

Estimate change
TP change
Rating change

CMP: INR393
TP: INR385 (-2%)
Neutral

Commercialization issues impact earnings

Change of guard at Biocon Biologics

- Dr. Christiane Hamacher has stepped down as MD as well as from the board of Biocon Biologics (BB) effective 20 Jan'21, due to professional differences with the chairperson on strategic priorities and the vision for BB. Dr. Kiran will assume the position of Executive Chairperson at BB. Dr Arun Chandavarkar will be the new MD and CEO for the next two years.
- Biocon (BIOS) delivered lower-than-expected 3QFY21, largely weighed by: a) decline in Generics sales, and b) slower ramp-up in Biosimilars off-take due to COVID-19. It continues to build a product pipeline of Biosimilars/Generics.
- We lower our FY21E/FY22E/FY23E EPS estimate by 16%/12%/7%, factoring in a delay in: a) approvals for Biosimilars, b) award of tenders in emerging markets, c) gradual build-up of insulin Glargine business and reduced operating leverage. We value BIOS at 34x 12 months forward earnings to arrive at our price target of INR385/share (from INR430 earlier). We maintain our Neutral stance as current valuations adequately capture potential Biosimilar-led upsides in earnings.

Increased operational cost/depreciation led to a YoY decline in earnings

- Revenue grew 8% YoY to INR18.5b (v/s our estimate of INR20.1b), led by: a) 11% YoY growth in Biosimilars (INR7.7b, 40% of sales), b) 13% YoY growth in Research Services (INR5.9b, 30% sales). Generics, down 3% YoY (30% of sales), dragged overall growth to some extent.
- Gross margin rose 120bp YoY to 65.9% due to superior product mix.
- EBITDA margin contracted 440bp YoY to 21.5% (v/s our estimate of 25.7%), dragged by increased other expenses/R&D cost/employee cost (+170bp/+160bp/+230bp YoY) as a percentage of sales.
- EBITDA declined 10.6% YoY to INR4b (v/s our estimate of INR5.2b).
- PAT declined 19.6% YoY to INR1.6b (v/s our estimate of INR2.4b) due to higher depreciation and tax rate.
- For 9MFY21, sales grew 11% YoY to INR52.7b, while EBITDA/PAT fell 5%/18% YoY to INR12.2b/INR5.1b.

Highlights from the management commentary

- **Insulin Glargine** – The management expects a gradual ramp up over the next 9-12 months, with favorable formulary coverage and award of contracts. BIOS is progressing well on the interchangeability aspect of insulin Glargine.
- **Bevacizumab** – The company has answered all queries and there has been no further request of technical data by the USFDA. However, physical inspection is required before approval.
- **Insulin Aspart** may also require inspection before approval from the USFDA.
- BIOS expect to respond to the **Copaxone** CRL over the next few months.

Bloomberg	BIOS IN
Equity Shares (m)	1,200
M.Cap.(INRb)/(USD\$b)	472.6 / 7.3
52-Week Range (INR)	488 / 236
1, 6, 12 Rel. Per (%)	-21/-38/16
12M Avg Val (INR M)	2291

Financials & Valuations (INR b)

Y/E MARCH	2021E	2022E	2023E
Sales	72.9	86.7	104.0
EBITDA	17.1	22.9	27.9
Adj. PAT	7.2	11.2	14.4
EBIT Margin (%)	13.6	17.2	18.4
Cons. Adj. EPS (INR)	6.0	9.3	12.0
EPS Gr. (%)	-2.5	54.4	29.2
BV/Sh. (INR)	60.1	66.7	75.2

Ratios

Net D:E	0.2	0.1	0.1
RoE (%)	10.4	14.7	16.9
RoCE (%)	7.7	10.9	13.0
Payout (%)	29.2	29.3	29.3

Valuations

P/E (x)	65.2	42.3	32.7
EV/EBITDA (x)	29.2	21.7	17.7
Div. Yield (%)	0.4	0.6	0.8
FCF Yield (%)	0.0	1.4	2.1
EV/Sales (x)	6.8	5.7	4.7

Shareholding pattern (%)

As On	Dec-20	Sep-20	Dec-19
Promoter	60.7	60.7	60.7
DII	6.0	6.3	5.6
FII	18.6	17.7	17.4
Others	14.7	15.3	16.4

FII Includes depository receipts

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

 Motilal Oswal research is available on www.motilaloswal.com/Institutional-Equities, Bloomberg, Thomson Reuters, Factset and S&P Capital.

