

# Strides Pharma

**BSE SENSEX**  
35,593

**S&P CNX**  
10,652

**CMP: INR490**
**TP: INR590(+20%)**
**Buy**

**Stock Info**

Bloomberg	STR IN
Equity Shares (m)	89
M.Cap.(INRb)/(USD\$b)	44.1 / 0.6
52-Week Range (INR)	802 / 334
1, 6, 12 Rel. Per (%)	7/33/-35
12M Avg Val (INR M)	1037
Free float (%)	69.2

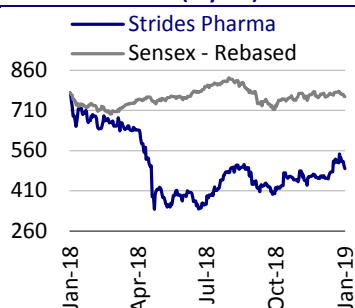
**Financials Snapshot (INR b)**

Y/E Mar	FY19E	FY20E	FY21E
Net Sales	30.7	31.5	34.7
EBITDA	4.6	4.9	5.7
PAT	0.9	2.2	3.0
EPS (INR)	9.8	24.3	33.4
Gr. (%)	-13.1	148.0	37.4
BV/Sh (INR)	282.2	300.3	325.2
RoE (%)	3.5	8.3	10.7
RoCE (%)	5.1	6.0	8.1
P/E (x)	50.0	20.2	14.7
P/BV (x)	1.7	1.6	1.5

**Shareholding pattern (%)**

As On	Dec-18	Sep-18	Dec-17
Promoter	30.7	30.7	31.3
DII	24.5	24.3	18.2
FII	21.9	22	31.6
Others	21.6	21.6	16.9

FII Includes depository receipts

**Stock Performance (1-year)**

**Focus on enhancing US business/reducing financial leverage**
**Quarterly performance operationally in line**

- Strides Pharma (STR) has decided to sell its entire stake in Arrow (Australian business) to Apotex for a consideration of AUD394m (US\$282m). The stake sale – which implies an attractive valuation of 19x EV/EBITDA – would enable STR to reduce its debt by at least USD160m.
- Separately, STR announced that it would acquire 100% stake in Vensun Pharma and the remaining 50% stake in the JV with Vivimed for ~USD29m. This would enhance its control on partnered ANDAs and manufacturing facility for the US market.
- For 3QFY19, STR delivered sales/EBITDA of INR8b/INR1.3b (in-line). Adj. PAT of INR240m came in lower than our estimate of INR333m owing to lower other income and a higher tax rate.
- We raise our FY19/20 EPS estimate by 2%/6.4% to factor in reduced interest outgo/amortization and better profitability in other regulated market and the US. We also increase our SOTP-based price target to INR590 (prior: INR530). We remain positive on STR on the back of its improved focus on the US market, reduced financial leverage and superior execution in other regulated market. Reiterate Buy.

**Arrow stake sale to reduce financial leverage**

- STR has decided to sell its entire stake in Arrow to Apotex. However, it would remain the preferred supplier for the merged entity and retain IPs of all products. As a result, it will still retain 40-50% of Arrow's existing EBITDA (~USD29m, annualized).
- The company would receive AUD394m (USD282m) by exiting its investment in Arrow, of which AUD300m (USD215m) will be received upfront and AUD94m (USD68m) will be deferred through a secured instrument.
- The transaction implies an EV/EBITDA multiple of ~19x, which is attractive, in our view, given that STR had bought the Arrow business in 2015 at ~10.2x EV/EBITDA. STR cited that it would use the proceeds to repay debt of 160m. As a result, the interest cost would reduce by USD11m, offsetting the impact from the reduction in EBITDA of the Australia business.
- STR has entered into a non-compete clause for three years for the Australia market as part of this agreement.

