

## Apollo Micro Systems: Fully armed, Fully integrated

May 27, 2025 CMP: INR 139 | Target Price: INR 200

Expected Share Price Return: 45.5% | Dividend Yield: 0.0% | Potential Upside: 45.5%

Change in Estimates	✓
Change in Target Price	✓
Change in Recommendation	✗

## Company Info

BB Code	APOLLO IN EQUITY
Face Value (INR)	1.0
52 W High/Low (INR)	157/88
Mkt Cap (Bn)	INR 42.5 / \$0.50
Shares o/s (Mn)	306.5
3M Avg. Daily Volume	1,02,16,395

## Change in CEBPL Estimates

	FY26E			FY27E		
INR Mn	New	Old	Dev. (%)	New	Old	Dev. (%)
Revenue	8,145	8,064	1.0	12,218	10,887	12.2
EBITDA	1,955	1,911	2.3	2,993	2,613	14.6
EBITDAM %	24.0	24.0	(0.0)bps	24.5	24.0	50bps
PAT	952	987	(3.6)	1,651	1,470	12.3
EPS	2.8	2.6	7.0	4.4	3.9	12.0

## Actual vs CEBPL

INR Mn	Q4FY25	CEBPL Est.	Dev. %
Revenue	1,618	1,620	(0.1)
EBITDA	360	363	(0.9)
EBITDAM %	22.3	22.3	(5)bps
PAT	140	170	(18.0)

## Key Financials

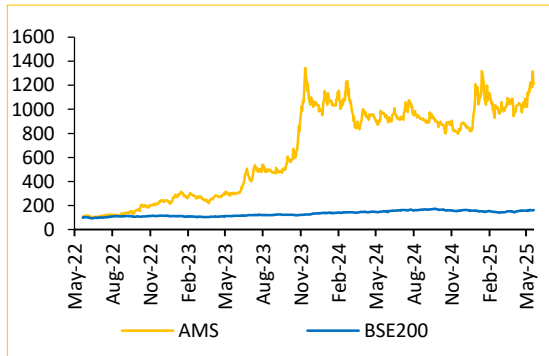
INR Mn	FY23	FY24	FY25E	FY26E	FY27E
Revenue	2,975	3,716	5,621	8,145	12,218
YoY Growth (%)	22	25	51	45	50
EBITDA	640.9	838.7	1292.1	1954.8	2993.3
EBITDAM (%)	21.5	22.6	23.0	24.0	24.5
Adjusted PAT	187.4	311.1	563.6	951.8	1651.0
EPS	9.0	1.2	1.9	2.8	4.4
ROE %	5.3	6.9	10.0	9.0	10.3
ROCE %	13.2	13.2	16.2	10.6	14.8
PE(x)	15	112	75	50	32
Price to BV (x)	7.5	7.6	7.0	3.1	3.1

## Shareholding Pattern (%)

	Mar-25	Dec-24	Sep-24
Promoters	55.12	55.12	55.12
FII's	0.93	0.74	0.19
DII's	0.37	0.87	0.87
Public	43.60	43.29	43.82

## Relative Performance (%)

YTD	3Y	2Y	1Y
BSE 200	62.1	42.6	6.6
AMS	1,112.2	296.0	25.2



Putta Ravi Kumar

Email: ravi.putta@choiceindia.com

Ph: +91 22 6707 9908

## Transformation into a fully integrated OEM unlocks long-term value

We expect by acquiring IDL Explosives, AMS is strategically tapping into the vast market potential both domestically and internationally. This move marks AMS's evolution from a niche defense electronics player to a fully integrated Tier-1 defense OEM, enabling entry into India's high-barrier explosives and ammunition market, which is estimated to have a TAM of INR 250-300 Bn over the next 5 years. Through this vertical integration, AMS now commands control over the full value chain, covering warheads, rocket motors, and propellants, while also enabling in-house production of critical inputs such as TNT, RDX, and HMX, which are essential for indigenous weapon systems.

We expect this strategic shift is expected to drive margin expansion, reduce dependency on external suppliers, and enhance execution speed. In addition, the company has secured long-term sourcing of ammonium nitrate, further strengthening supply chain reliability. AMS is also well-positioned to benefit from India's INR 500 Bn emergency procurement initiative.

## 3x of order book by FY26 &amp; tailwinds support multi-year growth visibility;

The company's current order book stands at INR 6,150 Mn which translates to 1.1x of FY25 revenue. And is expected to triple i.e 3.3x of FY25 revenue by March 26. We expect the order pipelines are underwater weaponry, indigenous missile programs like QRSAM, ASTRA, and Akash-NG, scalable production of torpedoes and mines.