Valuation and view

- We expect 23% earnings CAGR over FY20-23E, led by a 25%/13% sales CAGR in Biologics/Research Services, and 140bp margin expansion. We expect RoE to improve to 17% by FY23E from 12% in FY20.
- We lower our FY21E/FY22E/FY23E EPS estimate by 16%/12%/7% to account for COVID-led delays of approval for potential products in the Biosimilars/Generics segment, slower off-take of Biosimilars in emerging markets, and lower operating leverage.
- We value BIOS at 34x 12 months forward earnings to arrive at our price target of INR385/share. Maintain Neutral given the limited upside from current levels.

Quarterly performance (Consolidated)

Y/E March	FY20				FY21E				FY20	FY21E	FY21E	
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE			3QE	vs Est
Net Sales	14,589	15,720	17,170	15,575	16,713	17,448	18,510	20,226	63,005	72,897	20,054	-7.7%
YoY Change (%)	29.8	19.0	11.4	1.9	14.6	11.0	7.8	29.9	14.3	15.7	14.7	
Total Expenditure	10,220	11,690	12,720	12,390	12,590	13,354	14,530	15,326	46,974	55,800	14,900	
EBITDA	4,369	4,030	4,450	3,185	4,123	4,094	3,980	4,901	16,031	17,098	5,154	-22.8%
YoY Change (%)	83.7	18.9	9.5	-22.3	-5.6	1.6	-10.6	53.9	15.1	6.7	16	
Margins (%)	29.9	25.6	25.9	20.4	24.7	23.5	21.5	24.2	25.4	23.5	25.7	
Depreciation	1,242	1,320	1,440	1,524	1,668	1,777	1,860	1,888	5,522	7,193	1,800	
EBIT	3,127	2,710	3,010	1,661	2,455	2,317	2,120	3,012	10,509	9,904	3,354	
YoY Change (%)	125.5	19.4	4.0	-42.8	-21.5	-14.5	-29.6	81.4	11.1	-5.8	11	
Interest	166	140	180	168	125	65	50	75	649	315	70	
Other Income	241	380	360	631	183	155	220	317	1,614	875	180	
Extraordinary income	0	675	0	0	0	-180	60	0	675	-120	0	
PBT	3,202	3,625	3,190	2,124	2,513	2,227	2,350	3,255	12,149	10,345	3,464	-32.2%
Tax	852	1,000	850	450	809	223	490	754	3,151	2,276	866	
Rate (%)	26.6	27.6	26.6	21.2	32.2	10.0	20.9	23.2	25.9	22.0	25.0	
Minority Interest	210	347	310	360	180	261	180	298	1,227	919	240	
PAT	2,061	2,448	2,030	1,230	1,488	1,743	1,680	2,203	7,769	7,114	2,358	-28.7%
Adj PAT	2,061	2,089	2,030	1,230	1,488	1,905	1,633	2,203	7,410	7,228	2,358	-30.8%
YoY Change (%)	72.7	14.2	-10.6	-42.7	-27.8	-8.8	-19.6	79.1	-0.4	-2.5	16.1	
Margins (%)	14.1	15.6	11.8	7.9	8.9	10.0	9.1	10.9	12.3	9.8	11.8	

Key performance indicators (Consolidated)

Y/E March	FY20				FY21E				FY20	FY21E		
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE			3QFY21E	
Cost break-up												
RM cost (% of sales)	33.2	34.9	35.3	38.6	36.1	34.4	34.1	34.7	31.2	34.8	35.0	
Staff cost (% of sales)	21.2	20.5	19.9	22.7	21.5	21.9	22.2	19.6	22.9	21.3	19.0	
R&D expenses (% of sales)	5.4	6.6	7.6	8.0	6.4	8.5	9.2	7.4	6.9	7.9	7.5	
Other Cost (% of sales)	10.2	12.3	11.2	10.2	11.4	11.7	12.9	14.1	12.7	12.6	12.8	
Gross margin (%)	66.8	65.1	64.7	61.4	63.9	65.6	65.9	65.3	68.8	65.2	65.0	
EBITDA margin (%)	29.9	25.6	25.9	20.4	24.7	23.5	21.5	24.2	26.2	23.5	25.7	
EBIT margin (%)	21.4	17.2	17.5	10.7	14.7	13.3	11.5	14.9	16.7	13.6	16.7	



Highlights from the conference call

- The management aims to list BB over the next 18-24 months.
- It expects to **begin trials** on three potential Biosimilar products soon.
- The company **maintained market share** in b-Trastuzumab and b-Pegfilgrastim in the US despite a tough environment.
- Within the Generics segment, advanced buying in 1HFY21 impacted the **API** business in 3QFY21. The requirement of physical inspection resulted in a delay in the launch of **Formulation** products. The management expects single-digit growth in API and high-teens growth for Formulations. The Generics segment is expected to grow by 8-10% YoY for the next 12-15 months. Currently, the API-to-formulation contribution in sales is about 80:20.
- The company experienced issues in gaining business and towards operational cost on account of increased raw material prices and supply-chain logistics.
- It witnessed an aberration in operations at Malaysia due to a few employees testing COVID positive at the site.
- BIOS had a forex gain of INR60m in 3QFY21.