**Strengthening US business through acquisitions**

- STR acquired 100% stake in Vensun Pharma for a consideration of USD18m (USD4m equity and USD14m loan). The agreement has also deferred contingent consideration up to a maximum of USD75m to be paid over a maximum period of six years. This acquisition provides unencumbered access to STR CGT (competitive generic therapy) designated products of size USD400m in the US. It also adds 16 commercialized ANDAs (four are already partnered with STR) and 12 pending approvals to its pipeline.
- STR would also acquire the remaining 50% stake in its JV with Vivimed for INR750m. This will add 10 approved products (earlier marketed by third parties) to STR's portfolio, adding revenue of USD25m (annualized) from FY20. In addition, access to the USFDA-approved Alathur facility would not only add capacity but also reduce manufacturing concentration risk for STR.

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**Investors are advised to refer through important disclosures made at the last page of the Research Report.**

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**STR enters Canada market through Pharmapur acquisition**

- STR would acquire an 80% stake in Pharmapur, Canada (Specialized generic front end company) for USD3m. This will enable the company to enter the Canada market. Pharmapur has annualized sales base of USD8m.

**3QFY19 results operationally in-line**

- STR's revenue grew 6% YoY to INR7.9b (in-line) in 3QFY19, led by superior growth in the US and other regulated market.
- US revenue increased 6% YoY to INR2.9b (USD41m; 37% of sales), while other regulated market revenue was up 55% YoY to INR1.3b (USD18m; 16% of sales).
- Growth, however, was partly offset by a decline in Institutional revenue (-17% YoY to INR871m, 11% of sales). Africa business revenue, too, de-grew by 4% YoY to INR600m (8% of sales) for the quarter.
- Gross margin (GM) shrank 130bp YoY to 52% (in-line).
- EBITDA margin, thus, contracted 150bp YoY to 16% (our estimate: 15.5%).
- Higher other expenses as % of sales (+120bp YoY) at 22.4% was offset by reduced employee expenses (13.3% v/s 15.7% in 3QFY18).
- Adj. PAT of INR239m was lower than our estimate of INR333m due to lower other income and a higher tax rate.
- For 9MFY19, sales grew by 1% YoY to INR21.9b, EBITDA increased 2% YoY to INR3b, while PAT declined 74% YoY to INR235m.

**Valuation view:** We raise our EPS estimate for FY19/20 by 2%/6.4% to factor in reduced interest outgo, and better profitability in other regulated market and the US. We also increase our SOTP-based TP to INR590 (from INR530). We remain positive on STR, led by its improved focus on the US market, reduced financial leverage and superior execution in other regulated market business. Maintain **Buy**.

