

Robust growth in H&P segment, air ticketing segment weak

TBO's Consol. gross transaction value (GTV) grew 14.3% YoY (+5.7% QoQ) to INR 79.4bn in 1QFY25, a miss on JMFe by 6.3%. While Hotels & Packaging (H&P) segment grew a robust 39.6% YoY (~2% ahead of our estimate) led by strong expansion in International source markets and consolidation of JumboOnline (acquired in Dec'23), the Air ticketing segment declined 7.6% YoY (below JMFe by 15%) on account of management decision to let go some high-volume, low-margin domestic air travel opportunity in India. On the margins front, the company once again reported solid gross margin expansion of around 200bps YoY due to business mix moving towards H&P segment. Despite this expansion, EBITDA margin was still down ~60bps YoY due to negative operating leverage. Going ahead, while we expect air ticketing segment to be a drag on topline growth, robust expansion in the H&P segment should ensure that the company delivers 20%+ topline and 30%+ bottom-line growth over the medium term. We retain BUY rating with an unchanged Sep'25 TP of INR 1,950 derived basis 50x NTM PER (stock currently trades at PER of 50x/36x FY26/27).

- Robust growth in H&P segment, air ticketing segment declines:** TBO's Consol. GTV grew 14.3% YoY (+5.7% QoQ) to INR 79.4bn in 1Q, a miss on JMFe by 6.3%. Segment-wise, Air ticketing GTV was down 7.6% YoY (15% below JMFe) while H&P GTV was up 39.6% YoY (2% ahead of JMFe). Within Air segment, while India outbound grew 6.6% YoY, the company chose to let go some high-volume, low-margin opportunity in India domestic travel. In the H&P segment, management mentioned strong double digit growth in Eastern & Central Europe and APAC & China, while MEA grew high-teens. Overall, revenue grew a decent 21.5% YoY to INR 4.18bn (1.5% below JMFe) on account of 30% growth in H&P revenue that offset the 2.6% YoY decline in Air revenue. Gross take-rates in Air segment stood at 2.63% vs. 2.48%/2.49% in 4QFY24/1QFY24, respectively, whereas in H&P segment take rate was 7.13% vs. 6.80%/7.66% in 4QFY24/1QFY24. Inorganic contribution (from JumboOnline) stood at INR 8.14bn/INR 0.32bn to Consol. GTV/revenue, respectively.
- Gross margin expands but EBITDA margin affected by negative operating leverage:** Consol. gross margin was up 198bps YoY (-114bps QoQ) to 66.9%, albeit it was a miss on our estimate of 67.9%. Air segment margins stood at 51% versus JMFe of 50% while H&P segment margins stood at 70.9% versus JMFe of 73%. Growing contribution of H&P in the revenue mix continues to improve gross margin profile of the company. On the other hand, EBITDA margin was down 62bps YoY (+103bps QoQ) to 18.8% (a miss on JMFe of 19.7%) due to negative operating leverage. As a result, EBITDA growth was limited to 17.6% YoY to INR 786mn (19.9% QoQ), a miss on our estimate by c.6%. While EBIT margin was down 178bps YoY to 15.8% (+214bps QoQ), it was a beat on JMFe of 15.3%, mainly due to lower than expected D&A. PAT stood at INR 609mn, a miss on JMFe of by 2%, mainly on account of miss at EBITDA levels and higher than expected ETR which offset lower than expected D&A.
- Air segment growth estimates lowered but modest raise for H&P; maintain BUY:** We moderate our Air segment GTV/Revenue estimates basis 1QFY25 results and

Swapnil Potdukhe
swapnil.potdukhe@jmfl.com | Tel: (91 22) 62241876

Sachin Dixit
sachin.dixit@jmfl.com | Tel: (91 22) 66303078

Eksha Modi
eksha.modi@jmfl.com | Tel: (91 22) 66303054

Atul Borse
atul.borse@jmfl.com | Tel: (91 22) 66303134

Recommendation and Price Target

Current Reco.	BUY
Previous Reco.	BUY
Current Price Target (12M)	1,950
Upside/(Downside)	19.1%
Previous Price Target	1,950
Change	0.0%

Key Data – TBOTEK IN

Current Market Price	INR1,637
Market cap (bn)	INR177.8/US\$2.1
Free Float	55%
Shares in issue (mn)	108.6
Diluted share (mn)	108.6
3-mon avg daily val (mn)	INR0.0/US\$0.0
52-week range	1,939/1,229
Sensex/Nifty	78,956/24,139
INR/US\$	84.0

Price Performance

%	1M	6M	12M
Absolute	-9.4	0.0	0.0
Relative*	-7.6	0.0	0.0

* To the BSE Sensex

Financial Summary					(INR mn)
Y/E March	FY23A	FY24A	FY25E	FY26E	FY27E
Net Sales	10,646	13,928	16,702	20,888	25,952
Sales Growth (%)	120.3	30.8	19.9	25.1	24.2
EBITDA	1,818	2,583	3,035	4,458	6,005
EBITDA Margin (%)	17.1	18.5	18.2	21.3	23.1
Adjusted Net Profit	1,443	2,021	2,263	3,531	4,920
Diluted EPS (INR)	14.1	19.7	20.8	32.5	45.3
Diluted EPS Growth (%)	323.7	39.8	5.9	56.0	39.4
ROIC (%)	0.0	0.0	0.0	0.0	0.0
ROE (%)	50.4	45.7	26.5	26.4	27.9
P/E (x)	116.3	83.2	78.6	50.3	36.1
P/B (x)	48.8	30.6	15.3	11.7	8.9
EV/EBITDA (x)	94.5	66.3	54.6	36.4	26.2
Dividend Yield (%)	0.0	0.0	0.0	0.0	0.0

Source: Company data, JM Financial. Note: Valuations as of 13/Aug/2024

JM Financial Research is also available on:
Bloomberg - JMFR <GO>,
Thomson Publisher & Reuters,
S&P Capital IQ, FactSet and Visible Alpha

Please see Appendix I at the end of this report for Important Disclosures and Disclaimers and Research Analyst Certification.

management commentary that it will continue to focus on high-margin India outbound air opportunity which means over the near term its domestic Air business could see further decline on a YoY basis. On the other hand, we marginally raise the H&P segment estimates as we expect robust growth in International markets to sustain. Overall, while our FY25 EPS is down ~5%, FY26/27 estimates remain broadly unchanged. Maintain BUY with an unchanged TP of INR 1,950.