## Revenue and EBITDA were in line with expectations; however, the PAT came in below estimates;

- Revenue for Q4FY25 up by 19.4% YoY & up by 9.0% QoQ at INR 1,618 Mn (vs CEBPL est. INR 1,620 Mn).
- EBITDA for Q4FY25 up by 25.2% YoY and down 5.2% QoQ at INR 360 Mn (vs CEBPL est. INR 363 Mn). The EBITDA Margin stood at 22.2%, improved by 103bps YoY (vs CEBPL est. of 22.3%).
- PAT for Q4FY25 up by 8.0% YoY and down 23.5% QoQ at INR 140 Mn (vs CEBPL est. INR 170 Mn). PAT Margin contracted by 92bps YoY, reaching 8.6% (vs CEBPL est. 10.5%).

**View & Valuation:** We maintain our bullish stance on AMS, underpinned by its transformation from a component supplier to a Tier-1 integrated defense OEM, strong visibility on hyper growth, and a robust order pipeline. According, we revise our FY26E/FY27E EPS estimates upward by 7.0% and 12.0%, respectively, and now project Revenue/EBITDA/PAT to grow at a CAGR of 47.4%/52.2%/71.2% over FY25-27E. Based on this outlook, we reiterate our "BUY" rating with a revised TP of INR 200 from (earlier TP is INR 156), we maintaining our valuation multiple of the stock at 40x FY27E EPS.

Particulars (INR Mn)	Q4FY25	Q4FY24	YoY (%)	Q3FY25	QoQ (%)
Revenue (incl OOI)	1,618	1,354	19.4	1,484	9.0
Material Exp	1,131	964	17.4	1,018	11.1
Gross Profit	487	391	24.5	466	4.4
Employee Exp	68	48	42.2	52	30.3
Other Exp	59	55	5.6	34	70.5
EBITDA	360	287	25.2	380	(5.2)
Depreciation	41	31	32.0	40	3.9
EBIT	318	256	24.4	340	(6.3)
Other Income	7	9	(15.2)	10	(25.4)
Interest Cost	106	83	27.5	88	20.8
PBT	220	182	21.1	262	(16.0)
Tax	80	52	53.5	80	1.1
RPAT	140	129	8.0	182	(23.5)
APAT	140	129	8.0	182	(23.5)
Adj EPS (Rs)	0.5	0.5	(11.5)	0.6	(23.3)
Margin Analysis	Q4FY25	Q4FY24	YoY (bps)	Q3FY25	QoQ (bps)
Gross Margin (%)	30.1	28.9	122.6	31.4	(133.5)
Employee Exp. % of Sales	4.2	3.5	67.3	3.5	69.0
Other Op. Exp. % of Sales	3.6	4.1	(47.3)	2.3	130.6
EBITDA Margin (%)	22.25	21.2	102.5	25.6	(333.0)
Tax Rate (%)	36.5	28.8	771.8	30.4	617.1
APAT Margin (%)	8.6	9.5	(91.7)	12.3	(366.0)

## Management Call - Highlights

### Strategic Milestone: Acquisition of IDL Explosives

- Acquired IDL Explosives Ltd, entering explosives, warheads, rocket propellants, and complete ammunition cycle.
- Enhances Apollo's capabilities as a Tier-1 integrated defense OEM.
- Consolidation of IDL's financials starts Q2 FY26.
- Turnaround plan underway: focus on defense-grade explosives (TNT, RDX, HMX) and long-term sourcing of ammonium nitrate.
- Expected EBITDA improvement and tax shield benefit from IDL's accumulated losses.

### CapEx & Facility Expansion:

- Unit 2 to commence full operations from Q2 FY26.
- Unit 3 Phase 1 capex: INR 1,500 Mn; Phase 2: INR 1,000 Mn (to begin in Q4 FY26).
- INR 500+ Mn investment in in-house testing infrastructure at Unit 3 to reduce working capital cycle by 100-120 days from FY27.

### Order Book & Outlook:

- Current order book: INR 6,150 Mn.
- Management expects order book to triple by March 2026.
- Key upcoming orders:
  - Multi-Influence Ground Mine (Navy)-expected in FY26.
  - Torpedoes (VARUNASTRA, ALWT, EHWT)-large scale orders anticipated soon.
  - Significant role in Project Kusha, QRSAM, Akash-NG, and ASTRA programs.
- Expected revenue CAGR (standalone): 45-50% over next 2 years.
- With IDL, FY26 consolidated revenue expected to double YoY.

### Product & Technology Development:

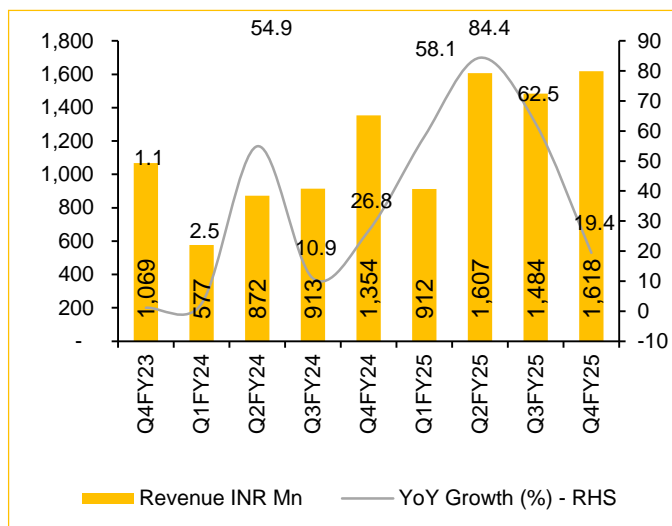
- Participating in 150+ indigenous defense programs.
- End-to-end supply capabilities for:
  - Underwater mines, mini torpedoes, anti-submarine rockets.
  - Limpet mines, moored mines, medium-range rockets, warhead-integrated systems.
- MoU with GRSE to develop mini torpedo; other Make-II programs under development.