Key exhibits

Exhibit 1: Biologics, Generics/Research services PBT margin declines YoY

Segmental PBT margin	1QFY20	2QFY20	3QFY20	4QFY20	1QFY21	2QFY21	3QFY21
Generics	15	17.9	15.8	12.6	16.6	12.5	9.6
Biosimilars	31.6	17.5	20.6	-1.3	15.2	12	14.4
Novel Biologics	NA	NA	NA	NA	NA	NA	NA
Research Services	20.7	21.3	20.5	25.2	15.7	18.1	19.9
Total	21.4	17.2	17.2	10.7	14.7	13.3	12.8

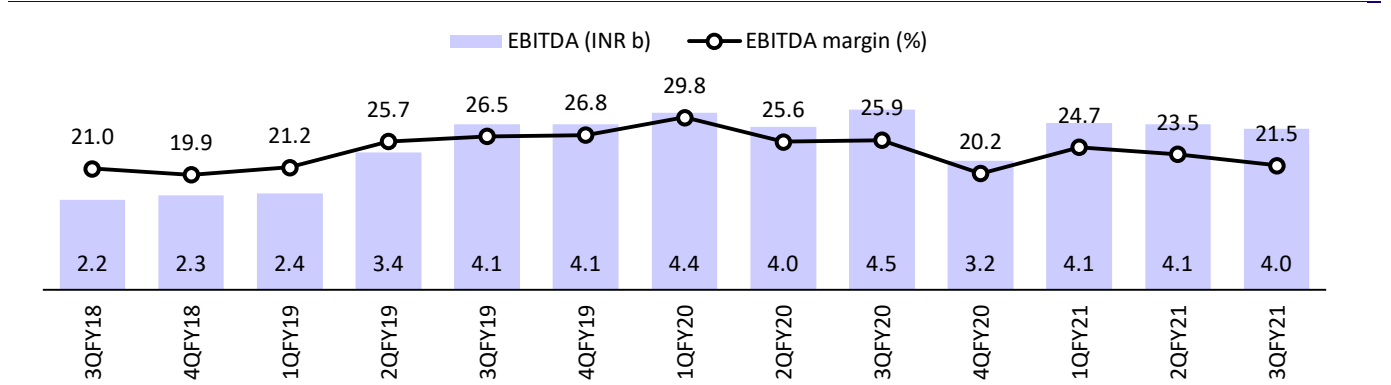
Source: MOFSL, Company

Exhibit 2: Syngene International's financials

(INR m)	3QFY21	3QFY20	YoY (%)	2QFY21	QoQ (%)
Total revenue	5,845	5,191	12.6	5,196	12.5
Material cost	1,477	1,446	2.1	1,276	15.8
Gross profit	4,368	3,745	16.6	3,920	11.4
Gross margin (%)	74.7	72.1	2.6	75.4	-0.9
Staff cost	1,760	1,523	15.6	1,612	9.2
% of sales	30.1	29.3	+80bp	31.0	-90bp
Other expense	846	789	7.2	819	3.3
% of sales	14.5	15.2	-70bp	15.8	-130bp
EBITDA	1,762	1,433	23.0	1,489	18.3
EBITDA margin (%)	30.1	27.6	+250bp	28.7	+140bp
Depreciation	697	570	22.3	687	1.5
EBIT	1,065	863	23.4	802	32.8
Interest cost	71	98	(27.6)	66	7.6
Other income (net)	171	200	(14.5)	138	23.9
PBT before EO	1,165	965	20.7	874	33.3
EO expense	0	-102		-68	
PBT	1,165	1,067	9.2	942	23.7
Income tax	143	149	(4.0)	101	41.6
Effective tax rate (%)	12.3	14.0	-170bp	10.7	+160bp
Adjusted PAT	1022	830	23.1	780	31.0

