



TRANSRAIL



# Transrail Lightings Limited

## Transrail Lightings Limited

<b>Rating</b> SUBSCRIBE	<b>Issue Opens On</b> Dec 19, 2024	<b>Issue Closes On</b> Dec 23, 2024	<b>Listing Date</b> Dec 27, 2024	<b>Price Band (INR)</b> 410 - 432	<b>Issue Size (INR Mn)</b> 7,962 – 8,389
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### Company Overview:

- Transrail Lighting Limited (Transrail) is an Indian engineering, procurement and construction (EPC) company that specializes in the power transmission and distribution business. The company has integrated manufacturing facilities, as it produces key components like lattice structures, conductors and monopoles in-house.
- Transrail caters to a wide range of clients, both domestically and internationally. In India, its client base includes central public sector undertakings under the Ministry of Power, state government-run power companies and private power transmission and distribution companies. Internationally, they have a presence in 58 countries across Asia, the Americas, Europe and Africa.
- The company has grown significantly, completing over 200 power transmission and distribution projects.
- As of June 30, 2024, the company has executed EPC projects for 34,654 circuit kilometers (cKm) of transmission lines and 30,000 cKm of distribution lines, both within India and globally.

### Outlook and Valuation:

Transrail Lightings Limited stands out with a robust order book of INR 1,02,130 million, 91% of it is concentrated in the Transmission & Distribution (T&D) segment. Overall, the company is providing strong revenue visibility in the near to medium-term. Over 60% of the current order book is contributed by international projects. The company's extensive in-house manufacturing capabilities for towers, poles and cables offer a competitive edge, ensuring better control over quality and costs. For FY24, company delivered a healthy EBITDA margin of 12% and a Net Profit Margin (NPM) of 7%, leading to strong return ratios, with ROE at 24% and ROCE at 29%, reflecting operational efficiency and effective capital deployment. Valuation multiples of 25x P/E and 13x EV/EBITDA appear reasonable, considering the higher-than-usual margins reported in FY24. The robust order book for sustained growth, outweighs concerns over concentration risks and execution challenges. Given these factors, we assign a **SUBSCRIBE** rating.

Particulars (INR Mn)	FY22	FY23	FY24
Revenue	23,500	31,522	40,765
EBITDA	2,062	2,930	4,752
EBITDA Margin (%)	9%	9%	12%
Profit After Tax	647	1,076	2,332
PAT Margin (%)	3%	3%	6%
Net Worth	6,630	7,714	11,391
RONW (%)	11%	15%	22%

Source: IPO Prospectus, DevenChoksey Research

### OFFER STRUCTURE

Particulars	IPO Details
No. of shares under IPO (Mn)	19.4
Fresh issue (# shares) (Mn)	9.26
Offer for sale (# shares) (Mn)	10.16
Price band (INR)	410 – 432
Post issue MCAP (INR Mn)	55,045 – 57,999

Source: IPO Prospectus

Issue	# Shares	INR Mn	%
QIB	97,09,630	Max 4,195	Not more than 50%
NIB	29,12,889	Min 1,258	Not less than 15%
Retail	67,96,741	Min 2,936	Not less than 35%
Net Offer	1,94,19,259	8,389	100%

Source: IPO Prospectus

Shareholding Pattern	Pre-Issue (%)	Post-Issue (%)
Promoters & Promoters Group	85%	79%
Others	15%	21%
<b>Total</b>	<b>100%</b>	<b>100%</b>

Source: IPO Prospectus

Objects of the Offer	Mn
1. Funding incremental working capital requirements	2,500
2. Funding capital expenditure	907
3. General corporate purposes	593

Source: IPO Prospectus

BRLM
Inga Ventures Private Limited
Axis Capital Limited
HDFC Bank Limited
IDBI Capital Markets & Securities Limited
Link Intime India Private Limited