### Fundraising & Shareholding:

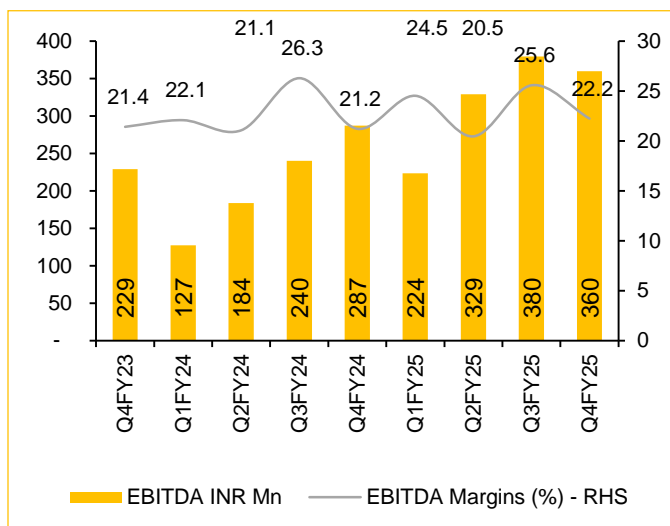
- Preferential issue of INR 8,160 Mn approved (includes promoter participation).
- Funds to be used for working capital, R&D, and future tech innovation.
- Promoter shareholding post-issue expected to remain around 50-51%.
- Pledge on promoter shares tied to company-related funding; no personal leverage involved.

### Operational & Market Position:

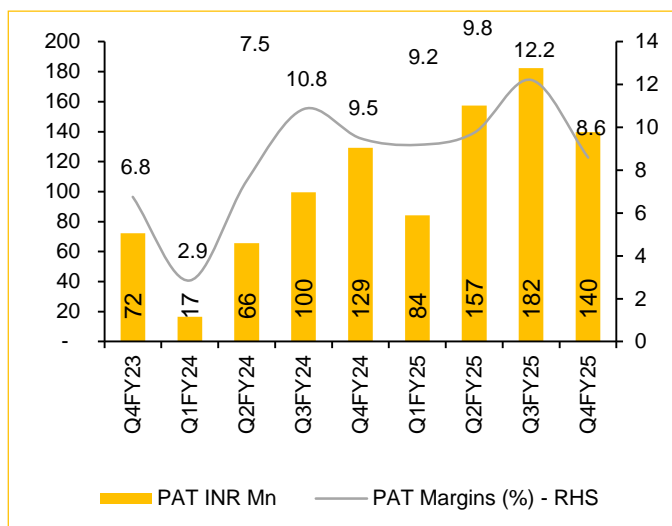
- Transitioning from development to full-fledged production in several systems.
- Benefitting from increased defense focus post India-Pakistan conflict.
- Aiming to become a global supplier of complete weapon platforms.
- Positioned uniquely with capabilities in integration, design, electronics, ground systems, and explosives.

