

FSN E-Commerce Ventures | BUY

Growth momentum continues unabated

Nykaa reported 3QFY26 revenue update, indicating continued growth momentum with consolidated GMV/NSV growth expected in late twenties. BPC NSV/revenue picked up further from the healthy growth rate delivered in the past few quarters at 28-30%/26-27% YoY respectively, marginally better than JMFe. While Fashion NSV growth (c.24-26% YoY) is expected to be strong, revenue growth is expected in late-teens due to brand rationalisation in house of brands as well as base effect from higher mix of content income in 3QFY25. Baking in these estimates, we expect EBITDA margin to expand strongly by 130bps YoY, similar to 2Q. Overall, 3Q is expected to be a decent quarter led by strong seasonality and sustained execution. We expect the stock's recent outperformance to sustain as the company continues to deliver as one of the cleanest compounding story in India. We roll forward to Mar'27 TP of INR 325 (vs. earlier INR 310). Maintain 'BUY'.

- BPC momentum sustained:** Combined BPC NSV growth is expected to be in late twenties YoY, broadly in-line with JMFe of ~28%. 3Q, being a seasonally strong quarter, has seen broad-based growth across businesses, driven by strong performance of House of Nykaa brands, a successful Pink Friday sale and robust new customer acquisition. Net revenue growth for the Beauty vertical is expected to be at the upper end of mid-twenties YoY, broadly in-line with JMFe of 26.5%. While eB2B would have seen GST-related impact in October, the business would likely have normalized in the remaining two months of the quarter. Hence, our triangulation suggests core BPC would largely have grown similar to combined BPC in 3Q.
- Nykaa Fashion maintains growth trajectory:** Nykaa's fashion vertical is expected to deliver NSV growth in mid-twenties YoY, lower than JMFe as we were expecting the segment to further ramp-up growth. The growth in 3Q was supported by improved traction in core platform, new brand additions and healthy customer acquisition. However, net revenue growth is expected to be in late-teens YoY, lower than NSV growth due to ongoing channel optimisation of owned brands. It would also be impacted due to base effect as content income is unlikely to have kept pace with the pick-up in platform growth.
- Consolidated performance:** On a consolidated level, net revenue growth is expected to be upper mid-twenties YoY, in-line with JMFe of 26%. GMV and NSV growth is expected to be in late twenties YoY, slightly better than JMFe of 28% YoY. On margin front, we expect BPC contribution margin (CM) to improve 70bps YoY (-30bps QoQ), whereas Fashion CM is expected to improve 80bps YoY (+10bps QoQ). EBITDA margin is expected to improve 130bps YoY, indicating sustenance of robust margin improvement delivered in H1FY26.
- Reiterate 'BUY', roll forward to Mar'27 TP of INR 325:** Due to steady growth performance, we only make minor tweaks to segmental GMV/NSV estimates while lowering revenue conversion marginally in Fashion. Resulting operating deleverage results in a c.1% dip in EBITDA. We expect the company to sustain growth momentum with higher BPC profits getting unburdened of the losses in eB2B gradually and Fashion in early FY27, if not in Q4FY26 itself. Roll forward to Mar'27 with TP of INR 325 (vs. INR 310 earlier), implying 55x FY28E EBITDA multiple. Reiterate BUY with Nykaa being one of the cleanest long-term compounding stories in India.

Financial Summary					
Y/E March	FY24A	FY25A	FY26E	FY27E	(INR mn)
Net Sales	63,856	79,498	99,880	1,28,002	1,61,869
Sales Growth (%)	24.1	24.5	25.6	28.2	26.5
EBITDA	3,461	4,726	7,202	11,318	17,030
EBITDA Margin (%)	5.4	5.9	7.2	8.8	10.5
Adjusted Net Profit	362	664	2,221	5,140	9,373
Diluted EPS (INR)	0.1	0.2	0.8	1.8	3.3
Diluted EPS Growth (%)	56.2	83.4	234.6	131.4	82.3
ROIC (%)	5.3	7.1	15.4	30.0	48.5
ROE (%)	2.7	5.1	15.2	27.7	35.8
P/E (x)	2,104.2	1,147.0	342.8	148.1	81.2
P/B (x)	60.1	58.2	49.1	36.4	24.9
EV/EBITDA (x)	219.6	161.4	105.6	66.8	43.9
Dividend Yield (%)	0.0	0.0	0.0	0.0	0.0