Source: IPO Prospectus

Indicative Timetable	
Offer Closing Date	Monday 23 <sup>rd</sup> Dec'24
Finalization of Basis of Allotment with Stock Exchange	Tuesday 24 <sup>th</sup> Dec'24
Initiation of Refunds	Thursday 26 <sup>th</sup> Dec'24
Credit of Equity Shares to Demat accounts	Thursday 26 <sup>th</sup> Dec'24
Commencement of Trading of Eq. shares on NSE	Friday 27 <sup>th</sup> Dec'24

Source: IPO Prospectus

# Transrail Lightings Limited

## Company Overview

### History of the Company

**Transrail Lighting Limited**, was incorporated on February 18, 2008, as a wholly-owned subsidiary of Associated Transrail Structures Limited (ATSL). ATSL subsequently merged with Gammon India Limited (GIL) with effect from April 1, 2008. This merger resulted in GIL becoming the promoter of Transrail, as ATSL ceased to exist.

In January 2016 Ajanma Holdings Private Limited (AHPL), now one of Transrail's promoters, acquired 75% of Transrail's equity shares from GIL. This transaction involved a Business Transfer Agreement (BTA) and a Scheme of Arrangement, transferring GIL's T&D business to Transrail. The company's initial focus was on integrated pole manufacturing, leveraging state-of-the-art manufacturing capabilities. This acquisition transformed Transrail into a full-fledged integrated transmission and distribution company.

As on date of RHP, GIL still holds 0.31% of Transrail's equity share capital.

### Business Model

Transrail is a comprehensive EPC (Engineering, Procurement and Construction) service provider. The company handles a project from its initial conceptualization and design to the final construction and commissioning stages. The company has 4 segments:

- Power Transmission and Distribution:** Designing, manufacturing, testing, supplying, erecting and commissioning power transmission lines and substations up to 765 kV.
- Civil Construction:** Executing specialized projects, including the construction of bridges and tunnels.
- Poles and Lighting:** Manufacturing and supplying poles for various applications like high masts, streetlights, solar streetlights, distribution monopoles and stadium lighting.
- Railway Projects:** Providing services for earthwork, tunneling, bridge construction, electrification, signaling and telecom.

### 80% of Revenues from Transmission & Distribution

Revenue (INR Mn)	FY22	%	FY23	%	FY24	%	FY22-FY24 CAGR %
Power T&D	15,359	67%	24,066	78%	33,611	84%	48%
Civil construction	4,420	19%	3,318	11%	3,741	9%	-8%
Railways	1,521	7%	1,761	6%	974	2%	-20%
Poles and lighting	1,541	7%	1,717	6%	1,766	4%	7%
<b>Total</b>	<b>22,841</b>	<b>100%</b>	<b>30,861</b>	<b>100%</b>	<b>40,092</b>	<b>100%</b>	<b>27%</b>

Source: IPO Prospectus, DevenChoksey Research

### Design and Engineering

Transrail's design and engineering team comprised 114 employees with a combined experience of over 17,000 man-months. The team is divided into specialized groups focusing on each of Transrail's business verticals.

The design and engineering team has been instrumental in Transrail's success in executing complex projects. This team of skilled engineers and detailers use software like PLS Tower, Bocad, Staad Pro and PLS CAAD to design and test power transmission and distribution structures, including lattice and monopole designs. This expertise helps the company to create customized solutions for clients. Some of the recent achievements include successfully designing extra high river crossing towers and India's first 1200 kV transmission lines.