**Revenue jumped by 19.4% YoY basis**

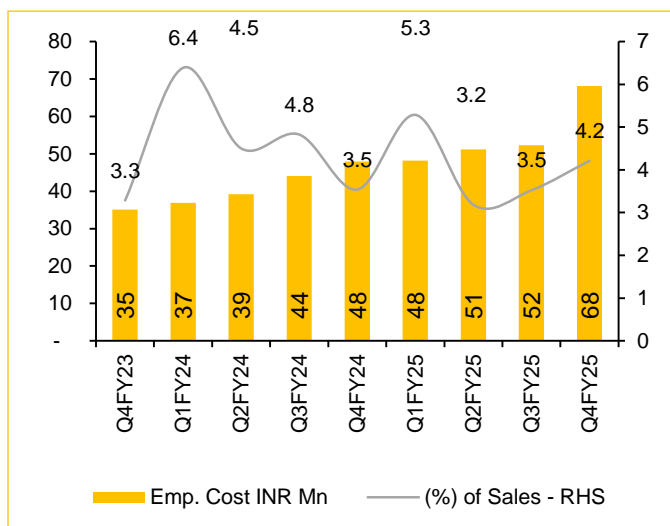
Source: Company, CEBPL

**EBITDAM improved 103bps on YoY basis**

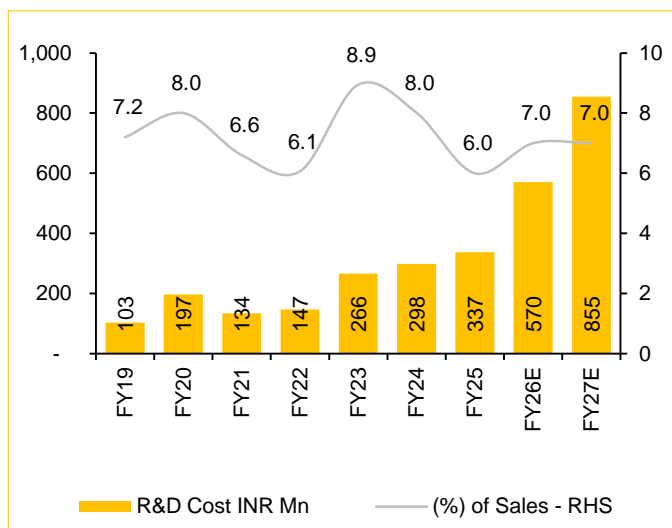
Source: Company, CEBPL

**PAT growth of 8.0% YoY**

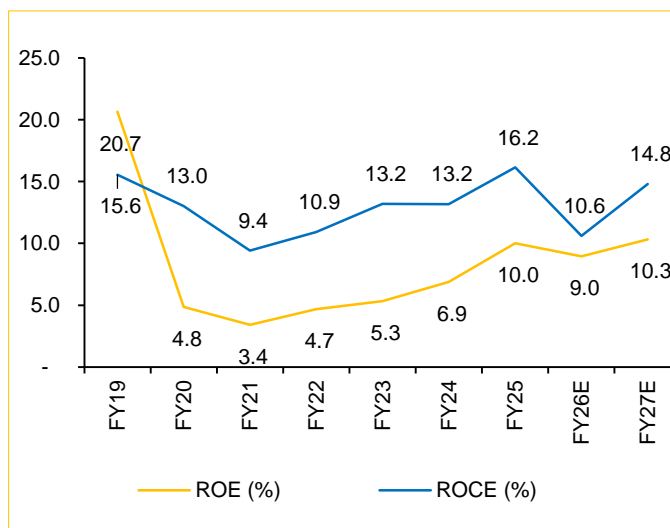
Source: Company, CEBPL

**Employees' cost trend**

Source: Company, CEBPL

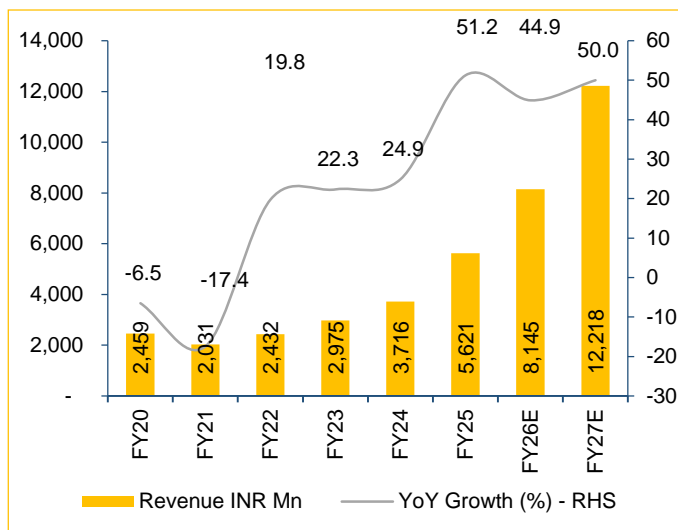
**R&D investment to remain high for future projects**