Source: Company data, JM Financial. Note: Valuations as of 02/Jan/2026



Sachin Dixit

sachin.dixit@jmfl.com | Tel: (91 22) 66303078

Swapnil Potdukhe

swapnil.potdukhe@jmfl.com | Tel: (91 22) 62241876

Atul Borse

atul.borse@jmfl.com | Tel: (91 22) 66303134

Avnish Sharma

avnish.sharma@jmfl.com | Tel: (91 22) 66303054

Recommendation and Price Target

Current Reco.	BUY
Previous Reco.	BUY
Current Price Target (12M)	325
Upside/(Downside)	22.7%
Previous Price Target	310
Change	4.8%

Key Data – NYKAA IN

Current Market Price	INR265
Market cap (bn)	INR758.3/US\$8.4
Free Float	48%
Shares in issue (mn)	2,859.0
Diluted share (mn)	2,873.3
3-mon avg daily val (mn)	INR1,870.6/US\$20.7
52-week range	273/155
Sensex/Nifty	85,762/26,329
INR/US\$	90.2

Price Performance

%	1M	6M	12M
Absolute	3.7	33.6	57.8
Relative*	3.6	30.0	45.8

* To the BSE Sensex

JM Financial Research is also available on: Bloomberg - JMFR <GO>, FactSet, LSEG and S&P Capital IQ.

Please see Appendix I at the end of this report for Important Disclosures and Disclaimers and Research Analyst Certification.

Exhibit 1. Nykaa 3QFY26: JMFe

Particulars	3Q26E	3Q25A	Change (YoY)	2Q26A	Change (QoQ)	Estimate (Cons.)	Variance (vs. Cons.)
Total GMV (INR mn)	58,075	45,279	28.3%	47,440	22.4%	57,496	1.0%
BPC	43,321	33,899	27.8%	35,510	22.0%	42,980	0.8%
Fashion	14,584	11,299	29.1%	11,800	23.6%	14,335	1.7%
Others	170	81	110.0%	130	30.8%	182	-6.3%
Total NSV (INR mn)	28,422	22,190	28.1%	23,400	21.5%	28,295	0.4%
BPC	24,141	18,817	28.3%	19,810	21.9%	24,014	0.5%
Fashion	4,120	3,295	25.0%	3,460	19.1%	4,102	0.4%
Others	162	78	107.2%	130	24.3%	179	-9.7%
Revenue from operations (INR mn)	28,588	22,672	26.1%	23,460	21.9%	28,582	0.0%
BPC	26,062	20,600	26.5%	21,320	22.2%	26,031	0.1%
Fashion	2,364	1,990	18.8%	2,010	17.6%	2,395	-1.3%
Others	162	82	97.1%	130	24.3%	156	3.5%
Gross Profit (INR mn)	12,660	9,911	27.7%	10,535	20.2%	12,693	-0.3%
Gross margin	44.3%	43.7%	57 bps	44.9%	-62 bps	44.4%	-12 bps
Contribution Profit (INR mn)	5,614	4,296	30.7%	4,705	19.3%		
Contribution margin	19.6%	19.0%	69 bps	20.1%	-42 bps		
EBITDA (INR mn)	2,146	1,408	52.4%	1,590	35.0%	2,133	0.6%
EBITDA margin	7.5%	6.2%	130 bps	6.8%	73 bps	7.5%	4 bps
PAT ex-MI and Exceptional (INR mn)	778	261	197.7%	338	130.1%	615	26.4%

Source: Company, JM Financial estimates, Visible alpha (consensus) estimates.

Exhibit 2. Implied SoTP at our target price of INR 325

TP Date	31-Mar-2027					
Segment	Valuation Metric	Target Multiple (x)	Metric	FY28 Estimate (INR bn)	Valuation (INR bn)	Per Share (INR)
BPC	EV/EBITDA	53.0	Pre IndAS EBITDA	15	810	282
Fashion	EV/NSV	4.5	NSV	24	107	37
Others	EV/NSV	1.0	NSV	16	16	6
Cash		1.0	Net Cash	2	2	1
Target Market Cap (INR bn)					935	325