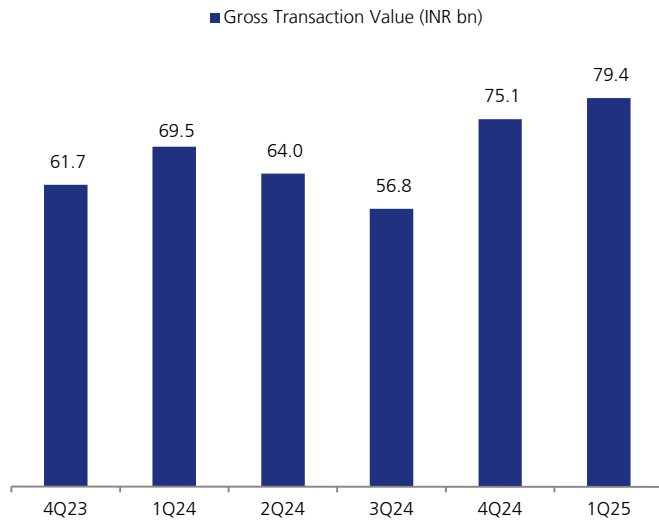
- **Key highlights from conference call:** 1) **Organic growth:** International GTV growth on an organic basis (i.e. without JumboOnline) was 17% YoY. 2) **Sales/Feet-on-street investments:** In APAC, the company has made significant investments in Indonesia and Australia over the last one year. The company has also invested in Eastern Europe and Southern Europe & Israel. Later in 2HFY25, the company intends to do some investments in North America. 3) **Supply related investments:** TBO intends to focus on 7k-10k luxury and premium hotels across the globe basis travel demand. 4) Direct sourcing in H&P segment currently stands around 35%. The company believes its ability to combine direct sourcing with third-party supply helps it differentiate itself. 6) Within India Air business, outbound travel contribution stands at 70% whereas domestic travel contribution is 30%. 7) The company's increment cycle works from July-June, so wage hikes typically get effective July month. 8) Depreciation & amortisation (D&A) for FY25 will be around INR 550mn. 9) Effective tax-rate will be around 17.5% in FY25 due to changes in tax laws in Dubai and consolidation of JumboOnline for which 25% tax-rate is applicable.

Exhibit 1. TBO: Key Consolidated Financials

All numbers are in INR mn	4QFY23	FY23	1QFY24	2QFY24	3QFY24	4QFY24	FY24	1QFY25
GTV	61,666	223,236	69,478	63,991	56,778	75,109	265,355	79,402
Change (YoY)						21.8%	18.9%	14.3%
Revenue	2,814	10,646	3,446	3,523	3,269	3,691	13,928	4,185
Change (YoY)						31.1%	30.8%	21.5%
Cost of Goods Sold	940	3,319	1,210	1,257	1,058	1,181	4,707	1,387
Gross profit	1,874	7,326	2,235	2,266	2,210	2,510	9,221	2,798
Gross profit margin	66.6%	68.8%	64.9%	64.3%	67.6%	68.0%	66.2%	66.9%
Total operating expense	1,514	5,508	1,566	1,569	1,649	1,854	6,638	2,011
EBITDA	360	1,818	669	697	561	656	2,583	786
EBITDA margin	12.8%	17.1%	19.4%	19.8%	17.2%	17.8%	18.5%	18.8%
Adjusted EBITDA	391	1,990	690	717	598	690	2,695	851
Adjusted EBITDA margin	13.9%	18.7%	20.0%	20.4%	18.3%	18.7%	19.4%	20.3%
Depreciation & amortization	69	246	62	68	81	150	362	124
EBIT	291	1,573	607	629	480	506	2,221	663
EBIT margin	10.4%	14.8%	17.6%	17.8%	14.7%	13.7%	15.9%	15.8%
Other income (net)	40	140	15	-11	89	27	120	92
PBT before exceptional items	331	1,713	621	618	569	533	2,341	755
Exceptional items	-4	-29	77	-5	0	0	72	0
Profit before tax	335	1,742	545	623	569	533	2,269	755
Income tax expense	53	257	71	62	61	69	263	146
PAT	282	1,485	473	561	508	464	2,006	609
Change (YoY)						64.4%	35.1%	28.8%
Diluted EPS (INR)	2.61	14.07	4.65	5.50	5.00	4.52	19.67	5.61
Change (YoY)						73.2%	39.8%	20.5%