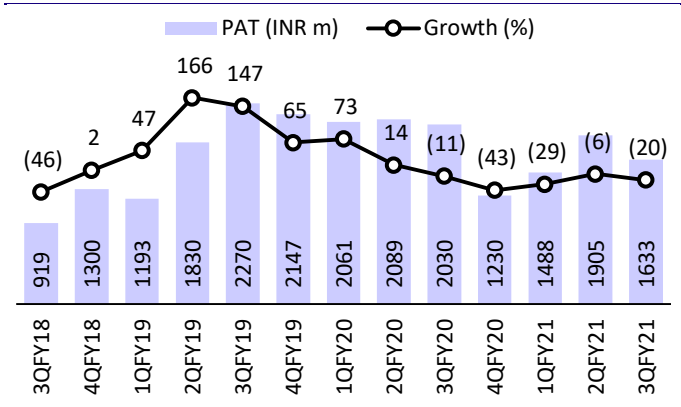
Source: MOFSL, Company

Exhibit 3: Higher opex and R&D spend led to 440bp YoY decline in margin



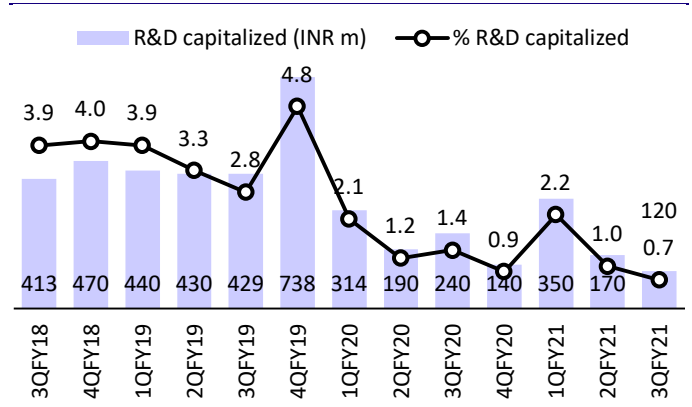
Source: MOFSL, Company

Exhibit 4: PAT declines 20% YoY in 3QFY21



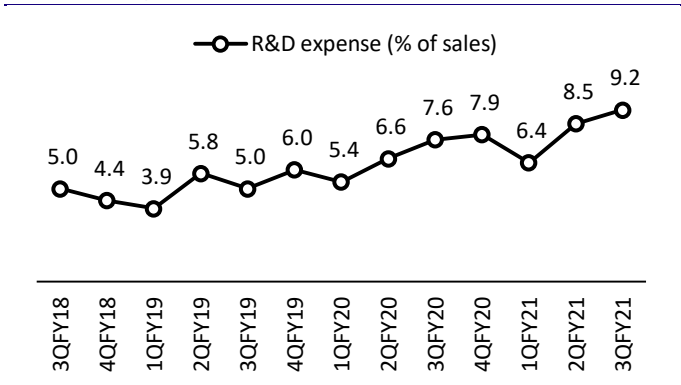
Source: MOFSL, Company

Exhibit 5: R&D capitalized was 0.7% of sales in 3QFY21



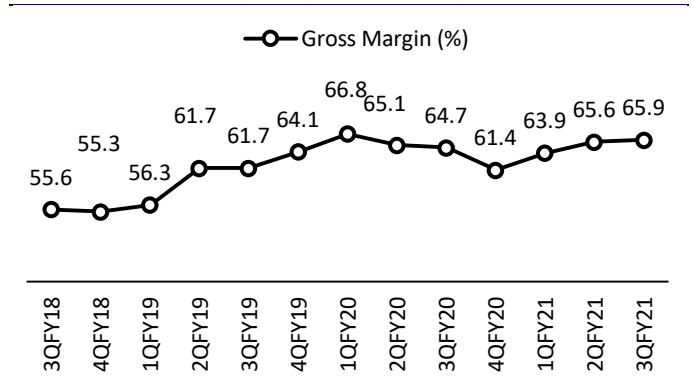
Source: MOFSL, Company

Exhibit 6: Expensed R&D rose to 9.2% of sales in 3QFY21



Source: MOFSL, Company

Exhibit 7: Gross margin improves ~120bp YoY in 3QFY21



Source: MOFSL, Company

Valuation and view

Biosimilars – Few speed breakers on the way

Strong traction in the Biologics segment aided Biosimilars performance in FY20 (~29% YoY growth). However, BIOS witnessed moderate (14% YoY) growth in the Biosimilars segment in 9MFY21 due to COVID-led disruptions across different aspects like approvals, winning tenders, supply-chain logistics and raw material cost. The management is increasing formulary coverage for insulin Glargine and is procuring more contracts for the same. It is also having a positive discussion on interchangeability aspects of insulin Glargine. This would drive better growth over

the near to medium term. The new Biosimilar approvals would be subject to physical inspection by USFDA and would thus depend on easing of international travel restrictions. We expect 25% sales CAGR (partly on a low base of FY20) to INR40b over FY20-23E for the Biosimilars segment.