Source: Company, CEBPL

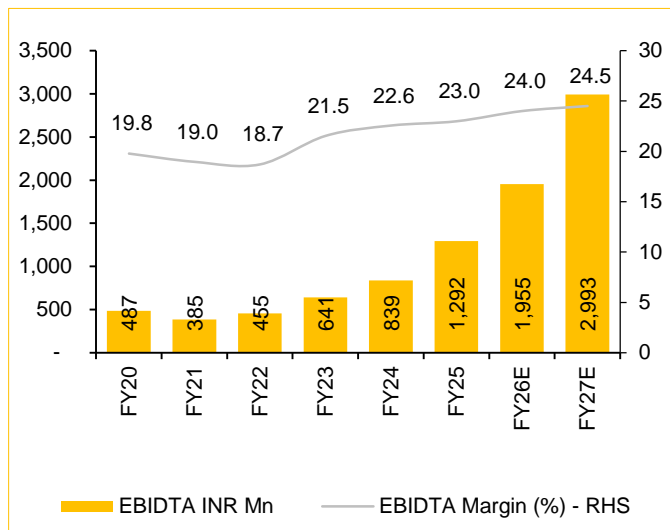
**ROE & ROCE Trend**

Source: Company, CEBPL

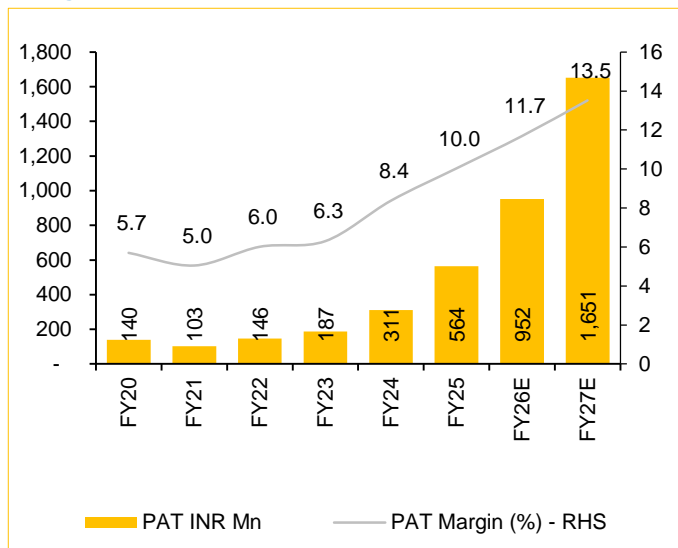
\*All figures are in INR Million

Revenue expected to grow 47.4% CAGR FY25-27

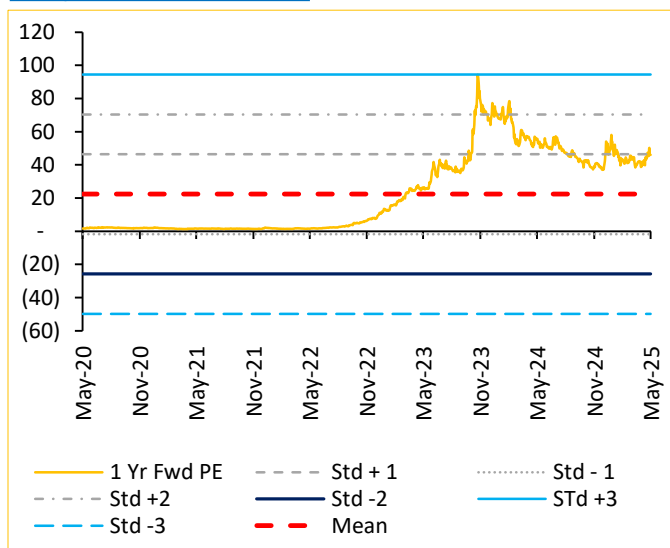
Source: Company, CEBPL

EBITDA Margins to improve led by better mix

Source: Company, CEBPL

PAT growth to remain robust

Source: Company, CEBPL

One year forward PE band

Source: Company, CEBPL

Income Statement (Consolidated in INR Mn)

Particular	FY23	FY24	FY25	FY26E	FY27E
Revenue	2,975	3,716	5,621	8,145	12,218
Gross Profit	877	1,132	1,653	2,484	3,787
EBITDA	641	839	1,292	1,955	2,993
Depreciation	104	113	153	239	299
EBIT	545	744	1,168	1,757	2,755
Other Income	8	18	29	41	61
Interest Expense	224	303	342	397	397
PBT	290	441	825	1,360	2,359
Reported PAT	187	311	564	952	1,651
EPS	9.0	1.2	1.9	2.8	4.4

Ratio Analysis	FY23	FY24	FY25	FY26E	FY27E
Growth Ratios					
Revenue (%)	22.3	24.9	51.2	44.9	50.0
EBITDA (%)	40.8	30.9	54.1	51.3	53.1
PAT (%)	28.2	66.0	81.2	68.9	73.5
Margin Ratios					
EBITDA Margins (%)	21.5	22.6	23.0	24.0	24.5
PAT Margins (%)	6.3	8.4	10.0	11.7	13.5
Performance Ratios					
OCF/EBITDA (x)	-0.3	-0.9	0.1	-0.3	-0.3
OCF/IC (%)	-4.4	-15.5	1.8	-5.2	-7.1
ROE (%)	5.3	6.9	10.0	9.0	10.3
ROCE (%)	13.2	13.2	16.2	10.6	14.8
Turnover Ratio (Days)					
Inventory	419	426	390	360	340
Debtors	180	231	155	150	145
Payables	138	163	180	180	180
Cash Conversion Cycle (Days)	461	494	365	330	305
Financial Stability Ratios					
Net Debt to Equity (x)	0.3	0.4	0.4	-0.2	0.0
Net Debt to EBITDA (x)	2.0	2.2	2.1	-1.6	-0.2
Interest Cover (x)	2.4	2.5	3.4	4.4	6.9
Valuation Metrics					
Fully Diluted Shares (Mn)	20.8	250.1	306.5	342.3	378.1
Price (INR)	139.0	139.0	139.0	139.0	139.0
Market Cap (INR Bn)	21.1	40.9	45.1	50.1	52.6
PE (x)	15.4	111.7	74.7	50.0	31.8
EV (INR Bn)	22.4	42.8	47.8	47.0	52.0
EV/EBITDA (x)	34.9	51.0	37.0	24.1	17.4
Book Value (INR/Share)	18.5	18.4	19.8	44.4	44.5
Price to BV (x)	7.5	7.6	7.0	3.1	3.1
EV/OCF (x)	5.4	7.6	6.6	2.8	2.8

