

# Piramal Pharma

Estimate change



TP change



Rating change



**CMP: INR154**

**TP: INR190 (+24%)**

**Buy**

## CDMO segment drives earnings

### Ends FY24 with strong turnaround

- Piramal Pharma (PIRPHARM) delivered better-than-expected operational performance for the quarter. Compared to adj. loss of INR800m in FY23, PIRPHARM's effort has led to adj. PAT of INR560m for FY24. This was largely driven by improved execution in Contract development and manufacturing organization (CDMO) business and India consumer health business. Operational constraints adversely impacted sale growth in the complex hospital generics (CHG) segment for FY24.
- We raise our EBITDA estimate by 11%/22% for FY25/FY26 to factor in a) robust order inflow in the CDMO segment, b) the expansion of on-patent commercial manufacturing within the CDMO segment, and c) the strategic initiatives to strengthen its presence in ROW markets and pursue backward integration in the CHG segment.
- However, we lower PAT estimate for FY25 by 17% to factor in higher tax rate. We value PIRPHARM on an SOTP basis (17x EV/EBITDA for CDMO business; 13x EV/EBITDA for CHG and India consumer health business) to arrive at a price target of INR190.
- PIRPHARM has demonstrated a strong turnaround in its business across segments, showcasing improved sales growth and profitability in FY24. Anticipating further momentum, particularly in the CDMO and CHG segments, along with enhanced operating leverage over the next 2-3 years, we maintain our BUY rating on the stock.

### Strong operating leverage led margin expansion for the quarter

- PIRPHARM's revenue grew 18% YoY to INR25.5 b (est: INR24.3b) in 4QFY24. The CDMO segment's (65% of total sales) revenue grew 28% YoY to INR16.5b. The ICH (9% of total sales) revenue was up 16% YoY to INR2.4b. The CHG (27% of total sales) revenue declined 4% YoY to INR6.8b.
- Gross margin contracted 90bp YoY to 60.3% due to a change in product mix.
- However, EBITDA margin expanded 450bp YoY to 20.8% (our est: 14.6%), largely due to positive operating leverage. Employee expenses and other expenses declined 250bp/290bp as a % of sales.
- As a result, EBITDA grew 51% YoY to INR5.3b (our est: INR4.8b).
- Interest costs rose 9.6% YoY to INR1.1b in 4QFY24.
- After adjusting for the one-off write-off (INR310m), PIRPHARM posted a growth of 2.3x YoY to INR1.1b (our est. profit of INR2.3b).
- **For FY24**, revenue/EBITDA grew 15%/64% YoY to INR81.7b/INR11.9b. The company registered a profit of INR560m vs. a loss of INR798m in FY23.

### Highlights from the management commentary

- PIRPHARM guided for low-teens YoY growth in revenue for FY25.
- PIRPHARM would incur one-time USD8-9m toward opex in the CHG segment.
- It would be launching four new injectable products in the US and Europe in the CHG segment.

| Bloomberg             | PIRPHARM IN |
|-----------------------|-------------|
| Equity Shares (m)     | 1323        |
| M.Cap.(INRb)/(USD\$b) | 204 / 2.4   |
| 52-Week Range (INR)   | 167 / 70    |
| 1, 6, 12 Rel. Per (%) | 13/15/90    |
| 12M Avg Val (INR M)   | 835         |
| Free float (%)        | 65.0        |

#### Financials & Valuations (INR b)

| Y/E MARCH            | FY24 | FY25E | FY26E |
|----------------------|------|-------|-------|
| Sales                | 81.7 | 93.1  | 105.2 |
| EBITDA               | 12.0 | 15.0  | 19.5  |
| Adj. PAT             | 0.6  | 3.3   | 6.8   |
| EBIT Margin (%)      | 5.6  | 8.0   | 11.0  |
| Cons. Adj. EPS (INR) | 0.4  | 2.5   | 5.1   |
| EPS Gr. (%)          | NA   | 497.6 | 102.9 |
| BV/Sh. (INR)         | 66.3 | 69.1  | 74.8  |