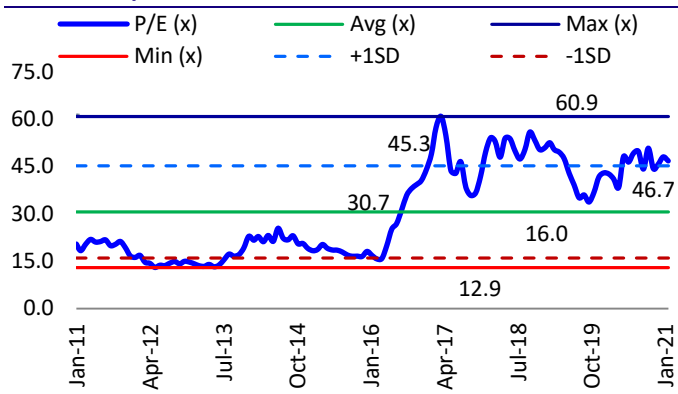
All segments drive performance in Research Services

Revenue from Research Services’ (Syngene) grew 9% YoY to INR5.8b in 9MFY21. The overall growth trajectory for the Research Services segment has been strengthening with each passing quarter. The COVID-19 pandemic has highlighted the resilience of the outsourcing model, with companies like Syngene continuing to deliver on client deliverables even when clients in the US and EU are experiencing difficulties due to COVID-led lockdowns. Going forward, Syngene is looking at more integrated projects, leveraging its capability in Biochemistry and Biologics. Investments in manufacturing facilities would aid in increasing the pocket share of clients. An increase in the number of customers and better traction from existing customers is expected to drive 13% revenue CAGR in Research Services over FY20-23E.

Valuation adequately factors a Biosimilars led upside in earnings

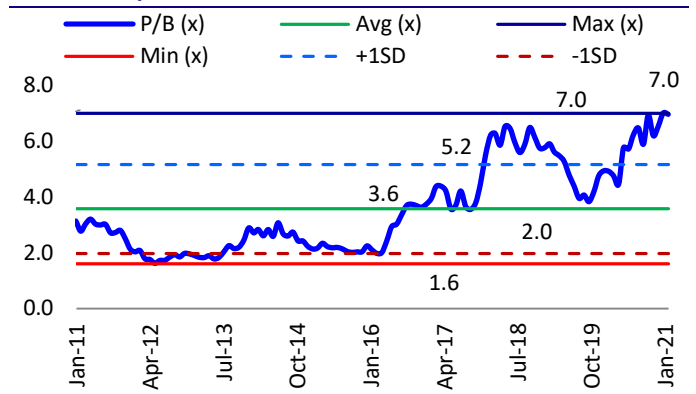
We lower our FY21E/FY22E/FY23E EPS estimate by 16%/12%/7%, factoring in a delay in: a) approvals for Biosimilars, b) award of tenders in emerging markets, c) gradual build-up of insulin Glargine business and reduced operating leverage. We expect 23% earnings CAGR over FY20-23E, led by a 25%/13% sales CAGR in Biologics/Research Services, and 140bp margin expansion. We value BIOS at 34x 12 months forward earnings to arrive at our price target of INR385/share (from INR430 earlier). Maintain Neutral.