## Transrail Lightings Limited

### Company Overview

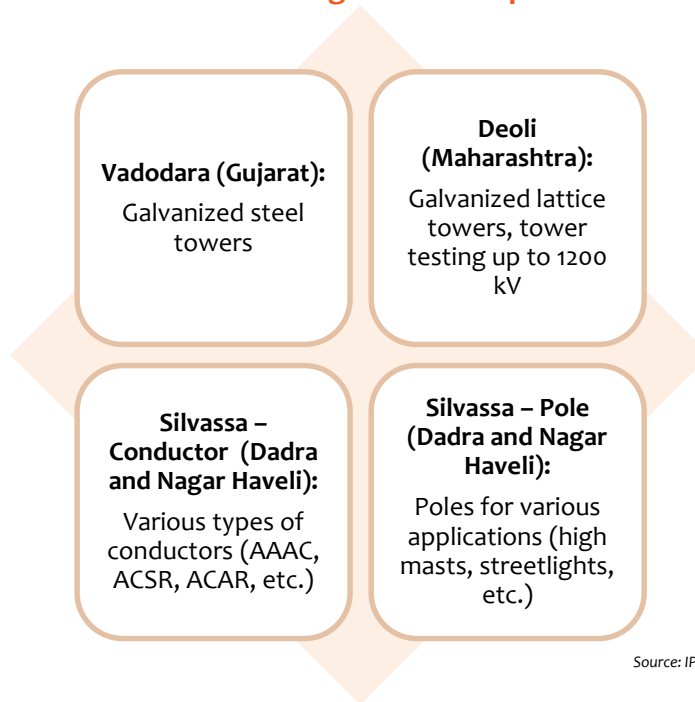
#### Manufacturing Facilities:

	FY22 to FY24	FY22	FY23	FY24
	Installed Capacity (MT)	Capacity Utilisation (%)	Capacity Utilisation (%)	Capacity Utilisation (%)
Deoli	50,000	88%	95%	97%
Vadodara	30,000	81%	94%	96%
Silvassa (Pole)	12,000	81%	65%	81%
Silvassa (Conductor)	48,000	11%	49%	99%

Source: IPO Prospectus, DevenChoksey Research

\*Silvassa (conductor) Approved capacity as per PCC- D&D and DNH Consent is 28000 MT / year with effect from March 9, 2021 with product mix of various types of conductors. The equivalent approved capacity in terms of ACSR Moose Conductor is 48000 MT.

### Manufacturing Facilities & products



Source: IPO Prospectus, DevenChoksey Research

#### Procurement:

The company manufactures a significant portion of its EPC project components in-house, including lattice transmission towers, conductors and poles, it relies on outsourcing for certain components and materials.

#### Outsourced Components:

**Bought-Out Items:** The company procures some components from external suppliers viz. insulators, hardware fittings, OPGW, transformers and other ancillary materials for tower and conductor manufacturing. Towers and conductors, produced in-house, typically account for 60% of transmission line project costs, while bought-out raw materials and ancillary items make up around 10%. These materials are sourced both domestically and internationally, including from countries like China, with long-term agreements for aluminum and steel procurement.

**Specialized Construction Equipment:** Based on project specific requirements Transrail leases or purchases specialized additional construction equipment.

## Transrail Lightings Limited

### Client Base

The company caters to a wide range of clients, both in India and internationally. The client base includes:

- **Domestic Clients:** Central public sector undertakings under the Ministry of Power, state government-run power companies and private power transmission and distribution companies.
- **International Clients:** Transrail has a broad international presence with a footprint in 58 countries across Asia, the Americas, Europe and Africa. The company's international clients primarily include governmental authorities in various countries. Transrail Lighting Limited generally takes export orders that are either funded by multilateral funding agencies (such as the World Bank, African Development Bank, Asian Development Bank etc.) or are backed by letters of credit.

### Revenue from Domestic operations by client type

Revenue (INR Mn)	FY22	%	FY23	%	FY24	%
Central PSU	8,477	60%	9,120	63%	13,480	81%
Private Parties	3,888	27%	4,408	31%	2,978	18%
State Boards	1,804	13%	859	6%	159	1%
<b>Total Revenue</b>	<b>14,170</b>	<b>100%</b>	<b>14,388</b>	<b>100%</b>	<b>16,619</b>	<b>100%</b>

Source: IPO Prospectus, DevenChoksey Research

### Geographical Revenue Split

Revenue (INR Mn)	FY22	%	FY23	%	FY24	%
In India	14,170	62%	14,388	47%	16,619	41%
Outside India	8,671	38%	16,473	53%	23,473	59%
<b>Total</b>	<b>22,841</b>	<b>100%</b>	<b>30,861</b>	<b>100%</b>	<b>40,092</b>	<b>100%</b>