Source: Company, CEBPL

Balance Sheet (Consolidated in INR Mn)

Particular	FY23	FY24	FY25	FY26E	FY27E
Net worth	3,835	5,185	6,069	15,179	16,800
Total debt	1,425	2,063	3,308	3,308	3,308
Other Long term Liabilities	283	365	457	699	1,131
Trade Payables	1,123	1,657	2,772	4,017	6,025
Other Current liabilities	260	292	389	652	1,283
Total Net Worth & liabilities	6,926	9,562	12,995	23,854	28,546
Net Fixed Assets	1,060	1,425	1,723	2,984	3,685
Capital Work in progress	316	348	723	977	1,466
Investments					
Other Non-Current Asset	19	49	257	407	684
Inventories	3,415	4,336	6,006	8,033	11,381
Trade receivables	1,466	2,353	2,383	3,347	4,854
Cash & bank balance	141	207	625	6,346	3,813
Other Current Assets	509	844	1,278	1,759	2,663
Total Assets	6,926	9,562	12,995	23,854	28,546
Capital Employed	4,137	5,646	7,228	16,580	18,632
Invested Capital	3,713	5,073	6,146	9,535	13,688
Net Debt	1,284	1,855	2,683	-3,038	-506
FCFF	-497	-1,325	-850	-1,997	-1,967

Cash Flow Statement (Consolidated in INR Mn)

Particulars	FY23	FY24	FY25	FY26E	FY27E
Cash Flows From Operations	-162.9	-784.9	112.7	-496.9	-966.7
Cash Flows From Investing	-347.6	-588.8	-952.4	-1,905.3	-1,765.6
Cash Flows From Financing	509.5	1,373.2	1,240.4	8,003.2	4.5

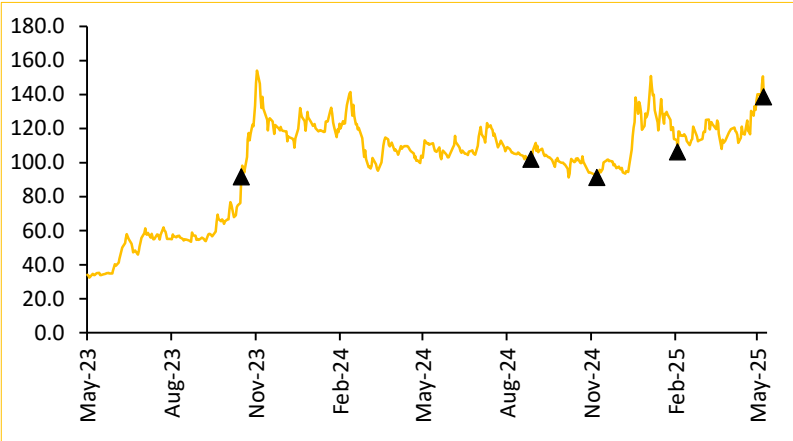
DuPont Analysis	FY23	FY24	FY25	FY26E	FY27E
ROE	5.3%	6.9%	10.0%	9.0%	10.3%
Net Profit Margin	6.3%	8.4%	10.0%	11.7%	13.5%
Asset Turnover	0.46	0.45	0.50	0.44	0.47
Financial Leverage	183.4%	182.5%	200.2%	173.3%	163.8%

Source: Company, CEBPL

Source: Company, CEBPL

Source: Company, CEBPL

Historical Price Chart: Apollo Micro Systems Limited



Date	Rating	Target Price
May 27,2025	BUY	200
Feb 10,2025	BUY	156
Nov 04,2024	BUY	158
Aug 22,2024	BUY	146
Nov 16,2023	BUY	163

Institutional Research Team			
Utsav Verma, CFA	Head of Institutional Research	utsav.verma@choiceindia.com	+91 22 6707 9440
Prashanth Kumar Kota	Analyst – Basic Materials	prashanth.kota@choiceindia.com	+91 22 6707 9887
Mehul Mehta	Analyst – Industrials	mehul.mehta@choiceindia.com	+91 22 6707 9930
Dhanshree Jadhav	Analyst – Technology	dhanshree.jadhav@choiceindia.com	+91 22 6707 9535
Karan Kamdar	Analyst – SMID	karan.kamdar@choiceindia.com	+91 22 6707 9930
Deepika Murarka	Analyst – Healthcare	deepika.murarka@choiceindia.com	+91 22 6707 9513
Putta Ravi Kumar	Analyst – Defence	ravi.putta@choiceindia.com	+91 22 6707 9908
Maitri Sheth	Analyst – Pharmaceuticals	maitri.sheth@choiceindia.com	+91 22 6707 9511
Ashutosh Murarka	Analyst – Cement & Infrastructure	ashutosh.murarka@choiceindia.com	+91 22 6707 9887
Aayush Saboo	Associate – Real Estate	aayush.saboo@choiceindia.com	+91 22 6707 9512
Bharat Kumar Kudikyala	Associate – Building Materials and Mining	bharat.kudikyala@choiceindia.com	+91 22 6707 9887
Vinay Rawal	Associate – SMID	vinay.rawal@choiceindia.com	+91 22 6707 9887
Heet Chheda	Associate – Auto	heet.chheda@choiceindia.com	+91 22 6707 9952
Rushil Katiyar	Associate – Technology	rushil.katiyar@choiceindia.com	+91 22 6707 9887
Aryan Goyal	Associate – Auto	aryan.goyal@choiceindia.com	+91 22 6707 9517
Sumit Pandey	Executive	pandey.sumit@choiceindia.com	+91 22 6707 9887

