SPANDANA SPHOORTY FINANCIAL

RESULT UPDATE

KEY DATA

Rating	HOLD
Sector relative	Neutral
Price (INR)	292
12 month price target (INR)	300
52 Week High/Low	804/215
Market cap (INR bn/USD bn)	21/0.2
Free float (%)	44.8
Avg. daily value traded (INR mn)	165.9

SHAREHOLDING PATTERN

	Mar-25	Dec-24	Sep-24
Promoter	48.1%	48.1%	55.8%
FII	19.8%	21.7%	22.6%
DII	6.5%	6.3%	7.3%
Pledge	0.0%	0.0%	0.0%

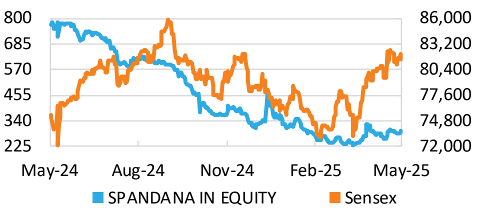
FINANCIALS (INR mn)

Year to March	FY24A	FY25A	FY26E	FY27E
Revenue	15840	14918	10614	13153
PPoP	9300	6075	1557	3037
Adjusted profit	5008	(10352)	(2943)	682
Diluted EPS (INR)	70.2	(145.2)	(41.3)	9.6
EPS growth (%)	39.23	nm	71.6	nm
RoAE (%)	14.8	(33.0)	(11.8)	2.9
P/E (x)	4.1	nm	nm	30.3
P/ABV (x)	0.6	0.8	0.9	0.9

CHANGE IN ESTIMATES

	Revised estimates	% Revision
Year to March	FY26E	FY26E
Revenue	10614	-33.4
PPoP	1557	-73.3
Adjusted profit	(2943)	-204.3
Diluted EPS (INR)	(41.3)	-204.3

PRICE PERFORMANCE



Loss in FY25; recovery from H2FY6E

Spandana reported a net loss of INR4.3bn for Q4FY25, versus a loss of INR4.4bn QoQ, driven by a sharp slowdown in AUM/disbursal growth, elevated stress loans and a high write-off of INR6.5bn versus INR6.8bn QoQ. It also made a prudent provision of INR680mn on SR. The company has clarified that there was no forensic audit; there was an RBI audit, which happens at other MFIs as well.

We are cutting earnings sharply. The MFI stress is likely to peak in Q1FY26. The Board has approved raising of confidence capital of INR7.5bn with the promoters likely to participate. Our revised TP works out to INR300/0.9x BV FY26E (earlier INR335/0.8x); retain 'HOLD'. FY26 guidance: 20% AUM growth and recovery from H2FY26E.

Elevated stress and write-offs

By value, stage 2 edged down, but stays elevated at 9.2%. Spandana made a big write-off of INR6.5bn versus INR6.8bn QoQ. Due to the write-off, GS3 fell QoQ. GS3 stood at 5.6% at end of March-25. Despite elevated stress, the company has maintained a PCR of 79% on stage 3. ECL/EAD stood at 9.65%. Stage 1 stood at 2.6%; management expects 60% of this to flow to higher stages. The current book net CE has improved from 97.8% in December to 98.6% with weak CE in KT and overlapping AP. The proportion of Spandana +2 lenders stands at 21.5% in Apr-25, higher than 20% in Dec-24, while Spandana +3 stood at 20%.The company has introduced strict guardrails. They have stopped lending to new credit borrowers and do not give new loans to borrowers with 30+ DPD. Measures to improve recovery and CE have been taken too. Spandana provided for INR680mn on SR as a prudential measure. It has denied reports of a forensic audit, and clarified there was an RBI audit.

Sharp sequential decline in AUM and NII while opex fell

AUM plunged 24% QoQ/43% YoY. Disbursals fell off 75% QoQ. Though implementation of guardrails was deferred by SRO to Apr-25, Spandana was live with credit rules in conformity with guardrails from Jan-25, leading to sharp decline in disbursals. Yield declined 40bp QoQ. CoF inched down 10bp QoQ to 12.1%. NIM decreased 60bp QoQ. NII came off 25% QoQ. Opex declined 1% QoQ. Opex/AUM declined marginally to 10.4% from 10.5%. Operating profit contracted 67% QoQ. Provisions dipped 9% QoQ. Spandana posted a pre-tax loss of INR5.8bn and a post-tax loss of INR4.3bn. Management guided FY26 loan officer productivity would improve and AUM would grow 20%. Recovery in stress loans could happen in H2FY26E. The company has approval to raise equity of INR7.5bn, part of which would be a rights issue (potentially by Q2FY26). The company has adequate liquidity.