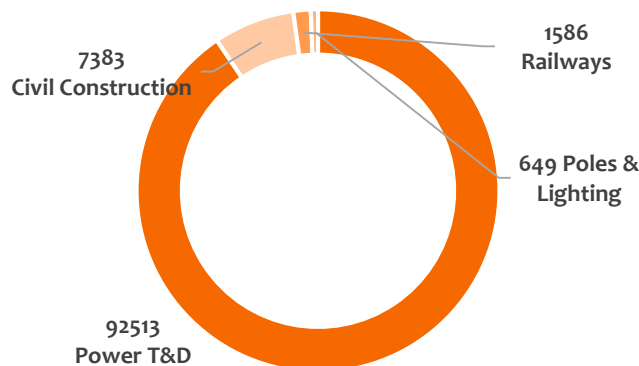
Source: IPO Prospectus, DevenChoksey Research

### New order inflow by vertical

Vertical (INR Mn)	FY22	FY23	FY24
Power T&D	26,645	64,335	39,178
Civil construction	2,560	0	2,149
Poles and lighting	426	507	1,726
Railways	4,628	0	782
<b>Total</b>	<b>34,259</b>	<b>64,842</b>	<b>43,835</b>

Source: IPO Prospectus, DevenChoksey Research

### Order Book of INR 102,131 Mn as on 30<sup>th</sup> June 2024



Source: IPO Prospectus, DevenChoksey Research

## Transrail Lightings Limited

### Peers

Particulars	Transrail Lighting	Skipper Ltd	Kalpataru Projects International Ltd	KEC International
Order Book (INR Mn) as of Sep 30, 2024	1,02,130*	65,900	6,06,310	3,40,880
<b>T&amp;D Orderbook % of Total</b>	<b>91%</b>	<b>77%</b>	<b>37%</b>	<b>55%</b>
<b>Manufacturing Capacity (MTPA)</b>				
Tower / Poles / Hardware	92,000	3,00,000	2,40,000	3,72,200
Cables	28,000	NA	NA	45,750**
<b>Inhouse Manufacturing for T&amp;D</b>				
Tower, Poles				
Hardware				
Cables				
Transformers & Switchgears				
<b>Revenue Split (%)</b>				
T&D	84%	NA	37%	54%
Others	16%	NA	63%	46%
Market Cap (INR Mn)	57,999	65,820	2,15,240	3,15,300
EV (INR Mn)	62,433	71,994	2,56,180	3,53,250
<b>Financials (FY24)</b>				
Revenue (INR Mn)	40,765	32,820	1,96,260	1,99,140
EBITDA (INR Mn)	4,752	3,210	18,140	13,530
<b>Operating Margin</b>	<b>12%</b>	<b>10%</b>	<b>9%</b>	<b>7%</b>
PAT (INR Mn)	2332	750	5,160	3,470
<b>NPM</b>	<b>6%</b>	<b>2%</b>	<b>3%</b>	<b>2%</b>
<b>Valuation Multiple<sup>#</sup></b>				
Price to Sales	1.4 x	2.0 x	1.1 x	1.6 x
Price to Earnings	25 x	88 x	42 x	91 x
EV/EBITDA	13 x	22 x	14 x	26 x
<b>Return Ratios (%)</b>				
ROE	24%	9%	10%	9%
ROCE	29%	20%	16%	16%

Source: IPO Prospectus, DevenChoksey Research

\*Transrail's order book is as of 30<sup>th</sup> June, 2024

\*\*KEC's Power cable and Instrumentation cables capacity is in km per annum as of March 31, 2024.

# Transrail Lightings Limited

## Industry Overview

### Indian Power Transmission Segment

The power transmission segment plays a fundamental role in the electricity supply chain, ensuring the seamless transfer of electricity from generation sites to consumers through a network of high-voltage transmission lines, substations and transformers. The system’s primary objective is to ensure reliability, efficiency and minimal energy loss while catering to the dynamic demands of electricity across regions.