Exhibit 8: P/E chart



Source: MOFSL, Company, Bloomberg

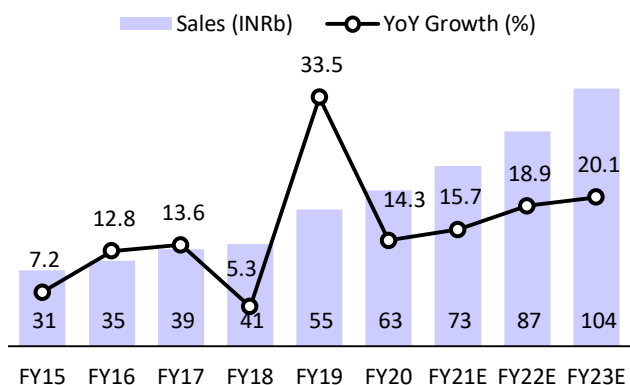
Exhibit 9: P/B chart



Source: MOFSL, Company, Bloomberg

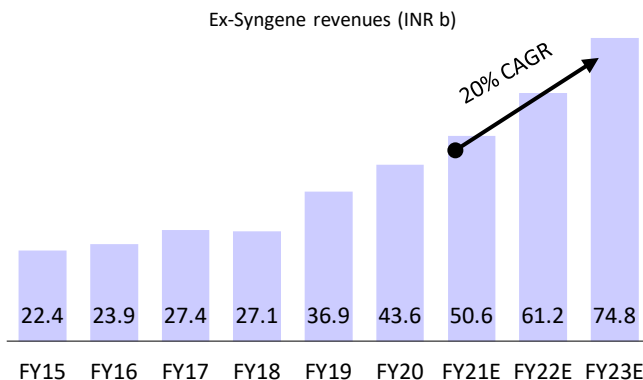
Story in charts

Exhibit 10: Expect ~18% revenue CAGR over FY20-23E



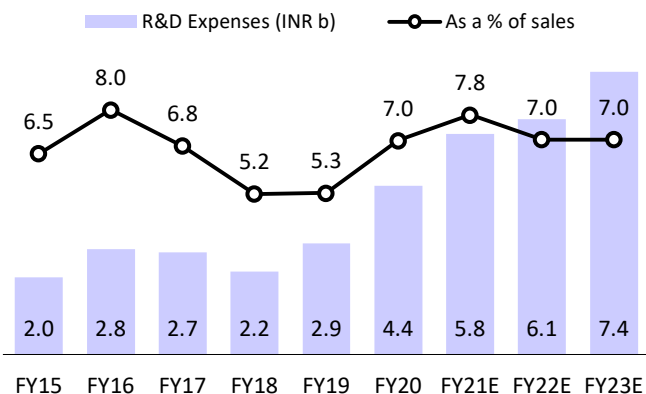
Source: MOFSL, Company

Exhibit 11: New launches/ramp-up to drive revenue excluding Syngene



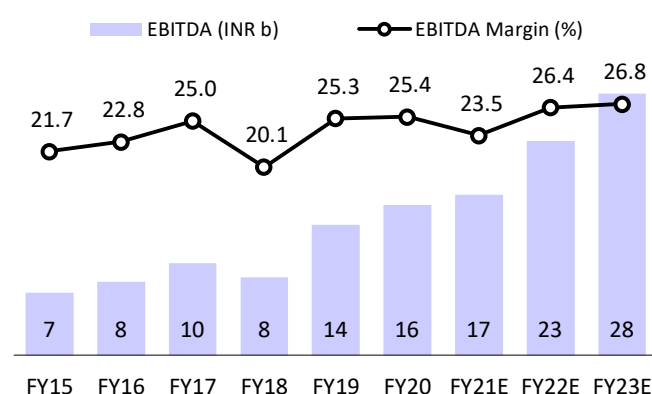
Source: MOFSL, Company

Exhibit 12: R&D spend to stabilize ~7% of sales by FY23E



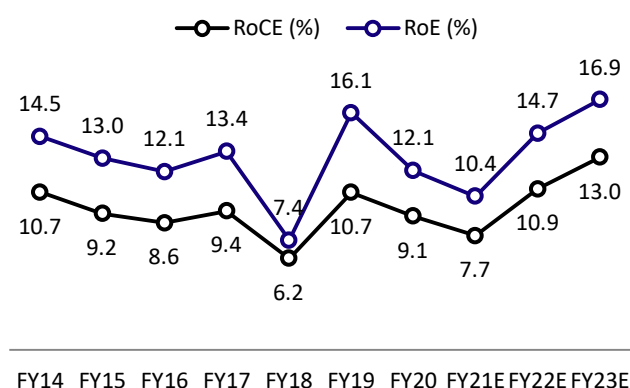
Source: MOFSL, Company

Exhibit 13: Superior product mix to drive margin



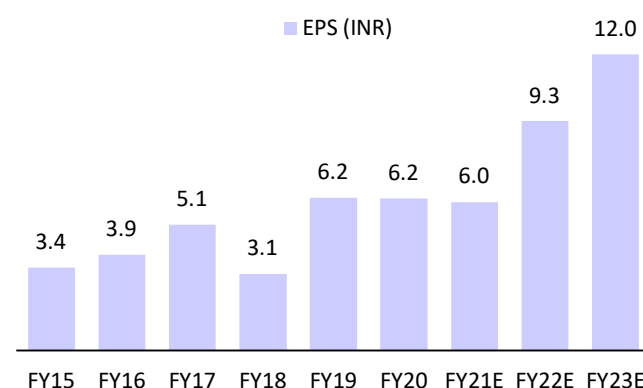
Source: MOFSL, Company

Exhibit 14: RoE on an upward trajectory



Source: MOFSL, Company

Exhibit 15: Expect 23% EPS CAGR over FY20-23E



Source: MOFSL, Company

Financials and valuations

Consolidated Income Statement

(INR m)

