

# Gland Pharma

Estimate change



TP change



Rating change

**CMP: INR3,570**
**TP: INR4,240 (+19%)**
**Buy**

## Earnings growth momentum in sustainable mode

### On track to build complex product pipeline

- Gland Pharma (GLAND) delivered a slight miss on 3QFY22 earnings. Overall, 3QFY22 performance was driven by the India/ROW market. GLAND is on track to build its product pipeline as well as invest in manufacturing infrastructure in the complex categories of Peptides / Long-acting Injectables / Suspensions / Hormonal Products.
- We lower our EPS estimate by 5% for FY22/FY23, largely to factor in further delays in the export realization of Sputnik and supply disruption related to COVID. We remain positive on GLAND on the back of a) volume-led growth in existing molecules, b) new launches in the complex space, c) its entry into the Biotech segment through the CDMO route, and d) sufficient cash on the balance sheet for inorganic growth. We value GLAND at 35x 12M forward earnings to arrive at Target Price of INR4,240. Reiterate Buy.

	GLAND IN
Bloomberg	
Equity Shares (m)	164
M.Cap.(INRb)/(USDb)	586.5 / 7.9
52-Week Range (INR)	4350 / 2051
1, 6, 12 Rel. Per (%)	-8/-19/43
12M Avg Val (INR M)	914

### Financials & Valuations (INR b)

Y/E MARCH	2022E	2023E	2024E
Sales	44.1	56.3	69.3
EBITDA	15.6	20.4	25.8
Adj. PAT	12.4	16.2	20.5
EBITDA Margin (%)	32.8	33.8	35.0
Cons. Adj. EPS (INR)	75.7	98.9	125.5
EPS Gr. (%)	24.2	30.6	26.9
BV/Sh. (INR)	436.6	535.4	660.9

### Ratios

Net D:E	-0.5	-0.5	-0.5
RoE (%)	19.0	20.3	21.0
RoCE (%)	19.0	20.4	21.0
Payout (%)	0.0	0.0	0.0

### Valuations

P/E (x)	47.2	36.1	28.5
EV/EBITDA (x)	35.4	26.6	20.4
Div. Yield (%)	0.0	0.0	0.0
FCF Yield (%)	0.3	1.1	1.9
EV/Sales (x)	12.5	9.6	7.6

### Shareholding pattern (%)

As On	Dec-21	Sep-21	Dec-20
Promoter	58.0	58.0	58.4
DII	11.7	11.8	10.8
FII	11.3	11.0	12.7
Others	19.1	19.2	18.1

FII Includes depository receipts

### India/ROW – better operating leverage drives earnings

- 3QFY22 revenues grew 24% YoY to INR10.6b (our est: INR10.5b).
- RoW sales grew 88% YoY to INR2b (19% of sales). India sales were up 31% YoY to INR2b (18% of sales).
- Sales in the core markets (the US, EU, Canada, and Australia) grew 10.5% YoY to INR6.7b (63% of sales).
- The gross margin (GM) remained flat YoY at 52.7% on a stable product mix.
- The EBITDA margin expanded 210bp YoY to 32.8% (our estimate: 35.1%) owing to lower employee costs (down 190bp YoY as a % of sales) and lower other expenses (down 20bp YoY as % of sales).
- EBITDA was up 32% YoY to INR3.5b (our est: INR3.7b).
- Adj. PAT grew at a higher rate of ~34% YoY to INR2.7b (our estimate: INR2.9b), aided by higher other income.
- 9MFY22 sales/EBITDA/PAT grew 28%/19%/26% YoY to INR32.9b/INR11.6b/INR9.3b.

### Highlights from management commentary

- Gland filed four complex injectables in 3QFY22, including three hormonal products and one complex peptide. The overall addressable market size is USD980m. These filings may not trigger an inspection from regulatory agencies as the facilities are already compliant.
- The typical ANDA approval timeline is ~2 years post the filing.
- Gland indicated 1QFY23 would be the timeline for the Sputnik commercialization benefit, given the time required for documentation, production, and subsequent sample testing.
- Product approval is pending for the China market, subject to inspection, either virtual or physical.
- Profit share during the quarter has been 10%/8% in 3QFY22/9MFY22.