Financials

Year to March	Q4FY25	Q4FY24	% Change	Q3FY25	% Change
Net Revenue	2,335	4,536	-48.5	3,403	-31.4
Pre-provisioning Profits	251	2,593	-90.3	752	-66.6
Reported Profits	-4,343	1,287	-437.6	-4,403	nm
EPS	-60.9	18.1	-437.3	-61.7	nm

Mahrukh Adajania
Mahrukh.Adajania@nuvama.com

Anant Dumbhare
Anant.Dumbhare@nuvama.com

Sagar Rungta
sagar.rungta@nuvama.com

Financial Statements

Income Statement (INR mn)

Year to March	FY24A	FY25A	FY26E	FY27E
Net interest income	13,113	12,621	8,020	10,224
Non interest income	2,727	2,298	2,594	2,929
Net revenues	15,840	14,918	10,614	13,153
Operating expense	6,540	8,843	9,058	10,116
Employee exp.	4,732	6,318	6,981	7,819
Other opex	1,808	2,525	2,077	2,297
Preprovision profit	9,300	6,075	1,557	3,037
Provisions	2,594	19,863	8,000	2,124
PBT	6,706	(13,788)	(6,443)	913
Taxes	1,699	(3,436)	(3,500)	231
PAT	5,008	(10,352)	(2,943)	682
Extraordinaries	0	0	0	0
Reported PAT	5,008	(10,352)	(2,943)	682
Diluted EPS (INR)	70.2	(145.2)	(41.3)	9.6

Balance Sheet (INR mn)

Year to March	FY24A	FY25A	FY26E	FY27E
Equity capital	713	713	713	713
Reserves	35,736	25,620	22,676	23,358
Net worth	36,449	26,333	23,389	24,071
Deposits	0	0	0	0
Borrowings	94,246	56,556	67,868	82,120
Other liabilities	3,130	2,046	2,246	2,465
Total	1,33,825	84,935	93,503	1,08,656
Assets				
Loans	1,10,143	57,084	70,784	84,941
Investments	1,118	1,098	1,018	1,232
Cash & equi.	18,941	18,438	13,288	13,970
Fixed assets	300	312	344	378
Other assets	3,323	8,004	8,069	8,135
Total	1,33,825	84,935	93,503	1,08,656
BV/share (INR)	511.2	369.3	328.0	337.6

Important Ratios (%)

Year to March	FY24A	FY25A	FY26E	FY27E
Net interest margins	14.0	13.4	12.3	12.5
Tax rate	25.3	24.9	54.3	25.3

Balance Sheet Ratios (%)

Year to March	FY24A	FY25A	FY26E	FY27E
Credit growth	41.9	(48.2)	24.0	20.0
Gross NPA ratio	1.7	5.6	4.3	3.9

Valuation Metrics

Year to March	FY24A	FY25A	FY26E	FY27E
Diluted PE (x)	4.1	nm	nm	30.3
Price/BV (x)	0.6	0.8	0.9	0.9

Source: Company and Nuvama estimates

ROA Decomposition (%)

Year to March	FY24A	FY25A	FY26E	FY27E
NII/Assets	11.5	11.5	9.0	10.1
Net revenues/assets	13.9	13.6	11.9	13.0
Opex/Assets	(5.7)	(8.1)	(10.2)	(10.0)
Provisions/Assets	(2.3)	(18.2)	(9.0)	(2.1)
Taxes/Assets	(1.5)	3.1	3.9	(0.2)
Total costs/Assets	(9.5)	(23.1)	(15.2)	(12.3)
RoA	4.4	(9.5)	(3.3)	0.7
Equity/Assets	29.6	28.7	27.9	23.5
RoAE	14.8	(33.0)	(11.8)	2.9

Q4FY25 earnings call: Key takeaways

Management guidance

- Management guided for borrower/loan officer of ~340 for FY26 versus 228 at the end of FY25.
- They also guided for AUM/loan officer of ~INR11mn for FY26 from 6mn at the end of FY25. INR13–15mn AUM/loan officer is appropriate in management's view.
- The interim CEO explained that the industry is slated to grow by 10–15% while Spandana can look at 20% growth for FY26.
- Expect asset quality to stabilise by Q3/Q4 of FY26E.
- PCR expected to be maintained around 80%.
- Credit cost will be elevated in H1FY26E and should start normalising by H2FY26E.