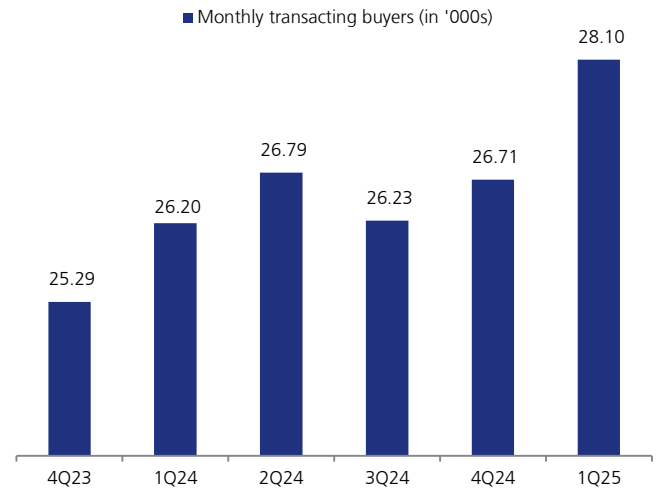
Source: Company, JM Financial

Exhibit 2. Consol. GTV grew 14.3% YoY



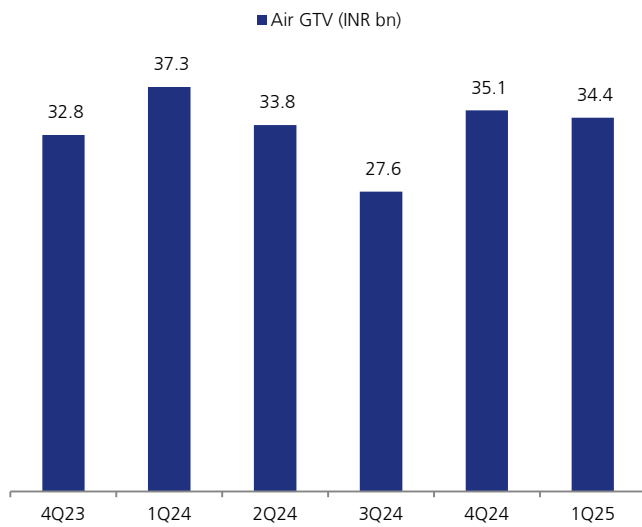
Source: Company, JM Financial

Exhibit 3. Monthly transacting buyers grew 7.3% YoY (+5.2% QoQ)



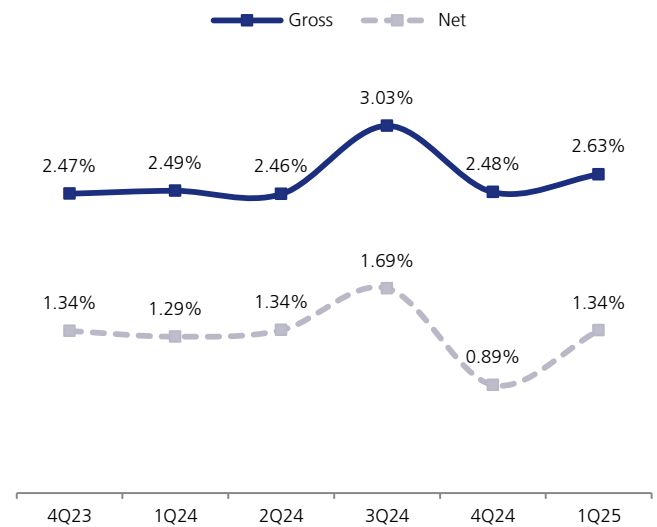
Source: Company, JM Financial

Exhibit 4. Air Ticketing segment GTV was down 7.6% YoY



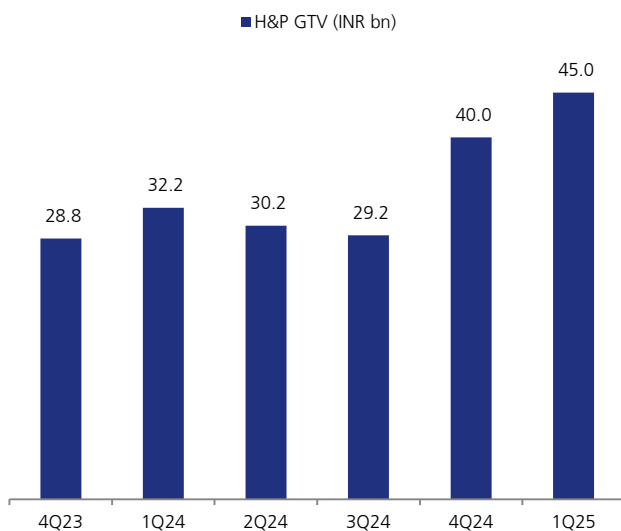
Source: Company, JM Financial

Exhibit 5. Air ticketing segment take-rates (gross and net)