In India, the transmission sector has evolved into a well-organized structure comprising:

- 1. Distribution Networks:** Operated by state distribution utilities, these are responsible for supplying electricity to end-users.
- 2. State Grids:** Managed by state transmission utilities (STUs), these handle inter-district power flow within states.
- 3. Regional Grids:** These are interconnected networks managed by the Power Grid Corporation of India Limited (PGCIL), facilitating inter-state and inter-regional energy transfer.

The T&D system in India operates at several voltage levels:

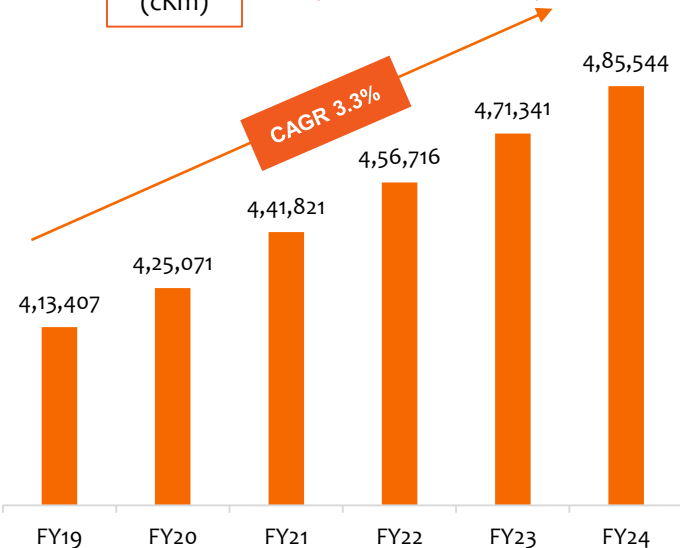
- **Extra high voltage (EHV):** 765 kV, 400 kV and 220 kV
- **High voltage:** 132 kV and 66 kV
- **Medium voltage:** 33 kV, 11 kV, 6.6 kV and 3.3 kV
- **Low voltage:** 1.1 kV, 220 volts and below

### Market Size and Growth:

India has seen considerable growth in its transmission network, driven by rising electricity demand and renewable energy integration.

**Total transmission line network in the country**

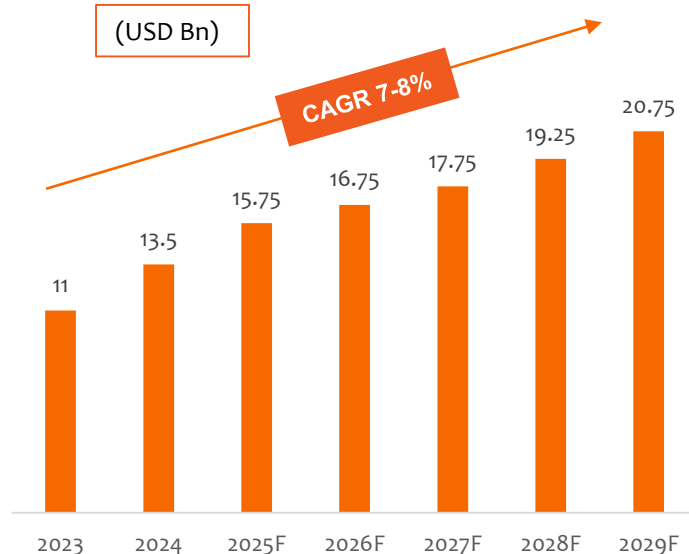
(cKm) (220 kV and above)



Source: IPO Prospectus, DevenChoksey Research

**Expected T&D EPC Market for India**

(USD Bn)