CHOICE RATING DISTRIBUTION & METHODOLOGY

BUY	The security is expected to generate upside of 15% or more over the next 12 months
HOLD	The security is expected to show upside or downside returns by 14% to -5% over the next 12 months
SELL	The security is expected to show downside of 5% or more over the next 12 months

Disclaimer

Research Disclaimer and Disclosure inter-alia as required under Securities and Exchange Board of India (Research Analysts) Regulations, 2014

Choice Equity Broking Private Limited-Research Analyst - INH000000222. (CIN. NO.: U65999MH2010PTC198714). Reg. Add.: Sunil Patodia Tower, J B Nagar, Andheri(East), Mumbai 400099. Tel. No. 022-6707 9999

Compliance Officer--Prashant Salian, Email Id – Prashant.salian@choiceindia.com Contact no. 022- 67079999- Ext-2310

Grievance officer-Deepika Singhvi Tel.022-67079999- Ext-834. Email- ig@choiceindia.com

Investment 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

This Research Report (hereinafter referred as "Report") has been prepared by Choice Equity Broking Private Limited as a Research Entity (hereinafter referred as "CEBPL RE" Limited). The Research Analysts, strategists are principally responsible for the preparation of "CEBPL RE" research. The research analysts have received compensation based upon various factors, which may include quality of research, investor client feedback, stock picking, competitive factors and firm revenues etc.

Whilst CEBPL has taken all reasonable steps to ensure that this information is correct, CEBPL does not offer any warranty as to the accuracy or completeness of such information. Any person placing reliance on the report to undertake trading does so entirely at his or her own risk and CEBPL does not accept any liability as a result. Securities and Derivatives markets may be subject to rapid and unexpected price movements and past performance is not necessarily an indication of future performance.

**General Disclaimer:** This 'Report' is strictly meant for use by the recipient and is not for circulation. This Report does not take into account particular investment objectives, financial situations or specific needs of individual clients nor does it constitute a personal recommendation. The recommendations, if any, made herein are expression of views and/or opinions and should not be deemed or construed to be neither advice for the purpose of purchase or sale of any security, derivatives or any other security through CEBPL nor any solicitation or offering of any investment/trading opportunity on behalf of the issuer(s) of the respective security (ies) referred to herein.



These information / opinions / views are not meant to serve as a professional investment guide for the readers. No action is solicited based upon the information provided herein. Recipients of this "Report" should rely on information/data arising out of their own Study/investigations. It is advised to seek independent professional advice and arrive at an informed trading/investment decision before executing any trades or making any investments. This 'Report' has been prepared on the basis of publicly available information, internally developed data and other sources believed by CEBPL to be reliable. CEBPL or its directors, employees, affiliates or representatives shall not be responsible for, or warrant for the accuracy, completeness, adequacy and reliability of such information / opinions / views. Though due care has been taken to ensure that the disclosures and opinions given are fair and reasonable, none of the directors, employees, affiliates or representatives of CEBPL shall be liable for any direct, indirect, special, incidental, consequential, punitive or exemplary damages, including lost profits arising in any way whatsoever from the information / opinions / views contained in this report.

The price and value of the investments referred to in this Report and the income from them may tend to go down as well as up, and investors may incur losses on any investments. Past performance shall not be a guide for future performance. CEBPL does not provide tax advice to its clients, and all investors are strongly advised to take advice of their tax advisers regarding taxation aspects of any potential investment. Opinions are based on the current scenario as of the date appearing on this 'Report' only. CEBPL does not undertake to advise you as to any change of our views expressed in this "Report" may differ on account of differences in research methodology, personal judgment and difference in time horizons for which recommendations are made. User should keep this risk in mind and not hold CEBPL, its employees and associates responsible for any losses, damages of any type whatsoever.