Equity fund-raise and liquidity

- Equity raising plans of INR7.5bn was approved by shareholders in Mar-25 and is on track.
- Board committee formed to oversee capital-raise, including a possible rights issue in Q2FY26 with promoter participation.
- The company will make all the necessary announcements in due course, once all approvals are in place related to the fund-raise.
- Liquidity stood at ~INR20bn as of Mar-25, which is 24% of total cash & cash equivalents.
- The company has got necessary waivers from the lenders on certain covenant breaches, and liquidity should not be a constraint on future growth plans.

Reports on forensic audit

- The interim CEO addressed the rumours by mentioning that every microfinance company goes through regular audit by the RBI and in the process, they do suggest areas of improvement.
- He further reiterated that there has been no forensic audit on the company.
- There is discussion with the RBI on how the company looks at ARC transactions, but nothing other than that.

Measures taken to address asset quality issues

- The company has increased internal audit frequencies.
- It has also increased headcount for collections. Overall CE for March-25 was 99%, which dipped to around 97% in April-25 and May-25 (versus 97.5% for ex-KN).
- It has put in place a dedicated team of collection and loan officers for managing 90+ DPD collections.
- It is increasing engagement with field staff on various initiatives and trying to control attrition.
- Introduced credit checks in Jan-25, which go beyond industry guardrails and can now restart acquiring new borrowers gradually.

Exhibit 1: Changes in estimates

	FY26E	FY26E	FY27E	FY26E
	Old	New	Introduced	% Change
NII, INR M	12,690	8,020	10,224	-36.8%
PAT, INR M	2,821	-2,943	682	-204.3%
EPS, INR	39.6	-41.3	9.6	-204.3%
BVPS, INR	423.3	328.0	337.6	-22.5%
Target price, INR	**335**	**300**		**-10.4%**
CMP		290		
% Change to CMP		3%		
Rating		**HOLD**		

Source: Company, Nuvama Research

Exhibit 2: Lender overlap

%	Feb-25	Mar-25	Apr-25
Only Spandana	30.0%	30.8%	30.5%
Spandana + 1	26.5%	27.2%	27.7%
Spandana + 2	20.5%	21.0%	21.5%
Spandana + ≥3	23.0%	21.0%	20.3%
Total	**100.0%**	**100.0%**	**100.0%**

Source: Company, Nuvama Research

Exhibit 3: Portfolio risk

Asset Classification	Q4FY25				Q3FY25			
	Loans Outstanding	% of Loans Outstanding	ECL Provision	Coverage	Loans Outstanding	% of Loans Outstanding	ECL Provision	Coverage
	INR mn	%	INR mn	%	INR mn	%	INR mn	%
Stage 1	53,580	85.18%	660	1.23%	72,250	87.51%	920	1.27%
Stage 2	5,780	9.19%	2,610	45.16%	6,310	7.64%	2,900	46.01%
31-60	3,260	5.18%	1,430	43.81%	3,890	4.71%	1,730	44.44%
61-90	2,520	4.01%	1,180	47.03%	2,430	2.94%	1,180	48.53%
Stage 3	3,540	5.63%	2,790	78.90%	4,000	4.84%	3,190	79.68%
Total	**62,900**	**100.00%**	**6,070**	**9.65%**	**82,560**	**100.00%**	**7,010**	**8.50%**

Source: Company, Nuvama Research

Exhibit 4: Impairment of financial instruments

INR bn	Q4FY25	Q3FY25	FY25
On technical write-off's	6,470	6,780	16,180
On GNPA	-390	-610	1,440
On stage 1, 2 & others	-560	240	1,580
Recovery of loans written-off	-170	-30	-280
Sub-total	**5,340**	**6,370**	**18,920**
On security receipts & others	680	260	940
Total	**6,030**	**6,630**	**19,860**