**Tushar Manudhane - Research Analyst** (Tushar.Manudhane@MotilalOswal.com)

**Gaurang Sakare - Research Analyst** (Gaurang.Sakare@motilalosal.com)

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

 Motilal Oswal research is available on [www.motilalosal.com/Institutional-Equities](http://www.motilalosal.com/Institutional-Equities), Bloomberg, Thomson Reuters, Factset and S&P Capital.

**Valuation and view**

- We reduce our EPS estimate by 5% for FY22/FY23, largely to factor in the deferment of the Sputnik V vaccine on account of regulatory hurdles and COVID-related supply chain issues.
- We expect a 29% earnings CAGR over FY22–24, led by a sales CAGR of 16% in the core markets, 23% in India, and 43% in ROW – supported by 200bp margin expansion over FY22–24E. We estimate INR1.8b vaccine sales for FY23 and INR3b in biologics sales in FY24.
- We value GLAND at 35x 12M forward P/E to arrive at Target Price of INR4,240. We remain positive on GLAND on the basis of a) its niche product pipeline in injectables, b) volume gains in existing products, c) wider market operations for its portfolio, d) a strong cash cushion for inorganic growth, and e) its consistent compliance.
- The benefits of complex product launches in the US and the biologics CDMO that are expected to be realized beyond FY23 would provide a further upside to our estimates.

**Consol. - Quarterly perf.**

(INR m)

Y/E March	FY21				FY22E				FY21	FY22E	FY22E	
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE			3QE	Var (%)
<b>Net Sales</b>	<b>8,842</b>	<b>8,315</b>	<b>8,594</b>	<b>8,877</b>	<b>11,539</b>	<b>10,804</b>	<b>10,633</b>	<b>11,093</b>	<b>34,629</b>	<b>44,070</b>	<b>10,492</b>	1.3
YoY Change (%)	31.1	22.7	33.1	39.8	30.5	29.9	23.7	25.0	31.5	27.3	22.1	
Total Expenditure	4,716	5,338	5,952	5,601	7,176	7,039	7,144	7,154	21,607	28,513	6,809	
<b>EBITDA</b>	<b>4,126</b>	<b>2,977</b>	<b>2,642</b>	<b>3,277</b>	<b>4,363</b>	<b>3,765</b>	<b>3,489</b>	<b>3,939</b>	<b>13,022</b>	<b>15,557</b>	<b>3,683</b>	-5.3
YoY Change (%)	56.8	23.7	24.8	36.6	5.7	26.5	32.0	20.2	36.3	19.5	39.4	
Margins (%)	46.7	35.8	30.7	36.9	37.8	34.9	32.8	35.5	37.6	35.3	35.1	
Depreciation	242	247	250	249	253	261	278	320	988	1,112	280	
Interest	5	8	12	10	10	10	12	15	34	47	10	
Other Income	321	204	351	472	618	512	457	529	1,348	2,115	540	
<b>PBT before EO expense</b>	<b>4,200</b>	<b>2,926</b>	<b>2,732</b>	<b>3,489</b>	<b>4,718</b>	<b>4,006</b>	<b>3,656</b>	<b>4,133</b>	<b>13,348</b>	<b>16,513</b>	<b>3,932</b>	-7.0
One-off income/(expense)	0	0	0	0	0	0	0	0	0	0	0	
<b>PBT</b>	<b>4,200</b>	<b>2,926</b>	<b>2,732</b>	<b>3,489</b>	<b>4,718</b>	<b>4,006</b>	<b>3,656</b>	<b>4,133</b>	<b>13,348</b>	<b>16,513</b>	<b>3,932</b>	-7.0
Tax	1,064	738	691	885	1,212	986	925	1,005	3,378	4,128	983	
Rate (%)	25.3	25.2	25.3	25.4	25.7	24.6	25.3	24.3	25.3	25.0	25.0	
<b>Reported PAT</b>	<b>3,136</b>	<b>2,189</b>	<b>2,041</b>	<b>2,604</b>	<b>3,506</b>	<b>3,020</b>	<b>2,730</b>	<b>3,128</b>	<b>9,970</b>	<b>12,385</b>	<b>2,949</b>	-7.4
<b>Adj PAT</b>	<b>3,136</b>	<b>2,189</b>	<b>2,041</b>	<b>2,604</b>	<b>3,506</b>	<b>3,020</b>	<b>2,730</b>	<b>3,128</b>	<b>9,970</b>	<b>12,385</b>	<b>2,949</b>	-7.4
YoY Change (%)	45.5	-8.9	32.5	59.8	11.8	38.0	33.8	20.1	29.0	24.2	44.5	