#### Ratios

|            |      |      |      |
|------------|------|------|------|
| Net D:E    | 0.5  | 0.5  | 0.4  |
| RoE (%)    | 0.8  | 4.1  | 7.9  |
| RoCE (%)   | 0.5  | 4.0  | 6.4  |
| Payout (%) | 57.0 | 17.6 | 17.6 |

#### Valuations

|                |       |      |      |
|----------------|-------|------|------|
| P/E (x)        | 366.1 | 61.3 | 30.2 |
| EV/EBITDA (x)  | 20.7  | 16.6 | 12.5 |
| Div. Yield (%) | 0.0   | 0.2  | 0.5  |
| FCF Yield (%)  | 0.0   | 0.0  | 0.0  |
| EV/Sales (x)   | 3.0   | 2.7  | 2.3  |

#### Shareholding pattern (%)

| As On      | Mar-24 | Dec-23 | Mar-23 |
|------------|--------|--------|--------|
| Promoter   | 35.0   | 35.0   | 34.8   |
| DII        | 12.1   | 9.7    | 5.0    |
| FII/FIIFII | 31.0   | 32.9   | 39.7   |
| Others     | 21.9   | 22.4   | 20.6   |

FII Includes depository receipts

## PPL Income statement (INR m)

| Consolidated        | FY23          |               |               |               | FY24          |               |               |               | FY23          | FY24          | FY24E         | % Var       |
|---------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|-------------|
|                     | 1Q            | 2Q            | 3Q            | 4Q            | 1Q            | 2Q            | 3Q            | 4Q            |               |               |               |             |
| <b>Revenues</b>     | <b>14,820</b> | <b>17,200</b> | <b>17,160</b> | <b>21,636</b> | <b>17,489</b> | <b>19,114</b> | <b>19,586</b> | <b>25,524</b> | <b>70,816</b> | <b>81,712</b> | <b>24,302</b> | <b>5%</b>   |
| growth YoY(%)       | 13.0          | 9.0           | 11.5          | 1.5           | 18.0          | 11.1          | 14.1          | 18.0          | 8.0           | 15.4          | 12.3          |             |
| <b>Expenses</b>     | <b>13,969</b> | <b>15,475</b> | <b>15,962</b> | <b>18,123</b> | <b>16,165</b> | <b>16,457</b> | <b>16,902</b> | <b>20,224</b> | <b>63,529</b> | <b>69,749</b> | <b>19,542</b> |             |
| CDMO                | 7,700         | 9,400         | 10,100        | 12,850        | 8,980         | 10,680        | 11,340        | 16,490        | 40,160        | 47,490        | 14,381        | 15%         |
| CHG                 | 5,080         | 5,620         | 5,140         | 7,020         | 6,170         | 5,890         | 5,760         | 6,770         | 22,860        | 24,590        | 8,012         | -15%        |
| ICP                 | 2,110         | 2,270         | 2,260         | 2,060         | 2,390         | 2,560         | 2,520         | 2,380         | 8,590         | 9,850         | 1,807         | 32%         |
| <b>EBITDA*</b>      | <b>851</b>    | <b>1,726</b>  | <b>1,197</b>  | <b>3,513</b>  | <b>1,323</b>  | <b>2,657</b>  | <b>2,684</b>  | <b>5,299</b>  | <b>7,286</b>  | <b>11,963</b> | <b>4,760</b>  | <b>11%</b>  |
| margin (%)          | 5.7           | 10.0          | 7.0           | 16.2          | 7.6           | 13.9          | 13.7          | 20.8          | 10.3          | 14.6          | 19.6          |             |
| growth YoY(%)       | -34.3         | -12.2         | -46.9         | -11.7         | 55.5          | 54.0          | 124.1         | 50.9          | -23.3         | 64.2          | 35.5          |             |
| Depreciation        | 1,617         | 1,662         | 1,644         | 1,844         | 1,736         | 1,845         | 1,863         | 1,961         | 6,767         | 7,406         | 1,661         |             |