Source: JM Financial estimates

Reiterate BUY; TP raised to INR 325

Exhibit 3. What has changed in our estimates

	OLD				NEW				Change			
	FY26E	FY27E	FY28E	FY29E	FY26E	FY27E	FY28E	FY29E	FY26E	FY27E	FY28E	FY29E
Group GMV (INR bn)	200.3	254.8	319.4	395.5	200.1	254.3	318.6	394.4	-0.1%	-0.2%	-0.2%	-0.3%
Consolidated revenue (INR bn)	100.6	128.7	162.7	203.0	99.9	128.0	161.9	201.9	-0.7%	-0.5%	-0.5%	-0.5%
Revenue growth rate (YoY)	26.5%	27.9%	26.5%	24.7%	25.6%	28.2%	26.5%	24.7%	-86bp	23bp	-3bp	-3bp
Consolidated EBITDA (INR bn)	7.3	11.4	17.2	24.8	7.2	11.3	17.0	24.6	-1.4%	-1.0%	-1.1%	-1.1%
EBITDA margin	7.3%	8.9%	10.6%	12.2%	7.2%	8.8%	10.5%	12.2%	-7bp	-5bp	-6bp	-7bp
EBIT margin	4.2%	6.2%	8.1%	10.0%	4.1%	6.1%	8.1%	9.9%	-8bp	-5bp	-6bp	-7bp
PAT (INR bn)	2.29	5.22	9.53	15.69	2.22	5.15	9.41	15.5	-3.1%	-1.4%	-1.3%	-1.3%
Diluted EPS (INR)	0.80	1.82	3.32	5.46	0.77	1.79	3.27	5.4	-3.1%	-1.4%	-1.3%	-1.3%

Source: Company, JM Financial

Valuation Methodology: DCF

Exhibit 4. Key DCF assumptions

WACC	12.0%
Revenue CAGR (FY24-29)	25.9%
Revenue CAGR (FY29-34)	20.2%
Revenue CAGR (FY34-41)	13.6%
EBITDA CAGR (FY24-29)	48.0%
EBITDA CAGR (FY29-34)	29.7%
EBITDA CAGR (FY34-41)	16.6%
Tax Rate	42.2%
NPV of cash flow (2024-2041F)	356,432
Perpetual growth (%)	6.0%
Implied Exit FCF multiple (X)	16.7x
Terminal value (INR mn)	582,235
Enterprise value (INR mn)	938,667
Terminal value as % of Enterprise Value	62.0%
Net debt (INR mn, Mar'25E)	3,481
Minority Interest (INR mn, Mar'25E)	422
Equity value (INR mn)	934,764
Number of shares outstanding (diluted, million)	2,873
Equity value per share (INR)	325

Source: JM Financial

Exhibit 5. Sensitivity of Equity Value to WACC and Terminal growth rate

		Terminal Growth Rate				
		5.0%	5.5%	6.0%	6.5%	7.0%
WACC	10.5%	390	416	448	488	540
	11.0%	353	374	399	430	469
	11.5%	322	339	359	383	413
	12.0%	295	309	325	345	368
	12.5%	271	283	297	313	331
	13.0%	251	261	272	285	300
	13.5%	233	241	251	262	274

Source: JM Financial, Company

Exhibit 6. Sensitivity of Equity Value to Revenue Growth and EBITDA Margin

		Revenue Growth (% of JMFe)				
		60%	70%	80%	90%	100%
EBITDA Margin (% of JMFe)	60%	56	78	107	142	186
	70%	69	95	128	169	221
	80%	82	112	149	197	256
	90%	95	129	171	224	291
	100%	108	145	192	251	325

Source: JM Financial, Company

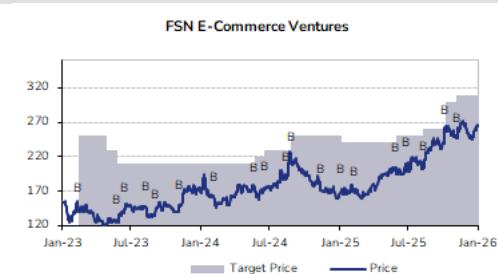
Financial Tables (Consolidated)