Y/E March	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21E	FY22E	FY23E
Net Income	28,527	30,592	34,507	39,216	41,297	55,144	63,005	72,897	86,663	104,039
Change (%)	17.5	7.2	12.8	13.6	5.3	33.5	14.3	15.7	18.9	20.1
Total Expenditure	21,902	23,940	26,654	29,421	33,006	41,211	46,974	55,800	63,779	76,152
EBITDA	6,625	6,652	7,853	9,795	8,291	13,933	16,031	17,098	22,884	27,888
Change (%)	36.5	0.4	18.1	24.7	-15.4	68.0	15.1	6.7	33.8	21.9
Margin (%)	23.2	21.7	22.8	25.0	20.1	25.3	25.4	23.5	26.4	26.8
Depreciation	2,036	2,210	2,423	2,772	3,851	4,478	5,522	7,193	7,953	8,713
EBIT	4,589	4,442	5,430	7,023	4,440	9,455	10,509	9,904	14,931	19,174
Int. and Finance Charges	17	89	102	260	615	709	649	315	284	271
Other Income - Rec.	805	837	1,192	1,571	2,062	1,444	1,614	875	1,000	1,200
Extraordinary income	0	1,051	5,754	0	0	1,946	675	-120		
PBT	5,377	6,241	12,274	8,334	5,887	12,136	12,149	10,345	15,647	20,104
Tax	1,069	957	2,569	1,616	1,569	2,123	3,151	2,276	3,521	4,624
Tax Rate (%)	19.9	15.3	20.9	19.4	26.7	17.5	25.9	22.0	22.5	23.0
Minority Interest	170	310	744	760	594	964	1227	919	965	1062
Adjusted PAT	4,137	4,023	4,646	5,958	3,690	7,441	7,410	7,228	11,161	14,418
PAT	4,137	4,084	4,411	5,958	3,724	9,053	7,769	7,114	11,161	14,418
Change (%)	26.5	-2.8	15.5	28.3	-38.1	101.7	-0.4	-2.5	54.4	29.2
Margin (%)	14.5	13.4	12.8	15.2	8.9	16.4	12.3	9.8	12.9	13.9

Consolidated Balance Sheet

(INR m)

Y/E March	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21E	FY22E	FY23E
Equity Share Capital	1,000	1,000	1,000	3,000	3,000	3,000	6,000	6,000	6,000	6,000
Other Reserves	29,258	31,697	39,329	45,368	48,808	57,980	61,058	66,091	73,988	84,190
Net Worth	30,267	32,706	40,338	48,377	51,808	60,980	67,058	72,091	79,988	90,190
Loans	8,497	10,306	24,673	22,054	19,201	18,028	19,797	16,797	13,797	10,797
Minority Interest	823	1,722	2,658	3,761	4,677	6,089	6,773	7,692	8,657	9,719
Deferred liabilities	6558	5934	3489	1964	2167	5816	13794	13748	13748	13748
Capital Employed	46,145	50,667	71,158	76,156	77,853	90,913	107,422	110,328	116,191	124,454
Gross Block	27,218	29,750	33,113	53,269	57,532	68,240	85,167	94,667	104,167	113,667
Less: Accum. Deprn.	11,711	13,943	16,302	17,740	21,235	25,713	31,235	38,428	46,382	55,095
Net Fixed Assets	15,507	15,807	16,811	35,529	36,297	42,527	53,932	56,239	57,785	58,572
Capital WIP	10,831	14,939	20,597	5,327	7,789	12,869	15,765	18,265	20,765	23,265
Investments	7,649	2,303	9,015	12,538	6,752	10,118	9,661	8,074	7,244	7,867
Intangibles	1,442	2,320	2,470	3,787	5,937	8,303	11,974	13,171	14,489	15,937
Curr. Assets	22,077	28,384	34,973	34,786	41,188	44,860	49,426	49,530	57,696	69,265
Inventory	3,766	4,527	5,424	6,353	7,225	10,316	14,359	15,578	17,807	21,378
Account Receivables	5,998	7,705	7,145	8,832	10,639	12,918	12,237	14,779	18,282	21,948
Cash and Bank Balance	8,044	9,375	15,386	10,443	13,228	10,572	9,986	4,993	4,749	5,701
Loans and Advances	4,269	6,777	7,018	9,158	10,096	11,054	12,844	14,180	16,858	20,238
Curr. Liability and Prov.	11,361	13,087	12,708	15,811	20,110	27,764	33,336	34,951	41,788	50,452
Account Payables	9,595	11,355	12,334	15,343	19,645	26,959	32,306	30,557	36,565	44,181
Provisions	1,766	1,732	374	468	465	805	1,030	4,394	5,224	6,271
Net Current Assets	10,716	15,297	22,265	18,975	21,078	17,096	16,090	14,579	15,908	18,813
Appl. of Funds	46,145	50,667	71,158	76,156	77,853	90,913	107,422	110,328	116,191	124,454