| <b>EBIT</b>         | <b>-766</b>   | <b>64</b>     | <b>-447</b>   | <b>1,669</b>  | <b>-413</b>   | <b>812</b>    | <b>821</b>    | <b>3,338</b>  | <b>520</b>    | <b>4,557</b>  | <b>3,099</b>  | <b>8%</b>   |
| Other income        | 719           | 462           | 825           | 245           | 383           | 492           | 615           | 264           | 2,251         | 1,754         | 610           |             |
| Interest expense    | 623           | 830           | 947           | 1,043         | 1,185         | 1,099         | 1,059         | 1,142         | 3,442         | 4,485         | 1,082         |             |
| Share from Asso. Co | 199           | 111           | 156           | 78            | 144           | 191           | 140           | 120           | 543           | 595           | 134           |             |
| <b>PBT</b>          | <b>-471</b>   | <b>-193</b>   | <b>-412</b>   | <b>949</b>    | <b>-1,071</b> | <b>396</b>    | <b>516</b>    | <b>2,580</b>  | <b>-128</b>   | <b>2,421</b>  | <b>2,761</b>  | <b>-7%</b>  |
| EO Expenses/(gain)  | 680           | 70            | 324           | -             | -             | -             | 323           | 310           | 1,074         | 633           | -             |             |
| <b>Taxes</b>        | <b>-61</b>    | <b>111</b>    | <b>165</b>    | <b>448</b>    | <b>-85</b>    | <b>345</b>    | <b>93</b>     | <b>1,262</b>  | <b>663</b>    | <b>1,615</b>  | <b>445</b>    |             |
| Tax Rate (%)        | 5.3           | -42.2         | -22.5         | 47.2          | 8.0           | 87.3          | 47.8          | 55.6          | -55.2         | 90.3          | 16.1          |             |
| <b>Reported PAT</b> | <b>-1,091</b> | <b>-373</b>   | <b>-902</b>   | <b>501</b>    | <b>-986</b>   | <b>50</b>     | <b>101</b>    | <b>1,008</b>  | <b>-1,865</b> | <b>173</b>    | <b>2,316</b>  | <b>-56%</b> |
| <b>Adj. PAT</b>     | <b>-446</b>   | <b>-274</b>   | <b>-578</b>   | <b>501</b>    | <b>-986</b>   | <b>50</b>     | <b>350</b>    | <b>1,146</b>  | <b>-798</b>   | <b>560</b>    | <b>2,316</b>  | <b>-51%</b> |
| Change (%)          | NA            | NA            | NA            | -75.4         | NA            | LP            | LP            | 128.6         | NA            | NA            | 362.1         |             |

E: MOFSL Estimates

## Key takeaways from the management commentary

- PIRPHARMA has witnessed a notable improvement in profitability within the CDMO segment, driven by a favorable mix, the normalization of raw material costs, and strategic cost optimization measures.
- The share of innovation related work has increased to 50% in FY24 from 45% in FY23.
- PIRPHARM is expanding its capacities to strengthen its foothold in the ROW market for CHG products. Accordingly, it is setting up a manufacturing plant in Digwal to supplement the Sevoflurane manufacturing capacity at Bethelam. Additionally, it is ramping up the KSM manufacturing capacity at Dahej.
- PIRPHARM has witnessed price reduction in Sevoflurane due to increased competition from existing players.
- In the CDMO segment, the share of revenue from commercial manufacturing of on-patent molecules more than doubled to USD116m in FY24 vs. USD52m in FY23.
- It has 17 commercial products under patent vs. 9 in FY19. Overall, it has a pipeline of 151 molecules under various stages of clinical trials.
- PIRPHARM has cleared 36 regulatory inspections and 172 customer audits in FY24.
- Within the CHG segment, some businesses were adversely impacted by the supply constraints at third-party vendors.