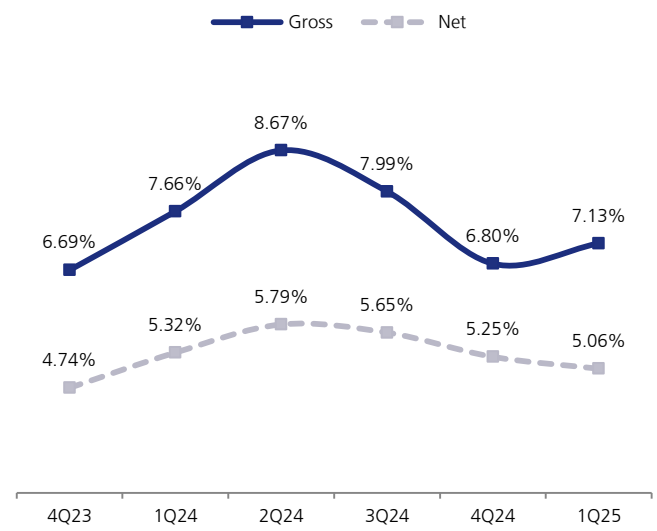
Source: Company, JM Financial

Exhibit 6. H&P segment GTV grew 39.6% YoY



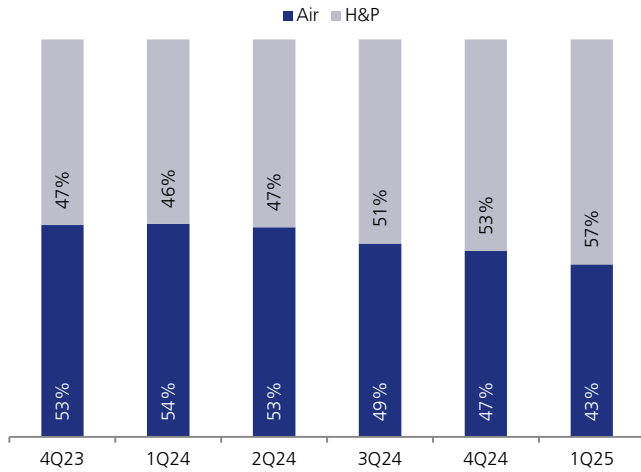
Source: Company, JM Financial

Exhibit 7. H&P segment take-rates (gross and net)