**Key performance Indicators (Consolidated)**

Y/E March	FY21				FY22E				FY21	FY22E
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE		
<b>Cost Break-up</b>										
RM Cost (% of Sales)	36.2	44.9	47.3	44.1	46.5	48.5	47.3	47.7	43.1	47.5
Staff Cost (% of Sales)	8.2	9.4	9.6	8.8	7.0	7.6	7.7	7.8	9.0	7.5
Other Cost (% of Sales)	9.0	9.8	12.4	10.2	8.7	9.0	12.2	9.0	10.3	9.7
Gross Margins(%)	63.8	55.1	52.7	55.9	53.5	51.5	52.7	52.3	56.9	52.5
EBITDA Margins(%)	46.7	35.8	30.7	36.9	37.8	34.9	32.8	35.5	37.6	35.3
EBIT Margins(%)	43.9	32.8	27.8	34.1	35.6	32.4	30.2	32.6	37.5	35.2

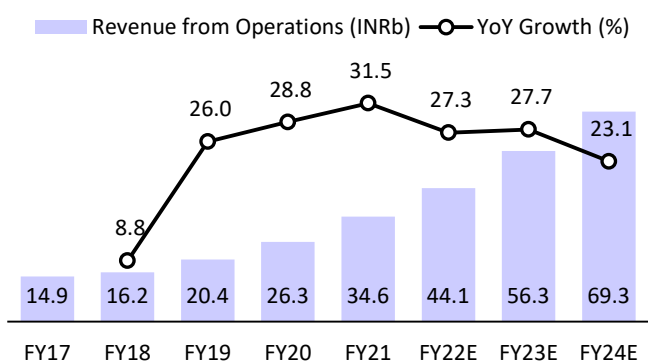


**Management call highlights**

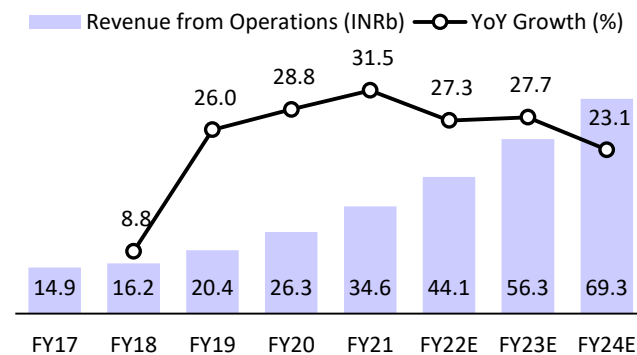
- Total capex stood at INR4.5b in 9MFY22. It would spend INR1b in 4QFY22, largely towards the vaccine facility.
- Gland would incur capex of INR3b in FY23E.
- It has INR32b in cash at end-9MFY22, implying significant scope for inorganic growth.
- Gland incurred higher R&D spending for the quarter, which is also reflected in the increased pace of filings in 3QFY22. It filed 18 ANDAs in 3QFY22 and 27 in total in 9MFY22.
- Both Micafungin and Enoxaparin products' off-take is good for Gland.