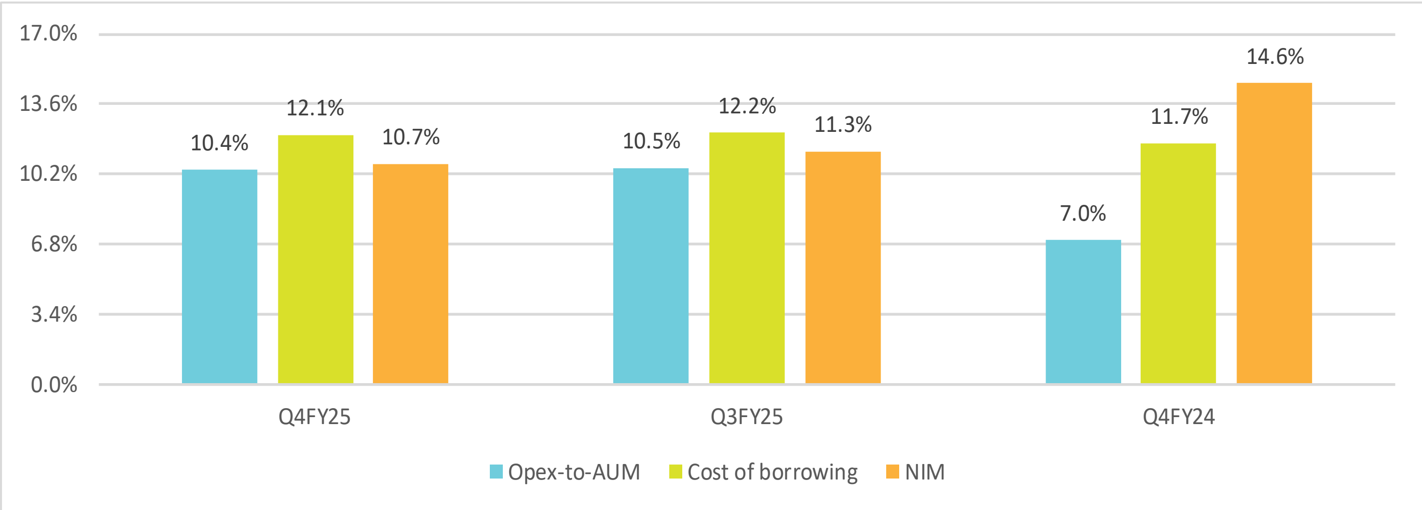
Source: Company, Nuvama Research

Exhibit 5: Asset quality

%	Q4FY25		Q3FY25	
	SSFL	Consolidated	SSFL	Consolidated
GNPA	4.85%	5.63%	4.85%	4.85%
NNPA	0.96%	1.19%	0.96%	0.98%
PCR	80.17%	78.90%	80.16%	79.68%

Source: Company, Nuvama Research

Exhibit 6: Yields, margins and cost to AUM



Source: Company, Nuvama Research

Exhibit 7: Financial snapshot

INR mn	Q4FY24	Q3FY25	Q4FY25	YoY %	QoQ %
Interest Income	6,352	5,029	3,907	-38.5%	-22.3%
Less: Interest expense	2,493	2,290	1,855	-25.6%	-19.0%
Net Interest Income	**3,859**	**2,739**	**2,052**	**-46.8%**	**-25.1%**
Other income	677	664	282	-58.3%	-57.5%
Total revenue	**4,536**	**3,403**	**2,335**	**-48.5%**	**-31.4%**
Employee Expenses	1,409	1,837	1,605	13.9%	-12.6%
Depreciation	70	56	72	3.2%	27.7%
Other Expenses	464	757	406	-12.5%	-46.4%
Total Operating expenses	1,943	2,651	2,083	7.2%	-21.4%
Operating profit (PPOP)	**2,593**	**752**	**251**	**-90.3%**	**-66.6%**
Less: Provisions	871	6,629	6,028	591.8%	-9.1%
Profit before tax	**1,722**	**-5,876**	**-5,776**	**-435.5%**	**NM**
Less: Tax	435	-1,474	-1,433	-429.4%	NM
Profit After tax	**1,287**	**-4,403**	**-4,343**	**-437.6%**	**NM**
Disbursement	39,700	14,430	3,650	-90.8%	-74.7%
AUM	1,19,730	89,360	68,190	-43.0%	-23.7%
Funds raised	34,280	8,720	4,730	-86.2%	-45.8%
Asset Quality, %					
GNPA	1.50%	4.85%	5.63%	413 bps	78 bps
NNPA	0.30%	0.98%	1.19%	89 bps	21 bps

Source: Company, Nuvama Research

Company Description

SSFL was incorporated in March 2003 as a non-deposit-taking NBFC and was later categorized by the RBI as NBFC-MFI. Now, SSFL is a leading rural-focused NBFC-MFI with a pan-India presence offering income generation loans under the joint liability group model, predominantly to women. Its fully owned subsidiary CRISS Financials provides non-MFI loans, mainly LAP and nano loans

Investment Theme

We cut earnings sharply. The MFI stress is likely to peak in Q1FY26. The Board has approved raising of confidence capital of INR 7.5bn with the promoters likely to participate. We downgrade TP to INR 300/0.9x BV FY26E from INR 335/0.8x. We maintain HOLD. The guidance is for 20% AUM growth and recovery from H2FY26E.