**Consolidated - Quarterly earning model**

Y/E March	FY18				FY19E				FY18	FY19E	FY19 3QE	vs Est %
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE				
<b>Net Sales</b>	<b>6,579</b>	<b>7,687</b>	<b>7,488</b>	<b>6,642</b>	<b>6,635</b>	<b>7,326</b>	<b>7,945</b>	<b>8,804</b>	<b>28,394</b>	<b>30,710</b>	<b>7,930</b>	<b>0.2</b>
YoY Change (%)	-16.7	-19.4	-19.8	-1.9	0.8	-4.7	6.1	32.6	3.0	8.2		
Total Expenditure	5,950	6,609	6,178	5,776	5,827	6,330	6,674	7,303	24,428	26,134		
<b>EBITDA</b>	<b>629</b>	<b>1,078</b>	<b>1,310</b>	<b>865</b>	<b>808</b>	<b>996</b>	<b>1,271</b>	<b>1,501</b>	<b>3,965</b>	<b>4,576</b>	<b>1,229</b>	<b>3.4</b>
Margins (%)	9.6	14.0	17.5	13.0	12.2	13.6	16.0	17.0	14.0	14.9		
Depreciation	356	373	380	443	429	445	407	444	1,540	1,724		
Interest	524	486	498	455	441	485	501	505	1,962	1,932		
Other Income	345	221	157	218	106	77	8	54	941	246		
<b>PBT before EO expense</b>	<b>93</b>	<b>441</b>	<b>589</b>	<b>185</b>	<b>44</b>	<b>144</b>	<b>372</b>	<b>606</b>	<b>1,403</b>	<b>1,165</b>	<b>427</b>	<b>-13.0</b>
Extra-Ord expense	34	123	63	217	49	74	-7	0	436	116		
<b>PBT</b>	<b>60</b>	<b>318</b>	<b>526</b>	<b>-31</b>	<b>-5</b>	<b>70</b>	<b>379</b>	<b>605</b>	<b>967</b>	<b>1,049</b>	<b>427</b>	<b>-11.2</b>
Tax	10	54	20	-40	-43	16	63	89	97	126		
Rate (%)	15.9	17.0	3.8	125.8	837.3	23.1	16.7	14.7	10.1	12.0		
Minority Interest & P/L of Asso. Cos.	31	53	32	52	79	123	71	-122	168	150		
<b>Reported PAT from Continuing Ops.</b>	<b>20</b>	<b>211</b>	<b>473</b>	<b>-44</b>	<b>-41</b>	<b>-69</b>	<b>245</b>	<b>638</b>	<b>702</b>	<b>773</b>	<b>332</b>	<b>-26.3</b>
<b>Adj. PAT from Continuing Ops.</b>	<b>48</b>	<b>313</b>	<b>534</b>	<b>105</b>	<b>9</b>	<b>-12</b>	<b>239</b>	<b>638</b>	<b>1,007</b>	<b>874</b>	<b>332</b>	<b>-28.2</b>
YoY Change (%)	-87.5	-57.8	-13.4	-88.5	-81.3	-104.0	-55.3	507.9	-67.4	-13.1		
Margins (%)	0.7	4.1	7.1	1.6	0.1	-0.2	3.0	7.3	3.5	2.8		

### Key concall highlights

- Institutional and Africa business are at EBITDA-breakeven, while the regulated market business is at ~19% EBITDA margin post R&D.
- STR expects the recovery in institutional business margins to take 12-15 months.
- STR guided a revival in margins of Africa business in next 1-2 quarters.
- STR is being selective on institutional contracts, given the headwinds in terms of funding for agencies to procure medicines.
- Arrow stake sale would result in annual reduction in revenue to the tune of USD100m.
- After repaying debt of ~USD160m and paying for acquisition in the US, STR would still be left with ~USD90m. It intends to utilize it for growth through inorganic route.
- Stake sale of Arrow would result in amortization and interest reduction of ~INR1.3b on annualized basis.
- Revenue of products taken back from partners for the US market would be reflected from 4QFY19.
- STR guided for EBITDA breakeven (incl. R&D spent) at USD32m revenue in US market. Incremental revenue to fetch 30-40% EBITDA margin for STR.
- STR guided for 25-30% CAGR in other regulated market revenue for next 2-3 years, led by the UK and EU regions.

### Other highlights

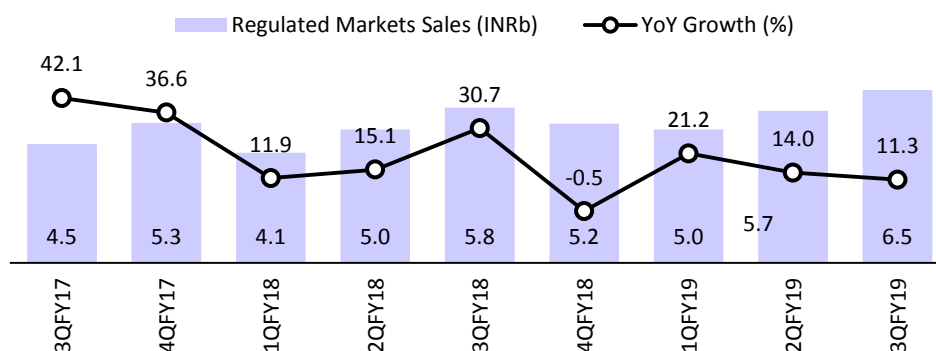
#### Australia business exhibits subdued growth

Australia business (30% of sales) delivered sales of INR2.4b (+2% YoY, -1% QoQ). This was due to year-end channel de-stocking. The company launched four new products during the quarter. It also filed for 25 products with TGA for site transfer, of which 24 have already been approved; site transfers completed for all major products to Strides.