**Story in charts**

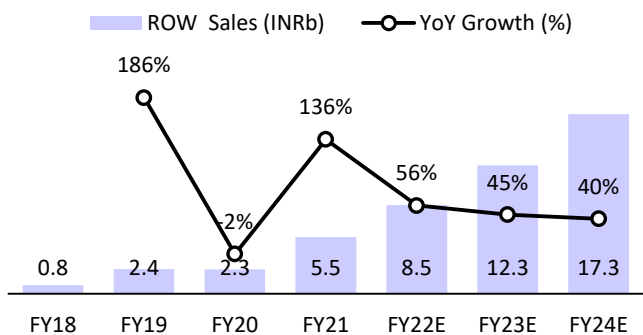
**Exhibit 1: Expect ~25% revenue CAGR over FY22–24**



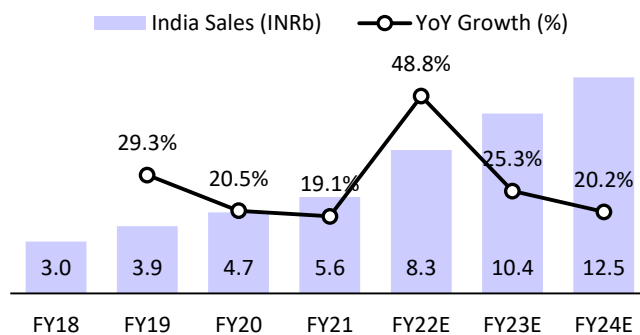
**Exhibit 2: Expect 16% core market sales CAGR over FY22–24**



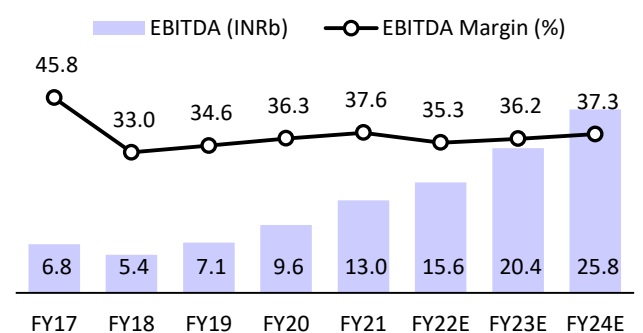
**Exhibit 3: Expect ~43% ROW sales CAGR over FY22–24**



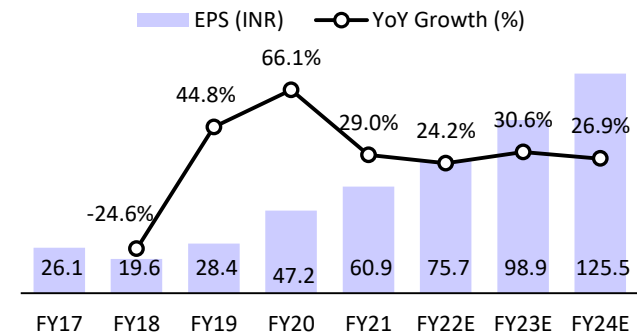
**Exhibit 4: Expect India sales CAGR of 23% over FY22–24**



**Exhibit 5: EBITDA margin to remain at ~29% over FY22–24E**



**Exhibit 6: Expect EPS CAGR of ~29% over FY22–24**



Source: Company, MOFSL

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## Complex injectables to drive growth