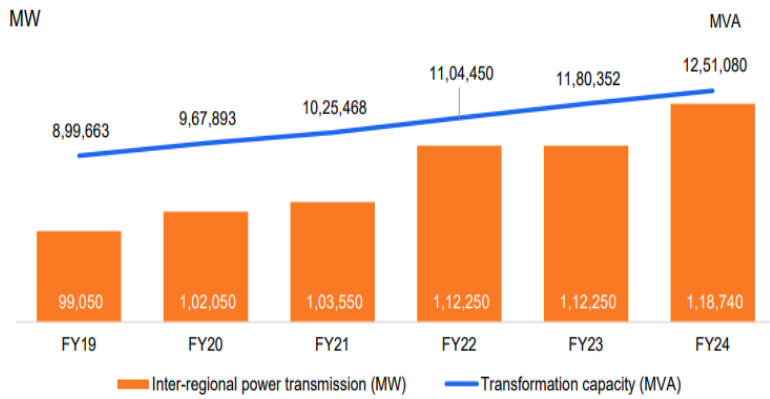


Source: IPO Prospectus, DevenChoksey Research

# Transrail Lightings Limited

## Industry Overview

### Growth in transformation capacity and inter-regional power transmission capacity:



- Inter-regional power transmission capacity of the National Grid has grown strongly from 99,050 MW in FY19 to 1,18,740 MW in FY24, at a CAGR of 3.7%.
- Subsequently, transformation capacity rose from 8,99,663 MVA in FY19 to 12,51,080 MVA in FY24, growing at a CAGR of ~6.8%.

Source: IPO Prospectus, DevenChoksey Research

### Planned Transmission capacity additions by CEA till 2030:

Transmission System Type / Voltage Class	Unit	Capacity Additions till 2030
800 kV	ckm	6,200
350 kV	ckm	1,920
765 kV	ckm	25,960
400 kV	ckm	15,758
220 kV cable	ckm	1,052
<b>Total Transmission Lines</b>	<b>ckm</b>	<b>50,890</b>
800 kV	MVA	20,000
350 kV	MVA	5,000
765 kV	MVA	2,74,500
400 kV	MVA	1,34,075
220 kV cable	MVA	0
<b>Total Substations</b>	<b>MVA</b>	<b>4,33,575</b>

Source: IPO Prospectus, DevenChoksey Research

### Inter-regional capacity addition till 2030:

Inter-regional Capacity	Capacity Additions till 2030 (MW)
West – East	22,790
West – North	62,720
West – South	28,120
North – East	22,530
South – East	7,830
East – Northeast	2,860
Northeast – North	3,000
<b>Total</b>	<b>1,49,850</b>

Source: IPO Prospectus, DevenChoksey Research

## Transrail Lightings Limited

### Strategies:

#### Leverage its technical expertise, specialized domain knowledge and experience to expand its core competencies in power transmission and distribution segment, both domestic and international:

- The company is primarily engaged in power transmission and distribution, a segment that significantly contributed to its 2024 revenue.
- It has vertically integrated by manufacturing key components and benefited from India's focus on rural electrification, leading to infrastructure growth.
- The Indian power transmission EPC market is expected to reach USD 20.5-21 Bn by 2029, driven by rising electricity demand and smart grid adoption.
- The company plans to expand its product range and enter new markets while enhancing its substations and cabling operations, leveraging domestic experience to foster international growth.

#### Expand the EPC portfolio into other allied/ancillary infrastructure sectors:

- The company is strengthening its EPC business both domestically and internationally by leveraging government infrastructure initiatives.
- It plans to expand into bridges, tunnels and hydro power through the acquisition of Gammon Engineers and Contractors' BH business, as well as enter the solar EPC market with projects like solar rooftops.
- Aiming to reduce reliance on third parties, it is enhancing in-house capabilities and leveraging its global experience in 58 countries to broaden its civil construction, poles, lighting and railways sectors into international markets.

#### Focusing on expanding the market for its conductors and to leverage the new age HTLS conductors:

- The company has broadened its offerings at the Silvassa factory, producing both traditional and advanced conductors like high temperature (HTC) and high-temperature low-sag (HTLS) models.
- With rising global electricity demands and a shift towards renewable energy, HTCs are becoming popular for its efficiency and capacity to handle increased loads.
- Despite its higher upfront costs, these conductors provide long-term benefits in sustainability and efficiency.
- The company is capitalizing on this trend by innovating and producing a variety of advanced conductor types to support more sustainable and effective power transmission solutions.