Key Risks

- Delay in normalization of operations and CE
- Continued high attrition
- Political and socioeconomic risks

Additional Data

Management

Chairman	Abanti Mitra
Interim CEO and CFO	Ashish Damani
COO	Vishal Sharma
CRO	Amit Anand

Holdings – Top 10*

	% Holding		% Holding
Goldman Sachs	3.76	ACM Global Fund	1.41
Sg India Alpha	3.57	Valiant Mauriti	1.20
Valiant Offshor	3.38		
Valiant FDI	2.51		
ICICI Prudentia	2.44		

**Latest public data*

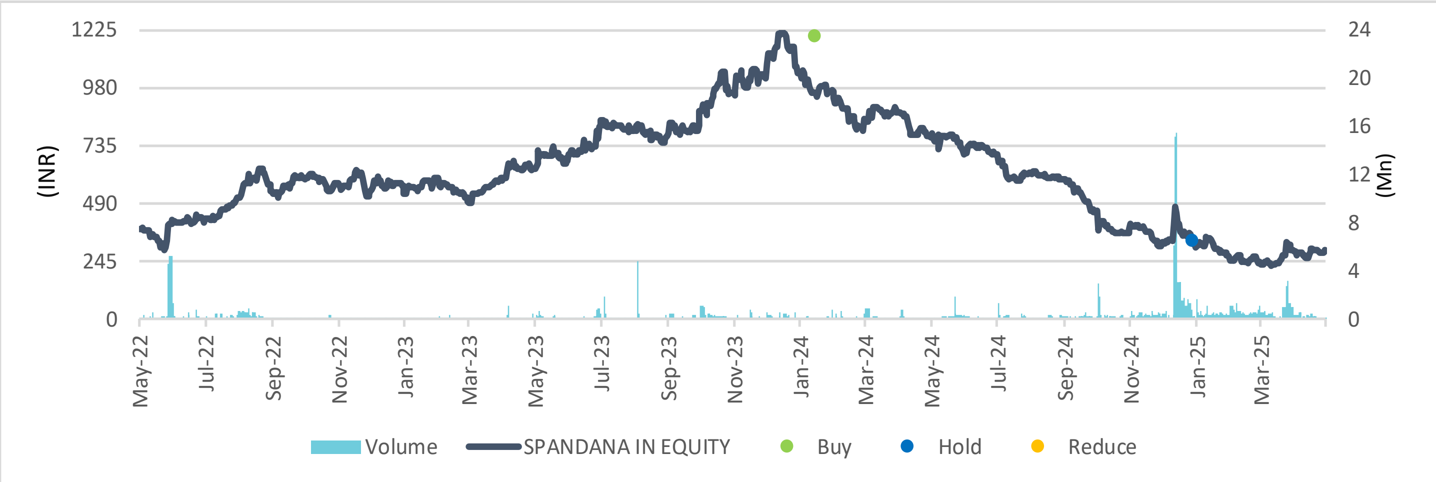
Recent Company Research

Date	Title	Price	Reco
23-Jan-25	Elevated stress and higher opex; *Result Update*	356	Hold
28-Oct-24	Spandana Sphoorty Financial (SPANDANA IN; *Result Update*	4545	Buy
28-Jul-24	Sharp deterioration in asset quality; *Result Update*	702	Buy

Recent Sector Research

Date	Name of Co./Sector	Title
16-May-25	LIC Housing Finance	Strong quarter but NIM pressure looms; *Result Update*
14-May-25	Muthoot Finance	Q4FY25 – Strong growth and RoA; *Result Update*
28-Apr-25	L&T Finance	Credit cost in MFI and 2W to peak in H1; *Result Update*

Rating and Daily Volume Interpretation



Source: Bloomberg, Nuvama research

Rating Rationale & Distribution: Nuvama Research

Rating	Expected absolute returns over 12 months	Rating Distribution
Buy	15%	204
Hold	<15% and >-5%	63
Reduce	<-5%	34

DISCLAIMER

Nuvama Wealth Management Limited (defined as "NWML" or "Research Entity") a company duly incorporated under the Companies Act, 1956 (CIN No L67110MH1993PLC344634) having its Registered office situated at 801- 804, Wing A, Building No. 3, Inspire BKC, G Block, Bandra Kurla Complex, Bandra East, Mumbai – 400 051 is regulated by the Securities and Exchange Board of India ("SEBI") and is licensed to carry on the business of broking, Investment Adviser, Research Analyst and other related activities. Name of Compliance/Grievance officer: Mr. Atul Bapna, E-mail address: complianceofficer.nwm@nuvama.com Contact details +91 (22) 6623 3478 Investor Grievance e-mail address- grievance.nwm@nuvama.com