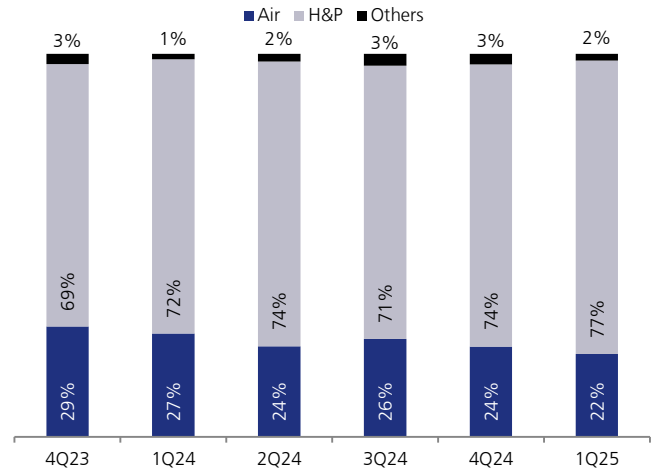
Source: Company, JM Financial

Exhibit 8. Segment-wise GTV mix



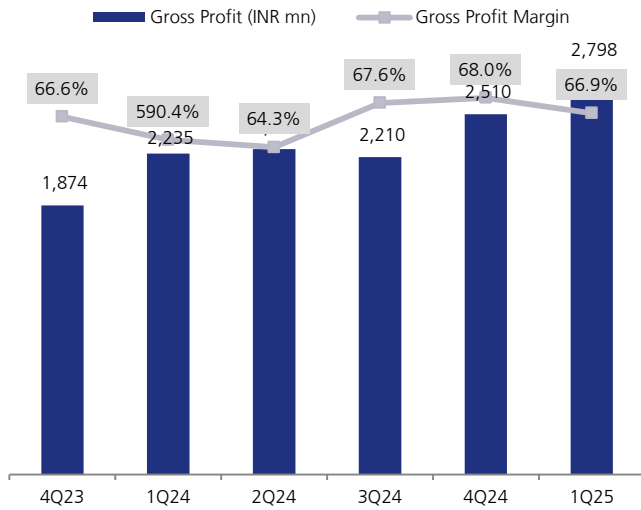
Source: Company, JM Financial

Exhibit 9. Segment-wise revenue mix



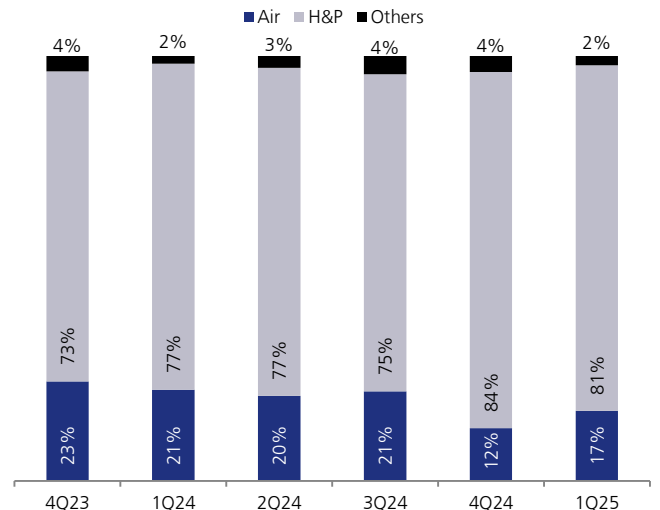
Source: Company, JM Financial

Exhibit 10. Gross profit and Gross profit margin



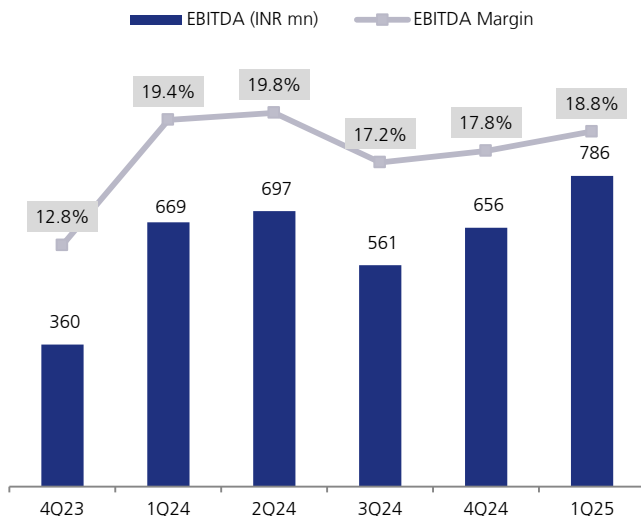
Source: Company, JM Financial

Exhibit 11. Segment-wise gross profit mix



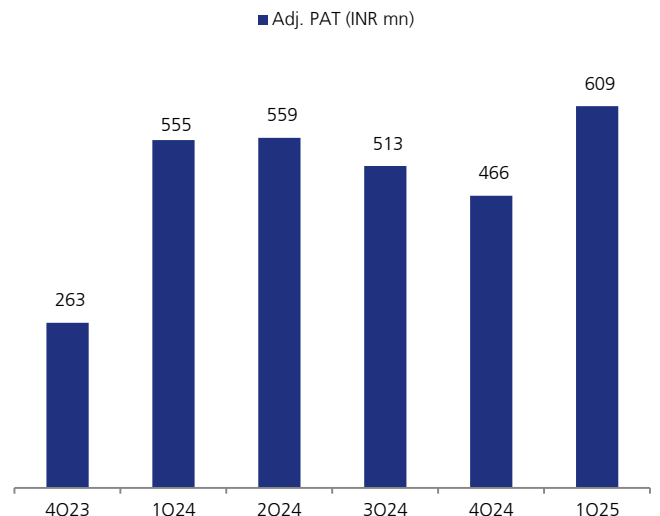
Source: Company, JM Financial

Exhibit 12. Gross profit and Gross profit margin



Source: Company, JM Financial

Exhibit 13. Adjusted PAT



Source: Company, JM Financial

Exhibit 14. Key source market metrics

	4QFY23	1QFY24	2QFY24	3QFY24	4QFY24	1QFY25
Monthly Transacting Buyers						
India	18,251	18,590		18,354	18,298	18,652
International	7,035	7,610		7,877	8,407	9,449
Total	25,286	26,200	26,788	26,231	26,705	28,101
GTV (INR mn)						
India	35,666	42,380	36,796	31,010	38,249	39,559
International	26,000	27,098	27,195	25,768	36,860	39,844
Total	61,666	69,478	63,991	56,778	75,109	79,403
GTV Mix (%)						
India	57.8%	61.0%	57.5%	54.6%	50.9%	49.8%
International	42.2%	39.0%	42.5%	45.4%	49.1%	50.2%
Revenue (INR mn)						
India	1,024	1,295	1,063	1,035	1,089	1,224
International	1,791	2,151	2,461	2,233	2,602	2,961
Total	2,814	3,446	3,523	3,269	3,691	4,185
Revenue Mix (%)						
India	36.37%	37.58%	30.16%	31.67%	29.51%	29.25%
International	63.63%	62.42%	69.84%	68.33%	70.49%	70.75%
Gross Take Rate (%)						
India	2.87%	3.06%	2.89%	3.34%	2.85%	3.09%
International	6.89%	7.94%	9.05%	8.67%	7.06%	7.43%
Total	4.56%	4.96%	5.51%	5.76%	4.91%	5.27%
Gross Profit (INR mn)						
India	574	654	557	581	444	632
International	1,300	1,581	1,709	1,629	2,065	2,166
Total	1,874	2,235	2,266	2,210	2,510	2,798
Gross Profit Mix (%)						
India	30.61%	29.26%	24.58%	26.29%	17.70%	22.59%
International	69.39%	70.74%	75.42%	73.71%	82.30%	77.41%
Net Take Rate (%)						
India	1.61%	1.54%	1.51%	1.87%	1.16%	1.60%
International	5.00%	5.84%	6.28%	6.32%	5.60%	5.44%
Total	3.04%	3.22%	3.54%	3.89%	3.34%	3.52%

Source: Company, JM Financial

Maintain BUY; target price unchanged at INR 1,950

Exhibit 1. What has changed in our assumptions?

	Old			New			Change		
	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E
GTV (INR mn)	325,298	391,253	469,572	310,879	373,882	448,842	-4.4%	-4.4%	-4.4%
Revenue (INR mn)	16,772	21,084	26,041	16,702	20,888	25,952	-0.4%	-0.9%	-0.3%
EBITDA (INR mn)	3,187	4,432	5,899	3,035	4,458	6,005	-4.8%	0.6%	1.8%
EBITDA margin (%)	19.0%	21.0%	22.7%	18.2%	21.3%	23.1%	-83bp	32bp	49bp
EBIT (INR mn)	2,440	3,679	5,131	2,471	3,923	5,428	1.3%	6.6%	5.8%
EBIT margin (%)	14.5%	17.4%	19.7%	14.8%	18.8%	20.9%	25bp	133bp	121bp
Adjusted PAT (INR mn)	2,376	3,529	4,916	2,263	3,531	4,920	-4.8%	0.1%	0.1%
Adjusted EPS (INR)	21.88	32.50	45.27	20.84	32.52	45.31	-4.8%	0.1%	0.1%

Source: JM Financial

Key Risks

- **Key downside risks are:** (1) disruptions in global travel and tourism industry, (2) pricing pressure from suppliers, (3) execution challenges during organic/inorganic expansion and (4) sudden change in competitive landscape.

Financial Tables (Consolidated)