Australia business achieves annualized revenue rate of ~AUD200m with operating EBITDA of AUD40m.

STR has decided to exit the Arrow business but will remain the preferred supplier for the merged entity, while retaining 40%-50% of the EBITDA earnings and control of IP of the 140 products under the Arrow portfolio.

**Exhibit 1: Regulated markets (ex-Australia) drive revenue growth**



Source: MOSL, Company

### **US business outshines, becomes biggest contributor to overall sales**

STR's US revenues (36% of sales) stood at INR2.8b, growing 30% QoQ and 6% YoY. This growth came on the back of new product launches and higher volumes in the base business. STR's 10 frontend products are now amongst the top 3 in the US by market share for their respective molecules. The company also has healthy order book visibility, driven by significant order wins during the quarter. STR also successfully completed its USFDA inspection of Bangalore facility with zero 483s.

**STR maintains healthy market share in key molecules:** Methoxsalen (61%), Ergocalciferol (54%), Acarbose (39%), Ranitidine (33%), Benzonatate (22%), Dutasteride (22%), Ketoconazole (20%), Calcitriol (19%), Efavirenz (17%), Mycophenolate (11%) and Buspirone (10%).

During the quarter, the company filed for six products, taking the total number of filings for 9MFY19 to 16 and received 2 final approvals. The company has guided for 18-23 filings in FY19. On a cumulative basis, the company has filed 86 ANDAs with 31 ANDAs pending for approval till date.

For the quarter, STR made R&D investment of INR350m (12.3% of US sales).

### **Africa business breaks even**

Africa branded generics business (8% of sales) de-grew by 4% YoY but grew 2% sequentially to INR601m. The segment has now achieved break even at operational level. Sequential growth came on the back of the company's efforts to align its primary and secondary sales. The company is expanding its footprint in East Africa to strengthen its position in the Africa market. The key brands – Renerve, Solcer and Combiart – maintain healthy market shares.

### **Institutional business continues facing funding issues**

Institutional Business (11% of sales) revenue stood at INR871m (-17% YoY, 18% QoQ). This decline is because of lower off-take by the donor funding agencies, resulting in lower anti-malaria business.

ARV category too remains impacted by an increase in prices of API and donor agencies are yet to decide on the price improvements for suppliers. STR remains focused on the margins and is taking a guarded approach for this segment. The company's local manufacturing at WHO approved site at Kenya should help improve market share for donor funded programs as the company will enjoy cost efficiencies.

### **Other regulated market remains fastest growth opportunity**

Other regulated market (16% of sales) sales stood at INR1.2b (+14% QoQ, 55% YoY). This growth came on the back of the improved business environment in key EU markets and portfolio expansion. The company also saw margin expansion, with improved pricing, new product launches and site transfer initiatives. STR is all set to kick start greenfield B2C operations in Nordic and Netherlands and is ramping up filings for the South Africa market. It has also entered into an agreement with Pharmapar Inc, Canada to acquire its 80% stake, which will enable STR to enter the Canada and market its products through already established front-end. Pharmapar has annualized sales base of CAD10m and is operationally break even.

### **Valuation and view**

We raise our EPS estimate for FY19/20 by 2%/6.4% to factor in reduced interest outgo and better profitability in other regulated market and the US. We also increase our SOTP-based TP to INR590 (from INR530). We remain positive on STR led by its improved focus on the US market, reduced financial leverage, and superior execution in other regulated market business. Maintain **Buy**.