This Report has been prepared by NWML in the capacity of a Research Analyst having SEBI Registration No.INH000011316 and Enlistment no. 5723 with BSE and distributed as per SEBI (Research Analysts) Regulations 2014. This report does not constitute an offer or solicitation for the purchase or sale of any financial instrument or as an official confirmation of any transaction. Securities as defined in clause (h) of section 2 of the Securities Contracts (Regulation) Act, 1956 includes Financial Instruments and Currency Derivatives. The information contained herein is from publicly available data or other sources believed to be reliable. This report is provided for assistance only and is not intended to be and must not alone be taken as the basis for an investment decision. The user assumes the entire risk of any use made of this information. Each recipient of this report should make such investigation as it deems necessary to arrive at an independent evaluation of an investment in Securities referred to in this document (including the merits and risks involved), and should consult his own advisors to determine the merits and risks of such investment. The investment discussed or views expressed may not be suitable for all investors.

This information is strictly confidential and is being furnished to you solely for your information. This information should not be reproduced or redistributed or passed on directly or indirectly in any form to any other person or published, copied, in whole or in part, for any purpose. 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 NWML and associates, subsidiaries / group companies to any registration or licensing requirements within such jurisdiction. The distribution of this report in certain jurisdictions may be restricted by law, and persons in whose possession this report comes, should observe, any such restrictions. The information given in this report is as of the date of this report and there can be no assurance that future results or events will be consistent with this information. This information is subject to change without any prior notice. NWML reserves the right to make modifications and alterations to this statement as may be required from time to time. NWML or any of its associates / group companies shall 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. NWML is committed to providing independent and transparent recommendation to its clients. Neither NWML nor any of its associates, group companies, directors, employees, agents or representatives shall be liable for any damages whether direct, indirect, special or consequential including loss of revenue or lost profits that may arise from or in connection with the use of the information. Our proprietary trading and investment businesses may make investment decisions that are inconsistent with the recommendations expressed herein. Past performance is not necessarily a guide to future performance .The disclosures of interest statements incorporated in this report are provided solely to enhance the transparency and should not be treated as endorsement of the views expressed in the report. The information provided in these reports remains, unless otherwise stated, the copyright of NWML. All layout, design, original artwork, concepts and other Intellectual Properties, remains the property and copyright of NWML and may not be used in any form or for any purpose whatsoever by any party without the express written permission of the copyright holders.

NWML shall not be liable for any delay or any other interruption which may occur in presenting the data due to any reason including network (Internet) reasons or snags in the system, break down of the system or any other equipment, server breakdown, maintenance shutdown, breakdown of communication services or inability of the NWML to present the data. In no event shall NWML be liable for any damages, including without limitation direct or indirect, special, incidental, or consequential damages, losses or expenses arising in connection with the data presented by the NWML through this report.

We offer our research services to clients as well as our prospects. Though this report is disseminated to all the customers simultaneously, not all customers may receive this report at the same time. We will not treat recipients as customers by virtue of their receiving this report.

NWML and its associates, officer, directors, and employees, research analyst (including relatives) worldwide may: (a) from time to time, have long or short positions in, and buy or sell the Securities, 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 subject company/company(ies) discussed herein or act as advisor or lender/borrower to such company(ies) or have other potential/material conflict of interest with respect to any recommendation and related information and opinions at the time of publication of research report or at the time of public appearance. (c) NWML may have proprietary long/short position in the above mentioned scrip(s) and therefore should be considered as interested. (d) The views provided herein are general in nature and do not consider risk appetite or investment objective of any particular investor; readers are requested to take independent professional advice before investing. This should not be construed as invitation or solicitation to do business with NWML (e) Registration granted by SEBI and certification from NISM in no way guarantee performance of NWML or provide any assurance of returns to investors and clients.