Income Statement		(INR mn)				
Y/E March	FY23A	FY24A	FY25E	FY26E	FY27E	
Net Sales	10,646	13,928	16,702	20,888	25,952	
Sales Growth	120.3%	30.8%	19.9%	25.1%	24.2%	
Other Operating Income	0	0	0	0	0	
Total Revenue	10,646	13,928	16,702	20,888	25,952	
Cost of Goods Sold/Op. Exp	0	0	0	0	0	
Personnel Cost	2,284	2,773	3,558	4,282	5,139	
Other Expenses	6,543	8,572	10,110	12,148	14,809	
EBITDA	1,818	2,583	3,035	4,458	6,005	
EBITDA Margin	17.1%	18.5%	18.2%	21.3%	23.1%	
EBITDA Growth	532.7%	42.0%	17.5%	46.9%	34.7%	
Depn. & Amort.	246	362	563	535	577	
EBIT	1,573	2,221	2,471	3,923	5,428	
Other Income	140	120	288	356	536	
Finance Cost	0	0	0	0	0	
PBT before Excep. & Forex	1,713	2,341	2,760	4,280	5,964	
Excep. & Forex Inc./Loss(-)	29	-72	0	0	0	
PBT	1,742	2,269	2,760	4,280	5,964	
Taxes	257	263	497	749	1,044	
Extraordinary Inc./Loss(-)	0	0	0	0	0	
Assoc. Profit/Min. Int.(-)	42	-16	0	0	0	
Reported Net Profit	1,443	2,021	2,263	3,531	4,920	
Adjusted Net Profit	1,443	2,021	2,263	3,531	4,920	
Net Margin	13.5%	14.5%	13.5%	16.9%	19.0%	
Diluted Share Cap. (mn)	102.5	102.8	108.6	108.6	108.6	
Diluted EPS (INR)	14.1	19.7	20.8	32.5	45.3	
Diluted EPS Growth	323.7%	39.8%	5.9%	56.0%	39.4%	
Total Dividend + Tax	0	0	0	0	0	
Dividend Per Share (INR)	0.0	0.0	0.0	0.0	0.0	

Source: Company, JM Financial

Balance Sheet		(INR mn)				
Y/E March	FY23A	FY24A	FY25E	FY26E	FY27E	
Shareholders' Fund	3,403	5,448	11,631	15,162	20,082	
Share Capital	104	104	109	109	109	
Reserves & Surplus	3,299	5,344	11,522	15,053	19,974	
Preference Share Capital	0	0	0	0	0	
Minority Interest	-31	0	0	0	0	
Total Loans	64	1,351	1,351	1,351	1,351	
Def. Tax Liab. / Assets (-)	-125	-144	-144	-144	-144	
Total - Equity & Liab.	3,311	6,654	12,837	16,368	21,288	
Net Fixed Assets	1,359	3,629	3,651	3,815	4,013	
Gross Fixed Assets	178	259	343	446	571	
Intangible Assets	1,263	3,499	3,499	3,633	3,793	
Less: Depn. & Amort.	82	130	190	264	351	
Capital WIP	0	0	0	0	0	
Investments	981	1,046	1,592	2,047	2,047	
Current Assets	23,114	43,755	57,164	69,456	85,233	
Inventories	0	0	0	0	0	
Sundry Debtors	15,662	33,067	40,457	48,656	58,411	
Cash & Bank Balances	5,634	7,515	13,026	16,375	21,512	
Loans & Advances	14	13	13	13	13	
Other Current Assets	1,804	3,160	3,668	4,412	5,296	
Current Liab. & Prov.	22,144	41,775	49,570	58,951	70,004	
Current Liabilities	18,672	36,787	44,192	52,483	62,239	
Provisions & Others	3,471	4,988	5,378	6,468	7,765	
Net Current Assets	970	1,980	7,594	10,506	15,229	
Total - Assets	3,311	6,654	12,837	16,368	21,288	

Source: Company, JM Financial

Cash Flow Statement		(INR mn)				
Y/E March	FY23A	FY24A	FY25E	FY26E	FY27E	
Profit before Tax	1,742	2,269	2,760	4,280	5,964	
Depn. & Amort.	246	362	563	535	577	
Net Interest Exp. / Inc. (-)	-3	-20	-288	-356	-536	
Inc (-) / Dec in WCap.	558	-152	-224	168	89	
Others	59	71	150	150	150	
Taxes Paid	-228	-265	-497	-749	-1,044	
Operating Cash Flow	2,374	2,265	2,463	4,028	5,200	
Capex	-70	-383	-465	-429	-450	
Free Cash Flow	2,304	1,882	1,998	3,598	4,750	
Inc (-) / Dec in Investments	0	0	0	0	0	
Others	-874	-1,154	-5	154	789	
Investing Cash Flow	-944	-1,537	-470	-275	339	
Inc / Dec (-) in Capital	0	0	3,920	0	0	
Dividend + Tax thereon	0	0	0	0	0	
Inc / Dec (-) in Loans	-3	-35	0	0	0	
Others	-137	1,188	-403	-403	-403	
Financing Cash Flow	-141	1,153	3,517	-403	-403	
Inc / Dec (-) in Cash	1,290	1,881	5,511	3,350	5,137	
Opening Cash Balance	4,344	5,634	7,515	13,026	16,375	
Closing Cash Balance	5,634	7,515	13,026	16,375	21,512	

Source: Company, JM Financial

Dupont Analysis		FY23A	FY24A	FY25E	FY26E	FY27E
Net Margin		13.5%	14.5%	13.5%	16.9%	19.0%
Asset Turnover (x)		0.6	0.4	0.3	0.3	0.3
Leverage Factor (x)		6.7	8.4	6.5	5.2	4.7
RoE		50.4%	45.7%	26.5%	26.4%	27.9%

Key Ratios		FY23A	FY24A	FY25E	FY26E	FY27E
BV/Share (INR)		33.5	53.5	107.1	139.6	184.9
ROIC		0.0%	0.0%	0.0%	0.0%	0.0%
ROE		50.4%	45.7%	26.5%	26.4%	27.9%
Net Debt/Equity (x)		-1.9	-1.3	-1.1	-1.1	-1.1
P/E (x)		116.3	83.2	78.6	50.3	36.1
P/B (x)		48.8	30.6	15.3	11.7	8.9
EV/EBITDA (x)		94.5	66.3	54.6	36.4	26.2
EV/Sales (x)		16.1	12.3	9.9	7.8	6.1
Debtor days		537	867	884	850	822
Inventory days		0	0	0	0	0
Creditor days		745	1,159	1,160	1,149	1,125

Source: Company, JM Financial

History of Recommendation and Target Price

Date	Recommendation	Target Price	% Chg.
5-Aug-24	Buy	1,950	

Recommendation History

APPENDIX I

JM Financial Institutional Securities Limited

Corporate Identity Number: U67100MH2017PLC296081

Member of BSE Ltd. and National Stock Exchange of India Ltd.