## Financials and Valuations

### Consolidated - Income Statement

	(INR m)							
Y/E March	FY14	FY15	FY16	FY17	FY18	FY19E	FY20E	FY21E
<b>Total Income from Operations</b>	<b>13,410</b>	<b>11,959</b>	<b>28,622</b>	<b>34,834</b>	<b>28,394</b>	<b>30,710</b>	<b>31,472</b>	<b>34,732</b>
Change (%)	39.4	-10.8	139.3	21.7	-18.5	8.2	2.5	10.4
<b>EBITDA</b>	<b>2,235</b>	<b>2,288</b>	<b>4,140</b>	<b>6,428</b>	<b>3,965</b>	<b>4,576</b>	<b>4,941</b>	<b>5,661</b>
Margin (%)	16.7	19.1	14.5	18.5	14.0	14.9	15.7	16.3
Depreciation	565	640	1,313	1,872	1,540	1,724	1,750	1,739
<b>EBIT</b>	<b>1,670</b>	<b>1,648</b>	<b>2,827</b>	<b>4,557</b>	<b>2,425</b>	<b>2,852</b>	<b>3,191</b>	<b>3,923</b>
Int. and Finance Charges	1,089	474	1,682	2,269	1,962	1,932	734	538
Other Income	602	386	921	1,686	941	246	252	278
<b>PBT bef. EO Exp.</b>	<b>1,183</b>	<b>1,560</b>	<b>2,067</b>	<b>3,973</b>	<b>1,403</b>	<b>1,165</b>	<b>2,708</b>	<b>3,662</b>
EO Items	-266	-74	-414	-1,006	-436	-116	0	0
<b>PBT after EO Exp.</b>	<b>918</b>	<b>1,486</b>	<b>1,653</b>	<b>2,967</b>	<b>967</b>	<b>1,049</b>	<b>2,708</b>	<b>3,662</b>
Total Tax	409	532	425	470	97	126	379	513
Tax Rate (%)	44.5	35.8	25.7	15.8	10.1	12.0	14.0	14.0
Minority Interest	6	-6	-88	458	168	150	158	165
<b>Reported PAT from Continuing Ops.</b>	<b>-2,333</b>	<b>16</b>	<b>1,317</b>	<b>2,039</b>	<b>702</b>	<b>773</b>	<b>2,172</b>	<b>2,984</b>
<b>Adj. PAT from Continuing Ops.</b>	<b>651</b>	<b>1,007</b>	<b>1,624</b>	<b>2,886</b>	<b>1,007</b>	<b>876</b>	<b>2,172</b>	<b>2,984</b>
Change (%)	182.9	54.7	61.3	77.6	-65.1	-13.1	148.0	37.4
Margin (%)	4.9	8.4	5.7	8.3	3.5	2.9	6.9	8.6

