT	17,074	19,905	22,076	27,375	31,733
Income taxes	4,366	5,203	5,563	6,898	7,997
Extraordinary items	0	0	0	0	0
Min. int./Inc. from assoc.	0	0	0	0	0
Reported net profit	12,708	14,723	16,513	20,476	23,737
Adjustments	0	0	0	0	0
Adjusted net profit	12,708	14,723	16,513	20,476	23,737

Balance Sheet

Y/E 31 Mar (Rs mn)	FY24A	FY25E	FY26E	FY27E	FY28E
Accounts payables	26,919	30,470	38,194	43,505	50,023
Other current liabilities	15,305	17,398	15,914	18,127	20,843
Provisions	0	0	0	0	0
Debt funds	3,032	0	3,303	3,434	3,434
Other liabilities	4,604	6,937	7,401	8,430	9,693
Equity capital	627	627	627	627	627
Reserves & surplus	73,841	82,611	91,606	1,04,251	1,20,156
Shareholders' fund	74,468	83,238	92,233	1,04,878	1,20,783
Total liab. and equities	1,24,327	1,38,043	1,57,044	1,78,373	2,04,775
Cash and cash eq.	30,382	33,781	38,096	43,642	54,855
Accounts receivables	11,650	12,587	13,368	15,227	16,674
Inventories	34,086	40,469	44,559	51,480	60,027
Other current assets	2,879	1,838	1,273	1,450	1,667
Investments	0	0	0	0	0
Net fixed assets	26,063	32,521	37,066	40,877	43,154
CWIP	2,969	1,165	1,000	1,000	0
Intangible assets	0	0	0	0	0
Deferred tax assets, net	0	0	0	0	0
Other assets	16,299	15,682	21,682	24,697	28,397
Total assets	1,24,327	1,38,043	1,57,044	1,78,373	2,04,775

Cash Flows

Y/E 31 Mar (Rs mn)	FY24A	FY25E	FY26E	FY27E	FY28E
Cash flow from operations	19,529	15,153	22,901	24,232	28,482
Capital expenditures	(7,591)	(7,660)	(9,000)	(9,000)	(8,000)
Change in investments	(10,371)	2,131	(6,000)	0	0
Other investing cash flows	1,823	2,513	629	(1,986)	(1,437)
Cash flow from investing	(16,139)	(3,016)	(14,371)	(10,986)	(9,437)
Equities issued/Others	0	425	0	0	0
Debt raised/repaid	(848)	0	3,303	131	0
Interest expenses	0	0	0	0	0
Dividends paid	(4,488)	(7,114)	(7,518)	(7,831)	(7,831)
Other financing cash flows	0	0	0	0	0
Cash flow from financing	(5,335)	(6,689)	(4,215)	(7,700)	(7,831)
Chg in cash & cash eq.	(1,945)	5,448	4,315	5,546	11,213
Closing cash & cash eq.	30,382	33,781	38,096	43,642	54,855

Per Share

Y/E 31 Mar (Rs)	FY24A	FY25E	FY26E	FY27E	FY28E
Reported EPS	20.3	23.5	26.4	32.7	37.9
Adjusted EPS	20.3	23.5	26.4	32.7	37.9
Dividend per share	8.5	10.0	12.0	12.5	12.5
Book value per share	118.9	132.9	147.2	167.4	192.8

Valuations Ratios

Y/E 31 Mar (x)	FY24A	FY25E	FY26E	FY27E	FY28E
EV/Sales	5.2	4.4	4.1	3.6	3.2
EV/EBITDA	52.1	45.0	40.2	32.2	27.8
Adjusted P/E	75.5	65.2	58.1	46.9	40.4
P/BV	12.9	11.5	10.4	9.1	7.9

DuPont Analysis

Y/E 31 Mar (%)	FY24A	FY25E	FY26E	FY27E	FY28E
Tax burden (Net profit/PBT)	74.4	74.0	74.8	74.8	74.8
Interest burden (PBT/EBIT)	113.5	115.0	113.7	111.2	110.0
EBIT margin (EBIT/Revenue)	8.1	7.9	8.4	9.3	9.5
Asset turnover (Rev./Avg TA)	7.1	6.7	6.3	6.5	7.1
Leverage (Avg TA/Avg Equity)	0.4	0.4	0.4	0.4	0.4
Adjusted ROAE	18.1	18.7	18.8	20.8	21.0

Ratio Analysis

Y/E 31 Mar	FY24A	FY25E	FY26E	FY27E	FY28E
YoY growth (%)					
Revenue	9.9	17.1	6.7	13.9	15.0
EBITDA	15.2	15.6	12.0	24.8	16.0
Adjusted EPS	18.6	15.9	12.2	24.0	15.9

Profitability & Return ratios (%)

EBITDA margin	9.9	9.8	10.3	11.3	11.4
EBIT margin	8.1	7.9	8.4	9.3	9.5
Adjusted profit margin	6.8	6.8	7.1	7.7	7.8
Adjusted ROAE	18.1	18.7	18.8	20.8	21.0
ROCE	20.5	18.7	18.9	20.5	20.7

Working capital days (days)

Receivables	23	21	21	21	20
Inventory	67	68	70	71	72
Payables	53	51	60	60	60

Ratios (x)

Gross asset turnover	3.9	4.4	4.0	3.9	4.0
Current ratio	1.8	1.9	1.8	1.8	1.9
Net interest coverage ratio	32.9	40.0	39.2	47.8	56.0
Adjusted debt/equity	0.0	0.0	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**



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%

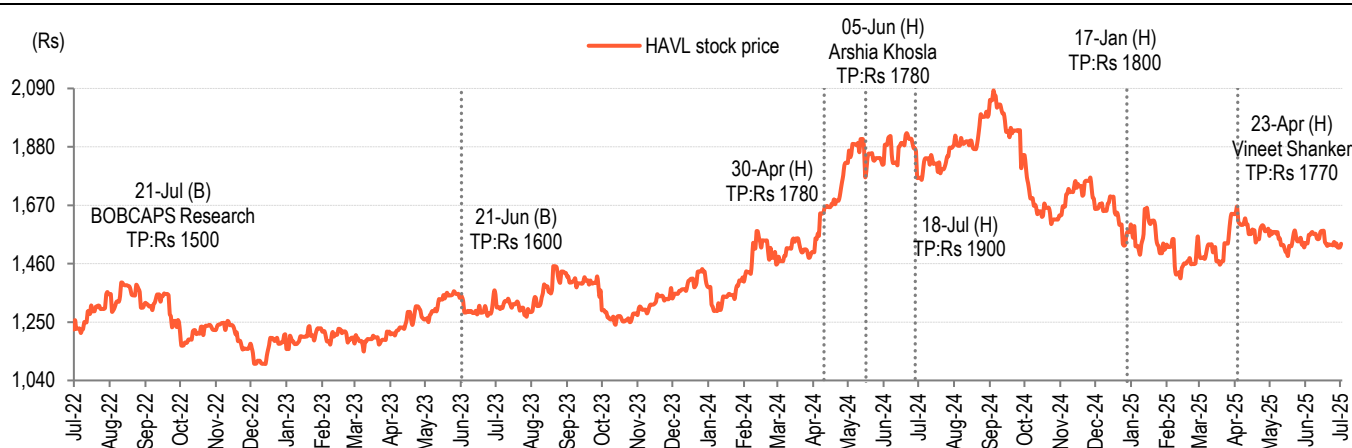
HOLD – Expected return from -6% to +15%

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): HAVELLS INDIA (HAVL 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.