## Valuation and view

### Improved revenue visibility to drive profitability

#### Rising innovative order book to drive growth in CDMO segment

- In FY24, CDMO sales grew 18% YoY to INR47.5b, driven by robust order inflow in differentiated offerings and an increase in the share of innovative-related work.
- PIRPHARMA has a strong order inflow for FY25 despite challenges in biotech funding, resulting in strong revenue visibility.
- The enhanced profitability primarily stems from leveraging operational efficiencies, optimizing costs, strategic procurement, and executing operational excellence initiatives.
- USFDA has successfully completed the inspections at Riverview, Bethlehem and Lexington during the year which would boost the growth.
- We expect a 15% sales CAGR over FY24-26 to INR62.8b in this segment.

#### New launches/increasing market share in base portfolio to boost growth in CHG segment

- In FY24, CHG sales grew 7.6% YoY to INR25.6b, primary on account of volume-led growth in IA in the US and ROW markets, partly offset by pricing pressure and supply constraints at third-party vendors for injectable.
- PIRPHARMA is launching four new injectable in the US/EU market in FY25, which would drive growth.
- Moreover, the company has 24 new products under various phases of development, with an addressable market of over USD2b.
- EBITDA margin is improving due to a better product mix/cost optimization.
- We expect the CHG segment to clock a 11% revenue CAGR to INR30.5b over FY24-26.

#### Investment in power brands/new launches to fuel growth in ICH segment

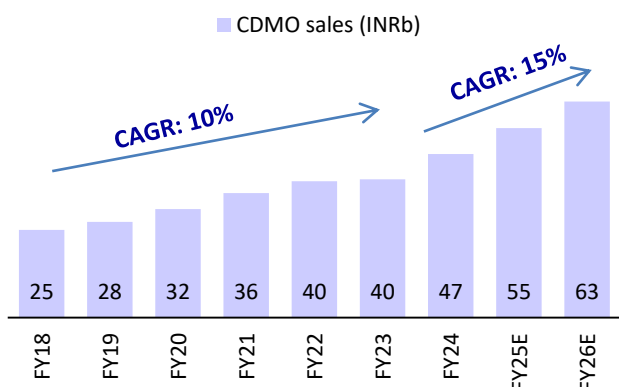
- In FY24, ICH sales increased 14.7% YoY to INR9.9b. Growth was led by 27 new launches/24 SKUs, supported by growth momentum in existing brands.
- Power brands maintained their upward trend in FY24, accounting for 42% of ICH sales. Additionally, in FY24, e-commerce expanded by more than 36% YoY and accounted for 20% of ICH revenues.
- In addition to new launches, PIRPHARM is investing in media/power brands. We expect the CHG segment to post a 9% revenue CAGR to INR11.8b over FY24-26.

#### Reiterate BUY

- We raise our EBITDA estimate by 11%/22% for FY25/FY26 to factor in a) robust order inflow in the CDMO segment, b) the expansion of on-patent commercial manufacturing within the CDMO segment, and c) the strategic initiatives to strengthen its presence in ROW markets and pursue backward integration in the CHG segment. However, we lower our PAT estimate for FY25 by 17% to factor in higher tax rate. We value PIRPHARM on an SOTP basis (17x EV/EBITDA for CDMO business; 13x EV/EBITDA for CHG and India consumer health business) to arrive at a price target of INR190.
- PIRPHARM has shown strong turnaround in business across various segments, delivering improved sales growth and profitability in FY24. We expect this positive trajectory to continue, particularly with increased traction in CDMO and CHG segments, coupled with enhanced operating leverage over the next 2-3 years. We maintain our BUY recommendation on the stock.