SEBI Registration Nos.: Stock Broker - INZ000163434, Research Analyst - INH000000610

Registered Office: 7th Floor, Cnergy, Appasaheb Marathe Marg, Prabhadevi, Mumbai 400 025, India.

Board: +91 22 6630 3030 | Fax: +91 22 6630 3488 | Email: jmfinancial.research@jmfl.com | www.jmfl.com

Compliance Officer: Mr. Sahil Salastekar | Tel: +91 22 6224 1073 | Email: sahil.salastekar@jmfl.com

Grievance officer: Mr. Sahil Salastekar | Tel: +91 22 6224 1073 | Email: instcompliance@jmfl.com

Investment in securities market are subject to market risks. Read all the related documents carefully before investing.

Definition of ratings	
Rating	Meaning
Buy	Total expected returns of more than 10% for stocks with market capitalisation in excess of INR 200 billion and REITs* and more than 15% for all other stocks, over the next twelve months. Total expected return includes dividend yields.
Hold	Price expected to move in the range of 10% downside to 10% upside from the current market price for stocks with market capitalisation in excess of INR 200 billion and REITs* and in the range of 10% downside to 15% upside from the current market price for all other stocks, over the next twelve months.
Sell	Price expected to move downwards by more than 10% from the current market price over the next twelve months.

* REITs refers to Real Estate Investment Trusts.

Research Analyst(s) Certification

The Research Analyst(s), with respect to each issuer and its securities covered by them in this research report, certify that:

All of the views expressed in this research report accurately reflect his or her or their personal views about all of the issuers and their securities; and

No part of his or her or their compensation was, is, or will be directly or indirectly related to the specific recommendations or views expressed in this research report.

Important Disclosures

This research report has been prepared by JM Financial Institutional Securities Limited (JM Financial Institutional Securities) to provide information about the company(ies) and sector(s), if any, covered in the report and may be distributed by it and/or its associates solely for the purpose of information of the select recipient of this report. This report and/or any part thereof, may not be duplicated in any form and/or reproduced or redistributed without the prior written consent of JM Financial Institutional Securities. This report has been prepared independent of the companies covered herein.

JM Financial Institutional Securities is registered with the Securities and Exchange Board of India (SEBI) as a Research Analyst and a Stock Broker having trading memberships of the BSE Ltd. (BSE) and National Stock Exchange of India Ltd. (NSE). No material disciplinary action has been taken by SEBI against JM Financial Institutional Securities in the past two financial years which may impact the investment decision making of the investor. Registration granted by SEBI and certification from the National Institute of Securities Market (NISM) in no way guarantee performance of JM Financial Institutional Securities or provide any assurance of returns to investors.

JM Financial Institutional Securities renders stock broking services primarily to institutional investors and provides the research services to its institutional clients/investors. JM Financial Institutional Securities and its associates are part of a multi-service, integrated investment banking, investment management, brokerage and financing group. JM Financial Institutional Securities and/or its associates might have provided or may provide services in respect of managing offerings of securities, corporate finance, investment banking, mergers & acquisitions, broking, financing or any other advisory services to the company(ies) covered herein. JM Financial Institutional Securities and/or its associates might have received during the past twelve months or may receive compensation from the company(ies) mentioned in this report for rendering any of the above services.

JM Financial Institutional Securities and/or its associates, their directors and employees may; (a) from time to time, have a long or short position in, and buy or sell the securities of the company(ies) mentioned herein or (b) be engaged in any other transaction involving such securities and earn brokerage or other compensation or act as a market maker in the financial instruments of the company(ies) covered under this report or (c) act as an advisor or lender/borrower to, or may have any financial interest in, such company(ies) or (d) considering the nature of business/activities that JM Financial Institutional Securities is engaged in, it may have potential conflict of interest at the time of publication of this report on the subject company(ies).

Neither JM Financial Institutional Securities nor its associates or the Research Analyst(s) named in this report or his/her relatives individually own one per cent or more securities of the company(ies) covered under this report, at the relevant date as specified in the SEBI (Research Analysts) Regulations, 2014.

The Research Analyst(s) principally responsible for the preparation of this research report and their immediate relatives are prohibited from buying or selling debt or equity securities, including but not limited to any option, right, warrant, future, long or short position issued by company(ies) covered under this report. The Research Analyst(s) principally responsible for the preparation of this research report or their immediate relatives (as defined under SEBI (Research Analysts) Regulations, 2014); (a) do not have any financial interest in the company(ies) covered under this report or (b) did not receive any compensation from the company(ies) covered under this report, or from any third party, in connection with this report or (c) do not have any other material conflict of interest at the time of publication of this report. Research Analyst(s) are not serving as an officer, director or employee of the company(ies) covered under this report.

While reasonable care has been taken in the preparation of this report, it does not purport to be a complete description of the securities, markets or developments referred to herein, and JM Financial Institutional Securities does not warrant its accuracy or completeness. JM Financial Institutional Securities may not be in any way responsible for any loss or damage that may arise to any person from any inadvertent error in the information contained in this report. This report is provided for information only and is not an investment advice and must not alone be taken as the basis for an investment decision.