### Core markets – complex products to drive next phase of growth

- GLAND's core market sales grew ~21% YoY to INR20b in 9MFY22, accounting for 62% of sales. Core market revenues rose 10.5% YoY to INR6.7b in 3QFY22. The US accounted for 56% of total sales, while other countries in core markets – namely Europe, Canada, and Australia – accounted for 6% of total sales. Despite the decline in COVID-related product off-take in the core markets, Gland was able to deliver healthy growth owing to a wide product basket.
- GLAND completed four complex injectable filings in 3QFY22, including three hormonal products and one complex peptide, with a total market size of ~USD1b. Three of the four products are already generic, with two of them having one generic player in the market – this represents low competition and niche opportunity. Three of the four molecules are likely to be commercialized from 2HFY23. GLAND has also completed submission batches for the next set of three products and the filings for the same are expected by 2QFY23. Additionally, the 17 products approved, but yet to be launched, would provide near-term support to sales in the core markets, with further ongoing support from the new Enoxaparin sourcing deal.
- Based on its launch momentum, filing pace, the upside from recently launched products in the US, and the new Enoxaparin contract, we expect a 16% sales CAGR in the core markets over FY22–24.

### RoW markets continue on growth track

- ROW market sales grew 64% YoY to INR6.6b in 9MFY22, led by geographic expansion and new partnerships that drove deeper penetration in the existing portfolio of products. Revenue in 3QFY22 grew 88% YoY to INR2b, with strong demand from MENA, LatAm, and APAC.
- COVID-19 has aided faster expansion for GLAND in the RoW markets, even in non-COVID products. GLAND is using all levers – geographic expansion, new product launches, and volume expansion – to grow the RoW market business. It is also using its existing strong partnerships in other geographies to enter these markets.
- While the RoW markets' revenues have been around INR2b on a quarterly run-rate basis for the past three quarters, future growth would be driven by tenders in various countries. Revenues are expected to increase from 1QFY23.
- We expect GLAND to deliver an ROW sales CAGR of 43% to INR17b over FY22–24, with expansion now gaining momentum.

### Vaccine exports to commence shortly; progress on biologics continues

- After the joint inspection by CDSCO and DCA was completed at both the drug substance and drug product facilities in Dec'21, GLAND has received the permission to export 50m doses of the Sputnik Light vaccine. It awaits the manufacturing license from the government. It expects to export within 4–5 months.
- GLAND has smartly used the vaccine opportunity to enter the Biologics CDMO space. Although the biosimilars opportunity would likely be realized from FY24 and beyond, GLAND has started its journey in this regard. GLAND expects to

start working on biosimilars at the facility by 3QFY23, and by 1QFY24, the commercial benefit may start flowing gradually.

- By adding biologic CDMO capabilities, it is moving further into a more niche, low competition, and higher margin business years ahead of its Indian peers.

#### **US, RoW to drive sales; operating leverage to drive margin expansion**

- We reduce our EPS estimate by 5% for FY22/FY23, largely to factor in the deferment of the Sputnik V vaccine on account of regulatory hurdles and COVID-related supply chain issues.
- We expect a 29% earnings CAGR over FY22–24, led by a sales CAGR of 16% in the core markets, 23% in India, and 43% in ROW – supported by 200bp margin expansion over FY22–24E. We estimate INR1.8b vaccine sales for FY23 and INR3b in biologics sales in FY24.
- We value GLAND at 35x 12M forward P/E to arrive at Target Price of INR4,240. We remain positive on GLAND on the basis of a) its niche product pipeline in injectables, b) volume gains in existing products, c) wider market operations for its portfolio, d) a strong cash cushion for inorganic growth, and e) its consistent compliance.
- The benefits of complex product launches in the US and the biologics CDMO that are expected to be realized beyond FY23 would provide a further upside to our estimates.