NWML or its associates may have received compensation from the subject company in the past 12 months. NWML or its associates may have managed or co-managed public offering of securities for the subject company in the past 12 months. NWML or its associates may have received compensation for investment banking or merchant banking or brokerage services from the subject company in the past 12 months. NWML or its associates may have received any compensation for products or services other than investment banking or merchant banking or brokerage services from the subject company in the past 12 months. NWML or its associates have not received any compensation or other benefits from the Subject Company or third party in connection with the research report. Research analyst or his/her relative or NWML's associates may have financial interest in the subject company. NWML and/or its Group Companies, their Directors, affiliates and/or employees may have interests/ positions, financial or otherwise in the Securities/Currencies and other investment products mentioned in this report. NWML, its associates, research analyst and his/her relative may have other potential/material conflict of interest with respect to any recommendation and related information and opinions at the time of publication of research report or at the time of public appearance.

Participants in foreign exchange transactions may incur risks arising from several factors, including the following: (i) exchange rates can be volatile and are subject to large fluctuations; (ii) the value of currencies may be affected by numerous market factors, including world and national economic, political and regulatory events, events in equity and debt markets and changes in interest rates; and (iii) currencies may be subject to devaluation or government imposed exchange controls which could affect the value of the currency. Investors in securities such as ADRs and Currency Derivatives, whose values are affected by the currency of an underlying security, effectively assume currency risk.

Research analyst has served as an officer, director or employee of subject Company: No

NWML has financial interest in the subject companies: No

NWML's Associates may have actual / beneficial ownership of 1% or more securities of the subject company at the end of the month immediately preceding the date of publication of research report.

Research analyst or his/her relative has actual/beneficial ownership of 1% or more securities of the subject company at the end of the month immediately preceding the date of publication of research report: No

NWML has actual/beneficial ownership of 1% or more securities of the subject company at the end of the month immediately preceding the date of publication of research report: No

Subject company may have been client during twelve months preceding the date of distribution of the research report.

There were no instances of non-compliance by NWML on any matter related to the capital markets, resulting in significant and material disciplinary action during the last three years.
A graph of daily closing prices of the securities is also available at www.nseindia.com

Analyst Certification:
The analyst for this report certifies that all of the views expressed in this report accurately reflect his or her personal views about the subject company or companies and its or their securities, and no part of his or her compensation was, is or will be, directly or indirectly related to specific recommendations or views expressed in this report.

Additional Disclaimers

Disclaimer for U.S. Persons
This research report is a product of NWML, which is the employer of the research analyst(s) who has prepared the research report. The research analyst(s) preparing the research report is/are resident outside the United States (U.S.) and are not associated persons of any U.S. regulated broker-dealer and therefore the analyst(s) is/are not subject to supervision by a U.S. broker-dealer, and is/are not required to satisfy the regulatory licensing requirements of FINRA or required to otherwise comply with U.S. rules or regulations regarding, among other things, communications with a subject company, public appearances and trading securities held by a research analyst account.

This report is intended for distribution by NWML only to "Major Institutional Investors" as defined by Rule 15a-6(b)(4) of the U.S. Securities and Exchange Act, 1934 (the Exchange Act) and interpretations thereof by U.S. Securities and Exchange Commission (SEC) in reliance on Rule 15a 6(a)(2). If the recipient of this report is not a Major Institutional Investor as specified above, then it should not act upon this report and return the same to the sender. Further, this report may not be copied, duplicated and/or transmitted onward to any U.S. person, which is not the Major Institutional Investor.

In reliance on the exemption from registration provided by Rule 15a-6 of the Exchange Act and interpretations thereof by the SEC in order to conduct certain business with Major Institutional Investors, NWML has entered into an agreement with a U.S. registered broker-dealer, Nuvama Financial Services Inc. (formerly Edelweiss Financial Services Inc.) ("NFSI"). Transactions in securities discussed in this research report should be effected through NFSI.

Disclaimer for U.K. Persons
The contents of this research report have not been approved by an authorised person within the meaning of the Financial Services and Markets Act 2000 ("FSMA").

In the United Kingdom, this research report is being distributed only to and is directed only at (a) persons who have professional experience in matters relating to investments falling within Article 19(5) of the FSMA (Financial Promotion) Order 2005 (the "Order"); (b) persons falling within Article 49(2)(a) to (d) of the Order (including high net worth companies and unincorporated associations); and (c) any other persons to whom it may otherwise lawfully be communicated (all such persons together being referred to as "relevant persons").

This research report must not be acted on or relied on by persons who are not relevant persons. Any investment or investment activity to which this research report relates is available only to relevant persons and will be engaged in only with relevant persons. Any person who is not a relevant person should not act or rely on this research report or any of its contents. This research report must not be distributed, published, reproduced or disclosed (in whole or in part) by recipients to any other person.