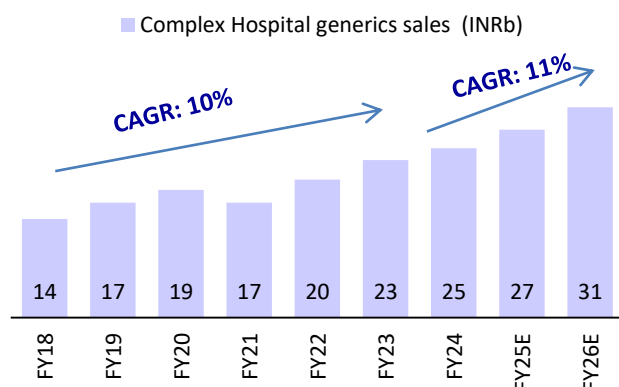
## Story in charts

**Exhibit 1: Expect 15% sales CAGR in CDMO over FY24-26**



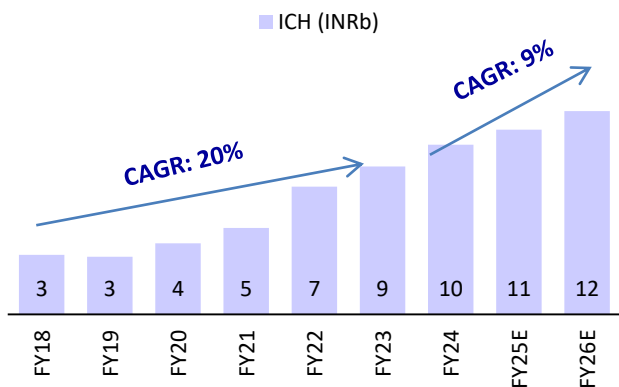
Source: MOFSL, Company

**Exhibit 2: Expect 11% sales CAGR in CHG over FY24-26**



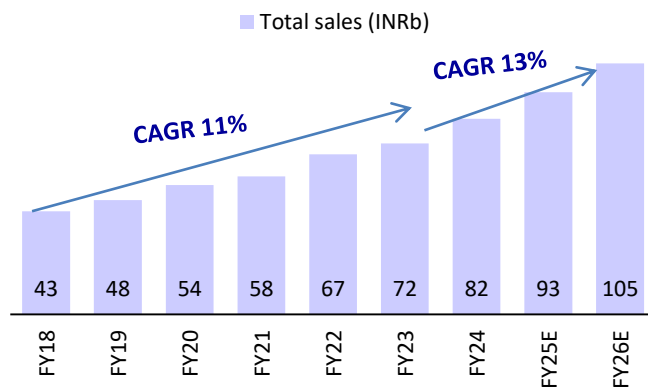
Source: MOFSL, Company

**Exhibit 3: Expect 9% sales CAGR in ICH over FY24-26**



Source: MOFSL, Company

**Exhibit 4: Expect 13% CAGR in total sales over FY24-26**



Source: MOFSL, Company

## Financials and valuations

| <b>Consolidated - Income Statement</b> |               |               |               |               | <b>(INR m)</b>  |
|--|---------------|---------------|---------------|---------------|-----------------|
| <b>Y/E March</b>                       | <b>FY22</b>   | <b>FY23</b>   | <b>FY24</b>   | <b>FY25E</b>  | <b>FY26E</b>    |
| <b>Total Income from Operations</b>    | <b>65,591</b> | <b>70,816</b> | <b>81,712</b> | <b>93,120</b> | <b>1,05,181</b> |
| Change (%)                             | NA            | 8.0           | 15.4          | 14.0          | 13.0            |
| <b>EBITDA</b>                          | <b>9,497</b>  | <b>7,286</b>  | <b>11,963</b> | <b>14,977</b> | <b>19,458</b>   |
| Margin (%)                             | 14.5          | 10.3          | 14.6          | 16.1          | 18.5            |
| Depreciation                           | 5,862         | 6,767         | 7,406         | 7,554         | 7,932           |
| <b>EBIT</b>                            | <b>3,635</b>  | <b>520</b>    | <b>4,557</b>  | <b>7,423</b>  | <b>11,527</b>   |
| Int. and Finance Charges               | 1,983         | 3,442         | 4,485         | 3,761         | 3,282           |
| Other Income                           | 2,758         | 2,251         | 1,754         | 1,800         | 1,550           |
| Share of net profit of associates      | 590           | 543           | 595           | 625           | 656             |
| <b>PBT bef. EO Exp.</b>                | <b>5,001</b>  | <b>-128</b>   | <b>2,421</b>  | <b>6,087</b>  | <b>10,450</b>   |
| EO Items                               | 151           | 1,074         | 633           | 0             | 0               |
| <b>PBT after EO Exp.</b>               | <b>4,850</b>  | <b>-1,202</b> | <b>1,788</b>  | <b>6,087</b>  | <b>10,450</b>   |
| Total Tax                              | 1,090         | 663           | 1,615         | 2,739         | 3,658           |
| Tax Rate (%)                           | 22.5          | -55.2         | 90.3          | 45.0          | 35.0            |
| Minority Interest                      | 0             | 0             | 0             | 0             | 0               |
| <b>Reported PAT</b>                    | <b>3,760</b>  | <b>-1,865</b> | <b>173</b>    | <b>3,348</b>  | <b>6,793</b>    |
| <b>Adjusted PAT</b>                    | <b>3,879</b>  | <b>-798</b>   | <b>560</b>    | <b>3,348</b>  | <b>6,793</b>    |
| Change (%)                             | NA            | NA            | NA            | 497.6         | 102.9           |
| Margin (%)                             | 5.9           | -1.1          | 0.7           | 3.6           | 6.5             |

| <b>Cons Balance sheet</b>           |                 |                 |                 |                 | <b>(INR m)</b>  |
|-------------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| <b>Y/E March</b>                    | <b>FY22</b>     | <b>FY23</b>     | <b>FY24</b>     | <b>FY25E</b>    | <b>FY26E</b>    |