#### Expanding the international business:

- The company aims to expand its presence in regions like Africa, SAARC, Southeast Asia, Latin America and the Middle East by securing more orders and leveraging its experience.
- It plans to capitalize on increasing global electricity demands and substantial infrastructure investments, with significant projects planned in China and India.
- The company is also targeting developed markets like Australia and enhancing operational efficiency through a decentralized Hub Structure.
- Additionally, it is focusing on environmental and social governance (ESG) to ensure long-term business sustainability.

#### Enhancing the Company's pole and lighting business in various product categories:

- The company is looking to enhance its poles and lighting business by expanding its product range and increasing its global presence.
- It has seen success with new products such as traffic lights and signage and plans to continue focusing on these areas.
- Additionally, the company aims to globalize its solar street lighting products and introduce architectural illumination to its existing portfolio.

## Transrail Lightings Limited

### Risks:

- The company, formerly a subsidiary of Gammon India Limited (GIL), may face reputational and business impacts due to any actions taken against GIL in ongoing proceedings.
- Previous inspections by the Ministry of Corporate Affairs (MCA) found non-compliances in the company's accounts. Penalties or regulatory actions for these could adversely affect company's reputation, business and operational results.
- The company is dealing with an outstanding FIR from the Central Bureau of Investigation, Anti-Corruption Bureau in Lucknow, Uttar Pradesh, concerning the Gomti River Project. Adverse outcomes from this issue could significantly impact its business, financial stability, operations and cash flow.
- The company previously received an RBI show cause notice for FEMA non-compliance. Future adverse actions or failures to repatriate dues could significantly impact its business and financial health.
- The Order Book is subject to potential cancellations or modifications, which may significantly affect the company's reputation, financial status and operational outcomes.
- The company heavily relies on government and public sector tenders, accounting for about 70% of its quarterly revenue and 82% of its average annual revenue through 2024. Delays or absences of these tenders could significantly harm its business and operational results.
- The company, its promoters, directors, subsidiaries and group companies are involved in legal proceedings. Adverse outcomes could materially affect its business, operations, and financial condition.
- In Q1 FY25, 29% of revenue came from international clients in Bangladesh, Mali and Niger. Challenges in managing risks tied to foreign projects and supplies could impact business, operations, and assets in these regions.
- The business heavily depends on revenue from its top one, five and ten clients. A decline in revenue from these clients could materially impact operations.
- The domestic business has grown slower than the overall business in the past. Continued lower growth rates may adversely affect operations and profitability.

# Transrail Lightings Limited

## SWOT Analysis

### Strengths:



- Comprehensive Lighting Solutions:** The company offers a broad range of products and services, from manufacturing to installation, providing a competitive edge.
- Strong Industry Expertise:** Extensive experience in handling large-scale infrastructure projects positions the company as a trusted partner.
- Diverse Clientele:** A mix of government, industrial and urban projects ensures stable demand.
- Global Operations:** Subsidiaries in regions like Nigeria and Malaysia demonstrate the company's ability to operate internationally.

### Weaknesses:



- Dependence on Project-Based Revenue:** A significant portion of income is tied to large-scale, project-based contracts, which can lead to revenue volatility.
- High Operational Costs:** Capital-intensive nature of the business might limit flexibility in pricing and profitability.
- Reliance on Specific Sectors:** Dependency on the energy, infrastructure and public utility sectors may expose the company to sector-specific risks.

### Opportunities:



- Urbanization and Infrastructure Development:** Growing investment in urban infrastructure projects presents opportunities for expanding lighting solutions.
- Sustainable and Smart Solutions:** Demand for energy-efficient and smart lighting systems creates potential for growth in sustainable technologies.
- International Expansion:** Emerging markets in Africa and Asia offer opportunities for further growth and diversification.
- Technological Advancements:** Innovations like LED technology and IoT integration can help the company tap into new market segments.