Disclaimer for Canadian Persons
This research report is a product of NWML, which is the employer of the research analysts who have prepared the research report. The research analysts preparing the research report are resident outside the Canada and are not associated persons of any Canadian registered adviser and/or dealer and, therefore, the analysts are not subject to supervision by a Canadian registered adviser and/or dealer, and are not required to satisfy the regulatory licensing requirements of the Ontario Securities Commission, other Canadian provincial securities regulators, the Investment Industry Regulatory Organization of Canada and are not required to otherwise comply with Canadian rules or regulations regarding, among other things, the research analysts' business or relationship with a subject company or trading of securities by a research analyst.

This report is intended for distribution by NWML only to "Permitted Clients" (as defined in National Instrument 31-103 ("NI 31-103")) who are resident in the Province of Ontario, Canada (an "Ontario Permitted Client"). If the recipient of this report is not an Ontario Permitted Client, as specified above, then the recipient should not act upon this report and should return the report to the sender. Further, this report may not be copied, duplicated and/or transmitted onward to any Canadian person.

NWML is relying on an exemption from the adviser and/or dealer registration requirements under NI 31-103 available to certain international advisers and/or dealers. Please be advised that (i) NWML is not registered in the Province of Ontario to trade in securities nor is it registered in the Province of Ontario to provide advice with respect to securities; (ii) NWML's head office or principal place of business is located in India; (iii) all or substantially all of NWML's assets may be situated outside of Canada; (iv) there may be difficulty enforcing legal rights against NWML because of the above; and (v) the name and address of the NWML's agent for service of process in the Province of Ontario is: Bamac Services Inc., 181 Bay Street, Suite 2100, Toronto, Ontario M5J 2T3 Canada.

Disclaimer for Singapore Persons
In Singapore, this report is being distributed by Nuvama Investment Advisors Private Limited (NIAPL) (Previously Edelweiss Investment Advisors Private Limited ("EIAPL")) (Co. Reg. No. 201016306H) which is a holder of a capital markets services license and an exempt financial adviser in Singapore and (ii) solely to persons who qualify as "institutional investors" or "accredited investors" as defined in section 4A(1) of the Securities and Futures Act, Chapter 289 of Singapore ("the SFA"). Pursuant to regulations 33, 34, 35 and 36 of the Financial Advisers Regulations ("FAR"), sections 25, 27 and 36 of the Financial Advisers Act, Chapter 110 of Singapore shall not apply to NIAPL when providing any financial advisory services to an accredited investor (as defined in regulation 36 of the FAR. Persons in Singapore should contact NIAPL in respect of any matter arising from, or in connection with this publication/communication. This report is not suitable for private investors.

Disclaimer for Hong Kong persons
This report is distributed in Hong Kong by Nuvama Investment Advisors (Hong Kong) Private Limited (NIAHK) (Previously Edelweiss Securities (Hong Kong) Private Limited (ESHK)), a licensed corporation (BOM -874) licensed and regulated by the Hong Kong Securities and Futures Commission (SFC) pursuant to Section 116(1) of the Securities and Futures Ordinance "SFO". This report is intended for distribution only to "Professional Investors" as defined in Part I of Schedule 1 to SFO. Any investment or investment activity to which this document relates is only available to professional investor and will be engaged only with professional investors." Nothing here is an offer or solicitation of these securities, products and services in any jurisdiction where their offer or sale is not qualified or exempt from registration. The report also does not constitute a personal recommendation or take into account the particular investment objectives, financial situations, or needs of any individual recipients. The Indian Analyst(s) who compile this report is/are not located in Hong Kong and is/are not licensed to carry on regulated activities in Hong Kong and does not / do not hold themselves out as being able to do so.

INVESTMENT IN SECURITIES MARKET ARE SUBJECT TO MARKET RISKS. READ ALL THE RELATED DOCUMENTS CAREFULLY BEFORE INVESTING.

Abneesh Roy
Head of Research Committee
Abneesh.Roy@nuvama.com

ABNEESH KUMAR ROY

Digitally signed by ABNEESH KUMAR ROY
DN: c=IN, o=Personal, pseudonym=MH0z6uWRNZkczK6PIeN50FvOvOyHy7Ay, 2.5.4.20=e648fc28137c6fa4c0e6296c524ee518d54fd4f7ba4be4d07cb750c531c68e2c, postalCode=400098, st=Maharashtra, serialNumber=7370c9de10fb28bbf7cbc6f71afe3cfe848fa7245a8d681629dc3093fb2a8ea9, cn=ABNEESH KUMAR ROY
Date: 2025.05.31 19:17:35 +05'30'
Adobe Acrobat version: 2024.005.20320