This research report is based on the fundamental research/analysis conducted by the Research Analyst(s) named herein. Accordingly, this report has been prepared by studying/focusing on the fundamentals of the company(ies) covered in this report and other macro-economic factors. JM Financial Institutional Securities may have also issued or may issue, research reports and/or recommendations based on the technical/quantitative analysis of the company(ies) covered in this report by studying and using charts of the stock's price movement, trading volume and/or other volatility parameters. As a result, the views/recommendations expressed in such technical research reports could be inconsistent or even contrary to the views contained in this report.

The investment discussed or views expressed or recommendations/opinions given herein may not be suitable for all investors. The user assumes the entire risk of any use made of this information. The information contained herein may be changed without notice and JM Financial Institutional Securities reserves the right to make modifications and alterations to this statement as they may deem fit from time to time.

This report is neither an offer nor solicitation of an offer to buy and/or sell any securities mentioned herein and/or not an official confirmation of any transaction.

This report is not directed or intended for distribution to, or use by any person or entity who is a citizen or resident of or located in any locality, state, country or other jurisdiction, where such distribution, publication, availability or use would be contrary to law, regulation or which would subject JM Financial Institutional Securities and/or its affiliated company(ies) to any registration or licensing requirement within such jurisdiction. The securities described herein may or may not be eligible for sale in all jurisdictions or to a certain category of investors. Persons in whose possession this report may come, are required to inform themselves of and to observe such restrictions.

Additional disclosure only for U.S. persons: JM Financial Institutional Securities has entered into an agreement with JM Financial Securities, Inc. ("JM Financial Securities"), a U.S. registered broker-dealer and member of the Financial Industry Regulatory Authority ("FINRA") in order to conduct certain business in the United States in reliance on the exemption from U.S. broker-dealer registration provided by Rule 15a-6, promulgated under the U.S. Securities Exchange Act of 1934 (the "Exchange Act"), as amended, and as interpreted by the staff of the U.S. Securities and Exchange Commission ("SEC") (together "Rule 15a-6").

This research report is distributed in the United States by JM Financial Securities in compliance with Rule 15a-6, and as a "third party research report" for purposes of FINRA Rule 2241. In compliance with Rule 15a-6(a)(3) this research report is distributed only to "major U.S. institutional investors" as defined in Rule 15a-6 and is not intended for use by any person or entity that is not a major U.S. institutional investor. If you have received a copy of this research report and are not a major U.S. institutional investor, you are instructed not to read, rely on, or reproduce the contents hereof, and to destroy this research or return it to JM Financial Institutional Securities or to JM Financial Securities.

This research report is a product of JM Financial Institutional Securities, which is the employer of the research analyst(s) solely responsible for its content. The research analyst(s) preparing this research report is/are resident outside the United States and are not associated persons or employees of any U.S. registered broker-dealer. Therefore, the analyst(s) are not subject to supervision by a U.S. broker-dealer, or otherwise required to satisfy the regulatory licensing requirements of FINRA and may not be subject to the Rule 2241 restrictions on communications with a subject company, public appearances and trading securities held by a research analyst account.

Any U.S. person who is recipient of this report that wishes further information regarding, or to effect any transaction in, any of the securities discussed in this report, must contact, and deal directly through a U.S. registered representative affiliated with a broker-dealer registered with the SEC and a member of FINRA. In the U.S., JM Financial Institutional Securities has an affiliate, JM Financial Securities, Inc. located at 1325 Avenue of the Americas, 28th Floor, Office No. 2821, New York, New York 10019. Telephone +1 (332) 900 4958 which is registered with the SEC and is a member of FINRA and SIPC.

Additional disclosure only for U.K. persons: Neither JM Financial Institutional Securities nor any of its affiliates is authorised in the United Kingdom (U.K.) by the Financial Conduct Authority. As a result, this report is for distribution only to persons who (i) 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, the "Financial Promotion Order"), (ii) are persons falling within Article 49(2)(a) to (d) ("high net worth companies, unincorporated associations etc.") of the Financial Promotion Order, (iii) are outside the United Kingdom, or (iv) are persons to whom an invitation or inducement to engage in investment activity (within the meaning of section 21 of the Financial Services and Markets Act 2000) in connection with the matters to which this report relates may otherwise lawfully be communicated or caused to be communicated (all such persons together being referred to as "relevant persons"). This report is directed only at relevant persons and must not be acted on or relied on by persons who are not relevant persons. Any investment or investment activity to which this report relates is available only to relevant persons and will be engaged in only with relevant persons.

Additional disclosure only for Canadian persons: This report is not, and under no circumstances is to be construed as, an advertisement or a public offering of the securities described herein in Canada or any province or territory thereof. Under no circumstances is this report to be construed as an offer to sell securities or as a solicitation of an offer to buy securities in any jurisdiction of Canada. Any offer or sale of the securities described herein in Canada will be made only under an exemption from the requirements to file a prospectus with the relevant Canadian securities regulators and only by a dealer properly registered under applicable securities laws or, alternatively, pursuant to an exemption from the registration requirement in the relevant province or territory of Canada in which such offer or sale is made. This report is not, and under no circumstances is it to be construed as, a prospectus or an offering memorandum. No securities commission or similar regulatory authority in Canada has reviewed or in any way passed upon these materials, the information contained herein or the merits of the securities described herein and any representation to the contrary is an offence. If you are located in Canada, this report has been made available to you based on your representation that you are an "accredited investor" as such term is defined in National Instrument 45-106 Prospectus Exemptions and a "permitted client" as such term is defined in National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations. Under no circumstances is the information contained herein to be construed as investment advice in any province or territory of Canada nor should it be construed as being tailored to the needs of the recipient. Canadian recipients are advised that JM Financial Securities, Inc., JM Financial Institutional Securities Limited, their affiliates and authorized agents are not responsible for, nor do they accept, any liability whatsoever for any direct or consequential loss arising from any use of this research report or the information contained herein.