### Consolidated - Balance Sheet

	(INR m)							
Y/E March	FY14	FY15	FY16	FY17	FY18	FY19E	FY20E	FY21E
Equity Share Capital	596	596	894	894	895	895	895	895
Total Reserves	9,473	10,853	25,685	26,210	23,651	24,343	25,962	28,186
<b>Net Worth</b>	<b>10,068</b>	<b>11,449</b>	<b>26,579</b>	<b>27,104</b>	<b>24,546</b>	<b>25,238</b>	<b>26,857</b>	<b>29,081</b>
Minority Interest	757	187	502	1,640	1,547	1,547	1,547	1,547
Total Loans	5,466	8,917	35,418	36,997	29,494	28,219	17,719	15,944
Deferred Tax Liabilities	17	-54	-502	89	-615	-615	-615	-615
<b>Capital Employed</b>	<b>16,308</b>	<b>20,500</b>	<b>61,997</b>	<b>65,829</b>	<b>54,971</b>	<b>54,388</b>	<b>45,507</b>	<b>45,957</b>
Gross Block	8,039	9,437	18,987	22,233	26,233	29,385	30,969	32,258
Less: Accum. Deprn.	3,528	3,792	1,468	2,771	4,311	6,035	7,786	9,524
<b>Net Fixed Assets</b>	<b>4,511</b>	<b>5,645</b>	<b>17,520</b>	<b>19,462</b>	<b>21,922</b>	<b>23,349</b>	<b>23,183</b>	<b>22,734</b>
Goodwill on Consolidation	1,034	1,368	9,267	9,670	9,147	9,147	4,947	4,947
Capital WIP	995	1,712	8,149	7,802	3,220	1,220	852	778
<b>Total Investments</b>	<b>4,430</b>	<b>6,300</b>	<b>13,409</b>	<b>15,952</b>	<b>8,159</b>	<b>7,259</b>	<b>7,259</b>	<b>7,259</b>
<b>Curr. Assets, Loans&amp;Adv.</b>	<b>9,993</b>	<b>9,668</b>	<b>25,256</b>	<b>27,582</b>	<b>21,721</b>	<b>26,584</b>	<b>22,697</b>	<b>25,008</b>
Inventory	1,760	2,077	6,131	7,380	5,520	6,790	6,893	7,553
Account Receivables	3,640	3,900	10,330	9,971	8,822	8,790	9,008	9,941
Cash and Bank Balance	2,312	1,469	3,116	3,295	3,033	4,889	530	598
Loans and Advances	2,281	2,223	5,679	6,936	4,346	6,115	6,267	6,916
<b>Curr. Liability &amp; Prov.</b>	<b>4,655</b>	<b>4,194</b>	<b>11,605</b>	<b>14,638</b>	<b>9,220</b>	<b>13,194</b>	<b>13,454</b>	<b>14,793</b>
Account Payables	2,679	2,065	7,836	7,521	7,121	6,919	7,024	7,696
Other Current Liabilities	879	1,268	2,943	5,986	1,364	5,278	5,409	5,969
Provisions	1,098	861	826	1,131	736	997	1,022	1,128
<b>Net Current Assets</b>	<b>5,338</b>	<b>5,474</b>	<b>13,652</b>	<b>12,944</b>	<b>12,501</b>	<b>13,390</b>	<b>9,243</b>	<b>10,215</b>
<b>Appl. of Funds</b>	<b>16,308</b>	<b>20,500</b>	<b>61,997</b>	<b>65,829</b>	<b>54,971</b>	<b>54,388</b>	<b>45,507</b>	<b>45,956</b>

## Financials and Valuations

### Ratios

Y/E March	FY14	FY15	FY16	FY17	FY18	FY19E	FY20E	FY21E
<b>Basic (INR)</b>								
EPS	7.3	11.3	18.2	32.3	11.3	9.8	24.3	33.4
Cash EPS	13.6	18.4	32.8	53.2	28.5	29.1	43.9	52.8
BV/Share	112.6	128.0	297.2	303.1	274.5	282.2	300.3	325.2
DPS	336.5	71.9	0.8	0.0	2.0	2.2	6.2	8.5
Payout (%)	-1,410.0	43,880.3	6.2	0.0	25.5	25.5	25.5	25.5
<b>Valuation (x)</b>								
P/E		43.5	27.0	15.2	43.5	50.0	20.2	14.7
Cash P/E		26.6	14.9	9.2	17.2	16.9	11.2	9.3
P/BV		3.8	1.6	1.6	1.8	1.7	1.6	1.5
EV/Sales		4.3	2.7	2.2	2.5	2.2	1.9	1.7
EV/EBITDA		22.4	18.4	12.1	17.7	14.7	12.3	10.5
Dividend Yield (%)	68.7	14.7	0.2	0.0	0.4	0.4	1.3	1.7
FCF per share	-82.3	-17.6	-32.7	-43.2	54.8	47.7	82.0	33.9
<b>Return Ratios (%)</b>								
RoE	4.3	9.4	8.5	10.8	3.9	3.5	8.3	10.7
RoCE	4.9	7.3	6.8	8.3	5.1	5.1	6.0	8.1
RoIC	4.4	10.8	8.7	10.1	5.5	6.2	7.0	9.1
<b>Working Capital Ratios</b>								
Fixed Asset Turnover (x)	1.7	1.3	1.5	1.6	1.1	1.0	1.0	1.1
Asset Turnover (x)	0.8	0.6	0.5	0.5	0.5	0.6	0.7	0.8
Inventory (Days)	48	63	78	77	71	81	80	79
Debtor (Days)	99	119	132	104	113	104	104	104
Creditor (Days)	73	63	100	79	92	82	81	81
<b>Leverage Ratio (x)</b>								
Current Ratio	2.1	2.3	2.2	1.9	2.4	2.0	1.7	1.7
Interest Cover Ratio	1.5	3.5	1.7	2.0	1.2	1.5	4.3	7.3
Net Debt/Equity	-0.1	0.1	0.7	0.7	0.7	0.6	0.4	0.3