## Financials and valuations

Consolidated - Income Statement						(INR m)		
Y/E March	FY17	FY18	FY19	FY20	FY21	FY22E	FY23E	FY24E
<b>Total Income from Operations</b>	<b>14,916</b>	<b>16,229</b>	<b>20,442</b>	<b>26,332</b>	<b>34,629</b>	<b>44,070</b>	<b>56,284</b>	<b>69,298</b>
Change (%)	9.9	8.8	26.0	28.8	31.5	27.3	27.7	23.1
<b>Total Expenditure</b>	<b>8,542</b>	<b>10,876</b>	<b>13,376</b>	<b>16,778</b>	<b>21,607</b>	<b>28,513</b>	<b>35,909</b>	<b>43,450</b>
% of Sales	57.3	67.0	65.4	63.7	62.4	64.7	63.8	62.7
<b>EBITDA</b>	<b>6,374</b>	<b>5,353</b>	<b>7,066</b>	<b>9,554</b>	<b>13,022</b>	<b>15,557</b>	<b>20,375</b>	<b>25,848</b>
Margin (%)	42.7	33.0	34.6	36.3	37.6	35.3	36.2	37.3
Depreciation	742	782	820	946	988	1,112	1,330	1,571
<b>EBIT</b>	<b>5,633</b>	<b>4,571</b>	<b>6,246</b>	<b>8,608</b>	<b>12,034</b>	<b>14,445</b>	<b>19,045</b>	<b>24,277</b>
Int. and Finance Charges	64	41	36	72	34	47	43	43
Other Income	336	488	856	1,392	1,348	2,115	2,420	2,772
<b>PBT bef. EO Exp.</b>	<b>5,905</b>	<b>5,017</b>	<b>7,067</b>	<b>9,928</b>	<b>13,348</b>	<b>16,513</b>	<b>21,422</b>	<b>27,006</b>
EO Items	0	0	-200	0	0	0	0	0
<b>PBT after EO Exp.</b>	<b>5,905</b>	<b>5,018</b>	<b>6,867</b>	<b>9,928</b>	<b>13,348</b>	<b>16,513</b>	<b>21,422</b>	<b>27,006</b>
Total Tax	1,643	1,804	2,345	2,200	3,378	4,128	5,248	6,481
Tax Rate (%)	27.8	36.0	34.1	22.2	25.3	25.0	24.5	24.0
<b>Reported PAT</b>	<b>4,262</b>	<b>3,213</b>	<b>4,522</b>	<b>7,728</b>	<b>9,970</b>	<b>12,385</b>	<b>16,173</b>	<b>20,524</b>
<b>Adjusted PAT</b>	<b>4,262</b>	<b>3,213</b>	<b>4,654</b>	<b>7,728</b>	<b>9,970</b>	<b>12,385</b>	<b>16,173</b>	<b>20,524</b>
Change (%)	28.1	-24.6	44.8	66.1	29.0	24.2	30.6	26.9
Margin (%)	27.9	19.2	21.9	27.9	27.7	26.8	27.6	28.5