**Disclaimers in respect of jurisdiction:** This report is not directed to, 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 or regulation or which would subject "CEBPL RE" to any registration or licensing requirement within such jurisdiction(s). No action has been or will be taken by "CEBPL RE" in any jurisdiction (other than India), where any action for such purpose(s) is required. Accordingly, this 'Report' shall not be possessed, circulated and/or distributed in any such country or jurisdiction unless such action is in compliance with all applicable laws and regulations of such country or jurisdiction. "CEBPL" requires such recipient to inform himself about and to observe any restrictions at his own expense, without any liability to "CEBPL". Any dispute arising out of this Report shall be subject to the exclusive jurisdiction of the Courts in Mumbai (India). Statements on ownership and material conflicts of interest, compensation - CEBPL and Associates reciprocates to the best of the knowledge and belief of CEBPL/ its Associates/ research Analyst who is preparing this report.

#### Disclosures of Interest (Additional):

1. "CEBPL", its research Analyst(s), or its associates or relatives of the Research Analyst does not have any financial interest in the company(ies) covered in this report.
2. "CEBPL" its research Analyst, or its associates or relatives of the research analyst affiliates collectively do not hold more than 1 of the securities of the company(ies) covered in this report as of the end of the month immediately preceding the distribution of the research report.
3. "CEBPL", its research analyst, his/her associate, his/her relative, do not have any other material conflict of interest at the time of publication of this research report.
4. "CEBPL", its research analyst, and its associates have not received compensation for investment banking or merchant banking or brokerage services or for any other products or services from the company(ies) covered in this report, in the past twelve months.
5. "CEBPL", its research analyst, or its associates have not managed or co-managed in the previous twelve months, a private or public offering of securities for the company (ies) covered in this report.
7. "CEBPL", or its associates have not received compensation or other benefits from the company(ies) covered in this report or from any third party, in connection with the research report.
8. CEBPL research analyst has not served as an Officer, Director, or employee of the company (ies) covered in the Research report.
9. "CEBPL", its research analyst has not been engaged in market making activity for the company(ies) covered in the Research report.

Details of Associates of CEBPL and Brief History of Disciplinary action by regulatory authorities are available on our website i.e. <https://choiceindia.com/research-listing>

Sr. No.	Particulars	Yes / No
1.	Whether compensation has been received from the company(ies) covered in the Research report in the past 12 months for investment banking transaction by CEBPL	No
2	Whether Research Analyst, CEBPL or its associates or relatives of the Research Analyst affiliates collectively hold more than 1 of the company(ies) covered in the Research report	No
3.	Whether compensation has been received by CEBPL or its associates from the company(ies) covered in the Research report	No
4.	CEBPL or its affiliates have managed or co-managed in the previous twelve months a private or public offering of securities for the company(ies) covered in the Research report	No
5.	CEBPL, its research analyst, his associate, or its associates have received compensation for investment banking or merchant banking or brokerage services or for any other products or services from the company(ies) covered in the Research report, in the last twelve months	No

**Copyright:** The copyright in this research report belongs exclusively to CEBPL. All rights are reserved. Any unauthorized use or disclosure is prohibited. No reprinting or reproduction, in whole or in part, is permitted without the CEBPL's prior consent, except that a recipient may reprint it for internal circulation only and only if it is reprinted in its entirety.

This "Report" is for distribution only under such circumstances as may be permitted by applicable law. This "Report" has no regard to the specific investment objectives, financial situation or particular needs of any specific recipient, even if sent only to a single recipient. This "Report" is not guaranteed to be a complete statement or summary of any securities, markets, reports or developments referred to in this research report. Neither CEBPL nor any of its directors, officers, employees or agents shall have any liability, however arising, for any error, inaccuracy or incompleteness of fact or opinion in this "report" or lack of care in this report's preparation or publication, or any losses or damages which may arise from the use of this research report.

Information barriers may be relied upon by CEBPL, such as "Chinese Walls" to control the flow of information within the areas, units, divisions, groups, or affiliates of CEBPL.

Investing in any non-U.S. securities or related financial instruments (including ADINR) discussed in this research report may present certain risks. The securities of non-U.S. issuers may not be registered with, or be subject to the regulations of, the U.S. Securities and Exchange Commission. Information on such non-U.S. securities or related financial instruments may be limited. Foreign companies may not be subject to audit and reporting standards and regulatory requirements comparable to those in effect within the United States. The value of any investment or income from any securities or related financial instruments discussed in this research report denominated in a currency other than U.S. dollars is subject to exchange rate fluctuations that may have a positive or adverse effect on the value of or income from such securities or related financial instruments.

Past performance is not necessarily a guide to future performance and no representation or warranty, express or implied, is made by CEBPL with respect to future performance. Income from investments may fluctuate. The price or value of the investments to which this research report relates, either directly or indirectly, may fall or rise against the interest of investors. Any recommendation or opinion contained in this research report may become outdated as a consequence of changes in the environment in which the issuer of the securities under analysis operates, in addition to changes in the estimates and forecasts, assumptions and valuation methodology used herein.

No part of the content of this research report may be copied, forwarded or duplicated in any form or by any means without the prior written consent of CEBPL and CEBPL accepts no liability whatsoever for the actions of third parties in this respect.

The details of CEBPL, its research analyst and its associates pertaining to the companies covered in the Research report are given above.