| Equity Share Capital                | 11,859          | 11,933          | 13,230          | 13,230          | 13,230          |
| Other equity                        | 55,107          | 55,802          | 65,884          | 69,232          | 76,025          |
| <b>Net Worth</b>                    | <b>66,966</b>   | <b>67,735</b>   | <b>79,114</b>   | <b>82,461</b>   | <b>89,254</b>   |
| Minority Interest                   | 0               | 0               | 0               | 0               | 0               |
| Total Loans                         | 41,283          | 56,421          | 47,102          | 47,102          | 47,102          |
| Deferred Tax Liabilities            | 1,920           | 2,193           | 2,292           | 2,292           | 2,292           |
| <b>Capital Employed</b>             | <b>1,10,169</b> | <b>1,26,349</b> | <b>1,28,507</b> | <b>1,31,855</b> | <b>1,38,648</b> |
| Gross Block                         | 36,288          | 42,652          | 49,908          | 51,815          | 54,779          |
| Less: Accum. Deprn.                 | 5,862           | 6,767           | 7,406           | 7,554           | 7,932           |
| <b>Net Fixed Assets</b>             | <b>30,426</b>   | <b>35,885</b>   | <b>42,503</b>   | <b>44,261</b>   | <b>46,847</b>   |
| Goodwill on Consolidation           | 10,305          | 11,075          | 11,226          | 11,226          | 11,226          |
| Intangible assets                   | 33,053          | 33,382          | 31,672          | 31,672          | 31,672          |
| Capital WIP                         | 6,732           | 8,529           | 5,657           | 5,657           | 5,657           |
| <b>Total Investments</b>            | <b>3,123</b>    | <b>2,334</b>    | <b>2,611</b>    | <b>2,611</b>    | <b>2,611</b>    |
| <b>Curr. Assets, Loans&amp;Adv.</b> | <b>36,043</b>   | <b>43,078</b>   | <b>49,535</b>   | <b>50,655</b>   | <b>54,672</b>   |
| Inventory                           | 13,888          | 16,814          | 21,759          | 23,127          | 23,140          |
| Account Receivables                 | 17,853          | 17,993          | 21,344          | 22,196          | 21,613          |
| Cash and Bank Balance               | 3,290           | 3,076           | 4,826           | 3,726           | 8,314           |
| Loans and Advances                  | 1,013           | 5,195           | 1,606           | 1,606           | 1,606           |
| <b>Curr. Liability &amp; Prov.</b>  | <b>13,172</b>   | <b>13,600</b>   | <b>19,501</b>   | <b>19,032</b>   | <b>18,842</b>   |
| Account Payables                    | 10,264          | 11,927          | 15,384          | 14,914          | 14,725          |
| Other Current Liabilities           | 2,445           | 1,074           | 3,358           | 3,358           | 3,358           |
| Provisions                          | 464             | 599             | 759             | 759             | 759             |
| <b>Net Current Assets</b>           | <b>22,871</b>   | <b>29,478</b>   | <b>30,034</b>   | <b>31,623</b>   | <b>35,829</b>   |
| Deferred Tax assets                 | 2,973           | 3,493           | 3,865           | 3,865           | 3,865           |
| Misc Expenditure                    | 687             | 2,172           | 940             | 940             | 940             |
| <b>Appl. of Funds</b>               | <b>1,10,169</b> | <b>1,26,349</b> | <b>1,28,507</b> | <b>1,31,855</b> | <b>1,38,648</b> |