Consolidated - Balance Sheet						(INR m)		
Y/E March	FY17	FY18	FY19	FY20	FY21	FY22E	FY23E	FY24E
Equity Share Capital	155	155	155	155	164	164	164	164
Preference Capital	63	63	63	63	0	0	0	0
Total Reserves	20,743	23,949	28,466	36,307	58,869	71,254	87,427	1,07,951
<b>Net Worth</b>	<b>20,898</b>	<b>24,104</b>	<b>28,621</b>	<b>36,462</b>	<b>59,032</b>	<b>71,417</b>	<b>87,591</b>	<b>1,08,115</b>
Total Loans	64	59	55	50	39	39	39	39
Deferred Tax Liabilities	854	958	1,076	741	739	739	739	739
<b>Capital Employed</b>	<b>21,816</b>	<b>25,121</b>	<b>29,752</b>	<b>37,252</b>	<b>59,810</b>	<b>72,195</b>	<b>88,368</b>	<b>1,08,893</b>
Gross Block	10,055	10,545	12,196	13,478	14,327	19,880	24,450	27,914
Less: Accum. Deprn.	1,339	2,118	2,908	3,797	4,785	5,897	7,227	8,797
<b>Net Fixed Assets</b>	<b>8,716</b>	<b>8,426</b>	<b>9,288</b>	<b>9,681</b>	<b>9,542</b>	<b>13,983</b>	<b>17,224</b>	<b>19,117</b>
Goodwill on Consolidation	0	0	0	0	0	0	0	0
Capital WIP	1,612	1,989	1,232	1,885	3,378	3,526	2,455	1,991
<b>Curr. Assets, Loans&amp;Adv.</b>	<b>14,410</b>	<b>18,868</b>	<b>24,707</b>	<b>29,295</b>	<b>52,040</b>	<b>61,429</b>	<b>77,041</b>	<b>97,691</b>
Inventory	3,787	5,128	9,119	7,563	12,752	14,452	17,709	21,189
Account Receivables	4,179	4,752	5,061	6,018	6,710	10,021	12,953	15,378
Cash and Bank Balance	5,331	6,511	7,534	13,252	30,058	33,747	42,281	56,078
Loans and Advances	1,113	2,476	2,994	2,462	2,521	3,209	4,098	5,045
<b>Curr. Liability &amp; Prov.</b>	<b>2,922</b>	<b>4,163</b>	<b>5,473</b>	<b>3,608</b>	<b>5,150</b>	<b>6,743</b>	<b>8,351</b>	<b>9,906</b>
Account Payables	2,003	3,057	4,568	2,677	4,007	5,288	6,493	7,619
Other Current Liabilities	896	956	765	649	892	1,135	1,449	1,784
Provisions	22	150	139	282	251	320	408	503
<b>Net Current Assets</b>	<b>11,488</b>	<b>14,706</b>	<b>19,234</b>	<b>25,687</b>	<b>46,890</b>	<b>54,686</b>	<b>68,690</b>	<b>87,785</b>
<b>Appl. of Funds</b>	<b>21,816</b>	<b>25,121</b>	<b>29,752</b>	<b>37,252</b>	<b>59,810</b>	<b>72,195</b>	<b>88,368</b>	<b>1,08,892</b>



## Financials and valuations

<b>Ratios</b>	<b>(INR m)</b>							
<b>Y/E March</b>	<b>FY17</b>	<b>FY18</b>	<b>FY19</b>	<b>FY20</b>	<b>FY21</b>	<b>FY22E</b>	<b>FY23E</b>	<b>FY24E</b>
<b>Basic (INR)</b>								
<b>EPS</b>	<b>26.1</b>	<b>19.6</b>	<b>28.4</b>	<b>47.2</b>	<b>60.9</b>	<b>75.7</b>	<b>98.9</b>	<b>125.5</b>
Cash EPS	32.3	25.8	35.3	56.0	67.0	82.5	107.0	135.1
BV/Share	134.8	155.5	184.7	235.2	360.9	436.6	535.4	660.9
DPS	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Payout (%)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Valuation (x)</b>								
P/E	137.0	181.7	125.5	75.6	58.6	47.2	36.1	28.5
Cash P/E	110.6	138.5	101.1	63.8	53.3	43.3	33.4	26.4
P/BV	26.5	23.0	19.3	15.2	9.9	8.2	6.7	5.4
EV/Sales	36.7	33.7	26.7	20.5	16.0	12.5	9.6	7.6
EV/EBITDA	86.0	102.2	77.2	56.5	42.5	35.4	26.6	20.4
Dividend Yield (%)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
FCF per share	23.3	7.5	3.2	34.2	23.0	9.9	37.6	67.7
<b>Return Ratios (%)</b>								
RoE	22.6	14.3	17.7	23.7	20.9	19.0	20.3	21.0
RoCE	22.1	14.4	17.7	23.9	20.9	19.0	20.4	21.0
RoIC	28.4	18.7	21.9	31.2	37.1	35.3	36.6	39.1
<b>Working Capital Ratios</b>								
Asset Turnover (x)	1.5	1.5	1.7	2.0	2.4	2.2	2.3	2.5
Inventory (Days)	93	115	163	116	134	120	115	112
Debtor (Days)	102	107	90	83	71	83	84	81
Creditor (Days)	49	69	82	37	42	44	42	40
<b>Leverage Ratio (x)</b>								
Net Debt/Equity	-0.3	-0.3	-0.3	-0.4	-0.5	-0.47	-0.5	-0.5