### Consolidated - Cash Flow Statement

(INR m)

Y/E March	FY14	FY15	FY16	FY17	FY18	FY19E	FY20E	FY21E
OP/(Loss) before Tax	28,899	9,920	1,464	4,971	1,153	1,165	2,708	3,662
Depreciation	1,539	640	1,520	1,987	1,540	1,724	1,750	1,739
Interest & Finance Charges	1,835	163	998	1,521	1,022	1,686	483	260
Direct Taxes Paid	-1,259	-560	-770	-586	-97	-126	-379	-513
(Inc)/Dec in WC	-2,607	-959	-3,417	-3,413	182	966	-212	-904
<b>CF from Operations</b>	<b>28,407</b>	<b>9,205</b>	<b>-206</b>	<b>4,480</b>	<b>3,800</b>	<b>5,416</b>	<b>4,350</b>	<b>4,245</b>
Others	-31,124	-8,371	938	-1,599	0	0	0	0
<b>CF from Operating incl EO</b>	<b>-2,717</b>	<b>834</b>	<b>732</b>	<b>2,881</b>	<b>3,800</b>	<b>5,416</b>	<b>4,350</b>	<b>4,245</b>
(Inc)/Dec in FA	-4,639	-2,406	-3,658	-6,746	1,104	-1,152	2,984	-1,216
<b>Free Cash Flow</b>	<b>-7,356</b>	<b>-1,572</b>	<b>-2,925</b>	<b>-3,865</b>	<b>4,904</b>	<b>4,264</b>	<b>7,334</b>	<b>3,029</b>
(Pur)/Sale of Investments	47,935	4,515	286	1,269	7,793	900	0	0
Others	-6,739	427	-25,153	-607	941	246	252	278
<b>CF from Investments</b>	<b>36,556</b>	<b>2,536</b>	<b>-28,525</b>	<b>-6,084</b>	<b>9,838</b>	<b>-6</b>	<b>3,236</b>	<b>-938</b>
Issue of Shares	259	31	12,264	165	1	0	0	0
Inc/(Dec) in Debt	1,430	3,208	18,789	5,962	-7,525	-1,275	-10,500	-1,775
Interest Paid	-2,192	-381	-1,347	-2,370	-1,962	-1,932	-734	-538
Dividend Paid	-32,683	-7,070	-251	-376	-179	-197	-553	-760
Others	0	0	-15	0	-4,234	-150	-158	-165
<b>CF from Fin. Activity</b>	<b>-33,185</b>	<b>-4,213</b>	<b>29,439</b>	<b>3,382</b>	<b>-13,899</b>	<b>-3,554</b>	<b>-11,945</b>	<b>-3,238</b>
<b>Inc/Dec of Cash</b>	<b>654</b>	<b>-843</b>	<b>1,647</b>	<b>179</b>	<b>-262</b>	<b>1,856</b>	<b>-4,359</b>	<b>69</b>
Opening Balance	1,657	2,312	1,469	3,116	3,295	3,033	4,889	530
<b>Closing Balance</b>	<b>2,312</b>	<b>1,469</b>	<b>3,116</b>	<b>3,295</b>	<b>3,033</b>	<b>4,889</b>	<b>530</b>	<b>598</b>

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
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