Financials and valuations

Ratios

Y/E March	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21E	FY22E	FY23E
Basic (INR)										
EPS	3.4	3.4	3.9	5.1	3.1	6.2	6.2	6.0	9.3	12.0
Cash EPS	5.1	5.2	5.7	7.3	6.3	11.3	11.1	11.9	15.9	19.3
BV/Share	25.2	27.2	33.6	40.3	43.2	50.8	55.9	60.1	66.7	75.2
DPS	0.8	0.8	0.8	1.0	1.0	0.5	1.6	1.5	2.3	3.0
Payout (%)	28.3	25.2	25.1	11.8	19.0	7.8	29.3	29.2	29.3	29.3
Valuation (x)										
P/E	114.0	117.2	101.5	77.0	126.6	63.4	63.6	65.2	42.3	32.7
Cash P/E	76.4	74.9	69.0	54.0	62.5	34.9	35.5	33.0	24.7	20.4
P/BV	15.6	14.4	11.7	9.8	9.1	7.7	7.0	6.5	5.9	5.2
EV/Sales	17.1	16.2	14.4	12.6	12.0	8.9	7.9	6.8	5.7	4.7
EV/EBITDA	73.7	74.3	63.1	50.5	59.7	35.4	30.9	29.2	21.7	17.7
Dividend Yield (%)	0.2	0.2	0.2	0.3	0.3	0.1	0.4	0.4	0.6	0.8
Return Ratios (%)										
RoE	14.5	13.0	12.1	13.4	7.4	16.1	12.1	10.4	14.7	16.9
RoCE	10.7	9.2	8.6	9.4	6.2	10.7	9.1	7.7	10.9	13.0
RoIC	18.5	17.2	17.1	15.3	6.7	14.5	12.0	10.2	14.2	17.3
Working Capital Ratios										
Fixed Asset Turnover (x)	1.9	2.0	2.1	1.5	1.1	1.4	1.3	1.3	1.5	1.8
Debtor (Days)	77	92	76	82	94	86	71	74	77	77
Inventory (Days)	48	54	57	59	64	68	83	78	75	75
Working Capital (Days)	34	71	73	79	69	43	35	48	47	46
Leverage Ratio (x)										
Current ratio	1.9	2.2	2.8	2.2	2.0	1.6	1.5	1.4	1.4	1.4
Net Debt/Equity	0.0	0.0	0.2	0.2	0.1	0.1	0.1	0.2	0.1	0.1

Consolidated Cash Flow Statement

(INR m)

Y/E March	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21E	FY22E	FY23E
Oper. Profit/(Loss) before Tax	6,625	6,652	7,853	9,795	8,291	13,933	16,031	17,098	22,884	27,888
Interest/Dividends Recd.	805	-114	-3,124	1,571	2,062	1,444	1,614	875	1,000	1,200
Direct Taxes Paid	800	-1,581	-5,014	-3,141	-1,366	1,526	4,827	-2,322	-3,521	-4,624
(Inc.)/Dec. in WC	876	-3,251	-956	-1,653	682	1,326	420	-3,483	-1,573	-1,952
CF from Operations	5,607	2,107	3,706	6,400	6,621	11,546	12,831	12,169	18,791	22,511
(Inc.)/Dec. in FA	-11,031	-6,618	-9,085	-6,220	-7,081	-15,788	-19,823	-12,000	-12,000	-12,000
Free Cash Flow	-5,424	-4,512	-5,379	180	-460	-4,242	-6,992	169	6,791	10,511
(Pur.)/Sale of Investments	-1,935	4,468	-6,862	-4,840	3,636	-5,732	-3,214	390	-487	-2,072
CF from investments	-9,381	-5,087	-11,417	-4,985	-6,806	-7,395	-15,589	-11,610	-12,487	-14,072
Change in Net Worth	354	-554	4,094	2,783	443	2,433	920	0	0	0
(Inc.)/Dec. in Debt	6,009	2,397	14,559	-2,276	-2,531	-725	1,226	-3,000	-3,000	-3,000
Interest Paid	-17	-89	-102	-260	-615	-709	-649	-315	-284	-271
Dividend Paid	-1,170	-1,030	-1,107	-702	-702	-702	-2,273	-2,117	-3,264	-4,217
Others	-915	1,482	-6,645	-1,285	861	-2,453	4,696	-114		
CF from Fin. Activity	4,260	2,206	10,799	-1,740	-2,544	-2,156	3,920	-5,545	-6,548	-7,487
Inc./Dec. of Cash	486	-774	3,088	-325	-2,729	1,995	1,162	-4,987	-244	952
Add: Beginning Balance	4,740	5,226	4,452	7,540	7,215	4,486	6,549	7,877	2,890	2,645
Closing Balance	5,226	4,452	7,540	7,215	4,486	6,549	7,877	2,890	2,645	3,597
FX	344	174	35	-113	4	112	536	536	536	536
Bank balances/Overdraft	2,474	4,749	7,811	3,341	8,738	3,911	1,573	1,573	1,573	1,573
Total Cash and cash Eq.	8,044	9,375	15,386	10,443	13,228	10,572	9,986	4,993	4,749	5,701

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Investment Rating	Expected return (over 12-month)
BUY	>=15%
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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