<b>Consolidated - Cash Flow Statement</b>	<b>(INR m)</b>							
<b>Y/E March</b>	<b>FY17</b>	<b>FY18</b>	<b>FY19</b>	<b>FY20</b>	<b>FY21</b>	<b>FY22E</b>	<b>FY23E</b>	<b>FY24E</b>
OP/(Loss) before Tax	5,780	5,016	6,864	9,929	13,348	16,513	21,422	27,006
Depreciation	742	782	820	946	988	1,112	1,330	1,571
Interest & Finance Charges/ (Income)	-128	-240	-408	-452	28	-2,068	-2,377	-2,729
Direct Taxes Paid	-1,614	-1,571	-2,235	-2,441	-3,114	-4,128	-5,248	-6,481
(Inc)/Dec in WC	-109	-1,934	-3,540	-799	-4,358	-4,107	-5,470	-5,298
<b>CF from Operations</b>	<b>4,671</b>	<b>2,052</b>	<b>1,501</b>	<b>7,181</b>	<b>6,893</b>	<b>7,322</b>	<b>9,657</b>	<b>14,068</b>
Others	94	-32	350	-172	-843	0	0	0
<b>CF from Operating incl EO</b>	<b>4,765</b>	<b>2,019</b>	<b>1,851</b>	<b>7,009</b>	<b>6,049</b>	<b>7,322</b>	<b>9,657</b>	<b>14,068</b>
(Inc)/Dec in FA	-1,161	-850	-1,352	-1,708	-2,283	-5,700	-3,500	-3,000
<b>Free Cash Flow</b>	<b>3,604</b>	<b>1,169</b>	<b>499</b>	<b>5,302</b>	<b>3,766</b>	<b>1,622</b>	<b>6,157</b>	<b>11,068</b>
(Pur)/Sale of Investments	0	0	0	0	-13,576	0	0	0
Others	159	-2,736	-1,834	-5,902	619	2,115	2,420	2,772
<b>CF from Investments</b>	<b>-1,002</b>	<b>-3,587</b>	<b>-3,186</b>	<b>-7,610</b>	<b>-15,240</b>	<b>-3,585</b>	<b>-1,080</b>	<b>-228</b>
Issue of Shares	0	3,977	0	0	12,250	0	0	0
Inc/(Dec) in Debt	-1,107	-5	-4	-7	-9	0	0	0
Interest Paid	-58	-31	-25	-62	-23	-47	-43	-43
Dividend Paid	0	0	0	0	0	0	0	0
<b>CF from Fin. Activity</b>	<b>-1,164</b>	<b>-36</b>	<b>-29</b>	<b>-69</b>	<b>12,386</b>	<b>-47</b>	<b>-43</b>	<b>-43</b>
<b>Inc/Dec of Cash</b>	<b>2,599</b>	<b>-1,603</b>	<b>-1,364</b>	<b>-669</b>	<b>3,195</b>	<b>3,690</b>	<b>8,534</b>	<b>13,797</b>
Opening Balance	2,732	5,331	3,728	2,363	1,694	4,889	8,579	17,113
<b>Closing Balance</b>	<b>5,331</b>	<b>3,728</b>	<b>2,363</b>	<b>1,694</b>	<b>4,889</b>	<b>8,579</b>	<b>17,113</b>	<b>30,910</b>
Term Deposit with Banks	0	2,784	5,170	11,558	25,168	25,168	25,168	25,168
<b>Total Cash &amp; Cash Eq</b>	<b>5,331</b>	<b>6,512</b>	<b>7,533</b>	<b>13,252</b>	<b>30,057</b>	<b>33,747</b>	<b>42,281</b>	<b>56,078</b>

NOTES



Explanation of Investment Rating	
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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