E: MOFSL Estimates

## Financials and valuations

### Ratios

| Y/E March                     | FY22       | FY23        | FY24       | FY25E      | FY26E      |
|-------------------------------|------------|-------------|------------|------------|------------|
| <b>Basic (INR)</b>            |            |             |            |            |            |
| <b>EPS</b>                    | <b>2.9</b> | <b>-0.6</b> | <b>0.4</b> | <b>2.5</b> | <b>5.1</b> |
| Cash EPS                      | 8.2        | 5.0         | 6.7        | 9.1        | 12.3       |
| BV/Share                      | 56.1       | 56.8        | 66.3       | 69.1       | 74.8       |
| DPS                           | 0.4        | 0.5         | 0.1        | 0.4        | 0.8        |
| Payout (%)                    | 15.6       | NA          | 57.0       | 17.6       | 17.6       |
| <b>Valuation (x)</b>          |            |             |            |            |            |
| P/E                           | 52.9       | NA          | 366.1      | 61.3       | 30.2       |
| Cash P/E                      | 19.0       | 31.0        | 23.2       | 17.0       | 12.6       |
| P/BV                          | 2.8        | 2.7         | 2.3        | 2.2        | 2.1        |
| EV/Sales                      | 3.7        | 3.6         | 3.0        | 2.7        | 2.3        |
| EV/EBITDA                     | 25.6       | 35.5        | 20.7       | 16.6       | 12.5       |
| Dividend Yield (%)            | 0.2        | 0.3         | 0.0        | 0.2        | 0.5        |
| FCF per share                 | 0.0        | 0.0         | 0.0        | 0.0        | 0.0        |
| <b>Return Ratios (%)</b>      |            |             |            |            |            |
| RoE                           | 5.8        | -1.2        | 0.8        | 4.1        | 7.9        |
| RoCE                          | NA         | 3.7         | 0.5        | 4.0        | 6.4        |
| RoIC                          | 5.8        | 1.4         | 0.8        | 6.8        | 12.3       |
| <b>Working Capital Ratios</b> |            |             |            |            |            |
| Asset Turnover (x)            | 0.6        | 0.6         | 0.6        | 0.7        | 0.8        |
| Inventory (Days)              | 77         | 87          | 97         | 91         | 80         |
| Debtor (Days)                 | 99         | 93          | 95         | 87         | 75         |
| Creditor (Days)               | 57         | 61          | 69         | 58         | 51         |
| <b>Leverage Ratio (x)</b>     |            |             |            |            |            |
| Net Debt/Equity               | 0.5        | 0.8         | 0.5        | 0.5        | 0.4        |