### Threats:



- Economic Cycles:** Fluctuations in the global and domestic economy could delay infrastructure projects, affecting revenue.
- Intense Competition:** The market faces pressure from domestic and international competitors offering lower-cost solutions.
- Raw Material Price Volatility:** Rising costs or supply chain disruptions for materials like metals and electrical components could impact margins.

## Transrail Lightings Limited

### Financials:

Income Statement (INR Mn)	FY22	FY23	FY24	Cash Flow (INR Mn)	FY22	FY23	FY24
<b>Revenue</b>	<b>23,500</b>	<b>31,522</b>	<b>40,765</b>	Net Cash Flow from Operating Activities	502	1,427	355
Operating Expenditure	21,439	28,592	36,013	Net Cash Flow from Investing Activities	-814	-1,045	-783
<b>EBITDA</b>	<b>2,062</b>	<b>2,930</b>	<b>4,752</b>	Net Cash Flow from Financing Activities	-4	291	279
<b>EBITDA Margin %</b>	<b>9%</b>	<b>9%</b>	<b>12%</b>	Net Increase/(Decrease) in Cash	-316	672	-149
Other Income	72	199	535	<b>Cash &amp; Cash Equivalents at the Beginning</b>	<b>891</b>	<b>575</b>	<b>1,247</b>
Depreciation	378	458	503	<b>Cash &amp; Cash Equivalents at the End</b>	<b>575</b>	<b>1,247</b>	<b>1,098</b>
Interest	848	1,197	1,626				
<b>PBT</b>	<b>907</b>	<b>1,473</b>	<b>3,158</b>				
Share of profit / (loss) from associates	-5	10	23				
Tax	255	407	849				
<b>PAT</b>	<b>647</b>	<b>1,076</b>	<b>2,332</b>				
<b>PAT Margin (%)</b>	<b>3%</b>	<b>3%</b>	<b>6%</b>				
<b>Adjusted EPS</b>	<b>4.82</b>	<b>8.01</b>	<b>17.37</b>				

Balance sheet (INR Mn)	FY22	FY23	FY24
<b>Assets</b>			
<b>Non-Current Assets</b>			
Property, plant and equipment	3,254	3,604	3,474
Other non-current assets	1,227	1,387	1,414
<b>Current Assets</b>			
Inventories	2,785	3,110	3,783
Trade receivables	6,397	6,449	10,261
Cash and cash equivalents	575	1,247	1,098
Contract Assets	10,944	14,669	19,511
Other current assets	3,236	3,986	6,662
Assets Held for Sale	0	2.43	2.43
<b>Total Assets</b>	<b>28,419</b>	<b>34,455</b>	<b>46,206</b>
<b>Equity &amp; Liabilities</b>			
Equity share capital	227	228	248
Other equity	6,403	7,486	11,143
<b>Total Equity</b>	<b>6,630</b>	<b>7,714</b>	<b>11,391</b>
<b>Non -Current liabilities</b>			
Borrowings	1,180	1,203	807
Other non-current liabilities	612	693	796
<b>Current liabilities</b>			
Borrowings	3,511	4,846	5,625
Trade payables	10,710	13,075	16,686
Contract Liabilities	4,602	5,410	9,299
Other current liabilities	1,174	1,514	1,602
<b>Total Equity and Liabilities</b>	<b>28,419</b>	<b>34,455</b>	<b>46,206</b>

Source: IPO Prospectus, Deven Choksey Research

# Transrail Lightings Limited

## ANALYST CERTIFICATION:

I, **Dipak Saha** (MBA, Finance), Research Analyst, author and the name subscribed to this report, hereby certify that all of the views expressed in this research report accurately reflect my views about the subject issuer(s) or securities. I also certify that no part of our compensation was, is, or will be directly or indirectly related to the specific recommendation(s) or view(s) in this report.

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