### Cons Cash flow statement

| Y/E March                         | FY22           | FY23           | FY24          | FY25E         | FY26E          |
|-----------------------------------|----------------|----------------|---------------|---------------|----------------|
| <b>(INR m)</b>                    |                |                |               |               |                |
| <b>OP/(Loss) before Tax</b>       | <b>4,410</b>   | <b>-1,675</b>  | <b>1,198</b>  | <b>6,087</b>  | <b>10,450</b>  |
| Depreciation                      | 5,862          | 6,767          | 7,406         | 7,554         | 7,932          |
| Interest & Finance Charges        | 1,983          | 1,983          | 1,983         | 1,983         | 1,983          |
| Direct Taxes Paid                 | -1,694         | -1,694         | -1,694        | -1,694        | -1,694         |
| (Inc)/Dec in WC                   | -3,013         | -2,710         | -2,520        | -2,689        | 381            |
| <b>CF from Operations</b>         | <b>7,664</b>   | <b>4,839</b>   | <b>10,046</b> | <b>11,974</b> | <b>18,387</b>  |
| Others                            | 0              | 0              | 0             | 0             | 0              |
| <b>CF from Operating incl EO</b>  | <b>7,664</b>   | <b>4,839</b>   | <b>10,046</b> | <b>11,974</b> | <b>18,387</b>  |
| (Inc)/Dec in FA                   | -8,571         | -9,451         | -7,104        | -9,312        | -10,518        |
| <b>Free Cash Flow</b>             | <b>-907</b>    | <b>-4,612</b>  | <b>2,941</b>  | <b>2,662</b>  | <b>7,869</b>   |
| (Pur)/Sale of Investments         | -485           | -3,751         | 2,724         | 0             | 0              |
| Investment in Associate           | -7,907         | 0              | 0             | 0             | 0              |
| Others                            | -1,158         | -186           | 40            | 0             | 0              |
| <b>CF from Investments</b>        | <b>-18,121</b> | <b>-13,388</b> | <b>-4,340</b> | <b>-9,312</b> | <b>-10,518</b> |
| Issue of Shares                   | 0              | 0              | 10,359        | 0             | 0              |
| Inc/(Dec) in Debt                 | 9,830          | 11,558         | -9,965        | 0             | 0              |
| Interest Paid                     | -1,388         | -2,710         | -4,618        | -3,761        | -3,282         |
| Dividend Paid                     | -500           | -670           | 0             | 0             | 0              |
| <b>CF from Fin. Activity</b>      | <b>7,942</b>   | <b>8,178</b>   | <b>-4,224</b> | <b>-3,761</b> | <b>-3,282</b>  |
| <b>Inc/Dec of Cash</b>            | <b>-2,515</b>  | <b>-371</b>    | <b>1,482</b>  | <b>-1,099</b> | <b>4,587</b>   |
| Opening Balance                   | 2,620          | 3,290          | 3,076         | 4,825         | 3,726          |
| <b>Closing Balance</b>            | <b>105</b>     | <b>2,919</b>   | <b>4,557</b>  | <b>3,726</b>  | <b>8,313</b>   |
| Unrealised loss / (gain) on forex | 747            | 52             | 178           | 0             | 0              |
| Term Deposit with Banks           | 2,438          | 105            | 90            |               |                |
| <b>Total Cash &amp; Cash Eq</b>   | <b>3,290</b>   | <b>3,076</b>   | <b>4,825</b>  | <b>3,726</b>  | <b>8,313</b>   |

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| Explanation of Investment Rating |  |
|----------------------------------|--|
| Investment Rating                | Expected return (over 12-month)  |
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| SELL                             | < - 10%  |
| NEUTRAL                          | < - 10 % to 15%  |
| UNDER REVIEW                     | Rating may undergo a change  |
| NOT RATED                        | We have forward looking estimates for the stock but we refrain from assigning recommendation |

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