Income Statement (INR mn)						Balance Sheet (INR mn)					
Y/E March	FY24A	FY25A	FY26E	FY27E	FY28E	Y/E March	FY24A	FY25A	FY26E	FY27E	FY28E
Net Sales	63,856	79,498	99,880	1,28,002	1,61,869	Shareholders' Fund	12,622	13,013	15,430	20,809	30,483
Sales Growth	24.1%	24.5%	25.6%	28.2%	26.5%	Share Capital	2,856	2,859	2,861	2,861	2,861
Other Operating Income	0	0	0	0	0	Reserves & Surplus	9,766	10,154	12,568	17,948	27,622
Total Revenue	63,856	79,498	99,880	1,28,002	1,61,869	Preference Share Capital	0	0	0	0	0
Cost of Goods Sold/Op. Exp	36,464	44,727	55,445	70,944	89,579	Minority Interest	188	414	430	473	526
Personnel Cost	5,649	6,661	7,626	9,038	10,489	Total Loans	6,804	9,614	9,899	9,899	9,899
Other Expenses	18,282	23,385	29,607	36,702	44,771	Def. Tax Liab. / Assets (-)	-2,690	-2,580	-2,551	-2,551	-2,551
EBITDA	3,461	4,726	7,202	11,318	17,030	Total - Equity & Liab.	16,924	20,461	23,208	28,630	38,356
EBITDA Margin	5.4%	5.9%	7.2%	8.8%	10.5%	Net Fixed Assets	6,979	8,716	9,754	11,247	12,788
EBITDA Growth	35.1%	36.5%	52.4%	57.2%	50.5%	Gross Fixed Assets	4,238	5,143	6,267	7,738	9,375
Depn. & Amort.	2,242	2,664	3,095	3,490	3,956	Intangible Assets	1,715	2,332	2,266	2,458	2,607
EBIT	1,219	2,062	4,107	7,829	13,074	Less: Depn. & Amort.	1,881	2,425	3,330	4,302	5,404
Other Income	-529	-801	-816	-528	-75	Capital WIP	2,906	3,666	4,551	5,353	6,209
Finance Cost	0	0	0	0	0	Investments	3,817	3,617	4,205	4,205	4,205
PBT before Excep. & Forex	690	1,261	3,291	7,300	13,000	Current Assets	20,520	24,883	30,340	40,702	56,329
Excep. & Forex Inc/Loss(-)	0	0	0	0	0	Inventories	11,920	14,175	16,168	19,843	24,206
PBT	690	1,261	3,291	7,300	13,000	Sundry Debtors	2,416	2,466	2,666	3,329	4,144
Taxes	253	538	1,053	2,117	3,575	Cash & Bank Balances	758	1,249	3,479	7,941	16,659
Extraordinary Inc./Loss(-)	0	0	0	0	0	Loans & Advances	0	0	0	0	0
Assoc. Profit/Min. Int.(-)	75	60	16	43	52	Other Current Assets	5,426	6,993	8,027	9,589	11,320
Reported Net Profit	362	664	2,221	5,140	9,373	Current Liab. & Prov.	14,392	16,755	21,091	27,523	34,966
Adjusted Net Profit	362	664	2,221	5,140	9,373	Current Liabilities	6,758	9,941	12,289	15,956	20,297
Net Margin	0.6%	0.8%	2.2%	4.0%	5.8%	Provisions & Others	7,634	6,814	8,802	11,568	14,669
Diluted Share Cap. (mn)	2,873.3	2,873.3	2,873.3	2,873.3	2,873.3	Net Current Assets	6,128	8,128	9,249	13,179	21,363
Diluted EPS (INR)	0.1	0.2	0.8	1.8	3.3	Total - Assets	16,924	20,461	23,208	28,630	38,356
Diluted EPS Growth	56.2%	83.4%	234.6%	131.4%	82.3%	Source: Company, JM Financial					
Total Dividend + Tax	0	0	0	0	0						
Dividend Per Share (INR)	0.0	0.0	0.0	0.0	0.0						
Source: Company, JM Financial											
Cash Flow Statement (INR mn)						Dupont Analysis					
Y/E March	FY24A	FY25A	FY26E	FY27E	FY28E	Y/E March	FY24A	FY25A	FY26E	FY27E	FY28E
Profit before Tax	690	1,275	3,291	7,300	13,000	Net Margin	0.6%	0.8%	2.2%	4.0%	5.8%
Depn. & Amort.	2,242	2,664	3,095	3,490	3,956	Asset Turnover (x)	2.9	3.2	3.5	3.9	3.9
Net Interest Exp. / Inc. (-)	631	890	816	528	75	Leverage Factor (x)	1.7	1.9	2.0	1.8	1.6
Inc (-) / Dec in WCap.	-2,513	211	568	-353	-514	RoE	2.7%	5.2%	15.6%	28.4%	36.5%
Others	264	224	193	229	266	Key Ratios					
Taxes Paid	-1,312	-597	-1,258	-2,117	-3,575	Y/E March	FY24A	FY25A	FY26E	FY27E	FY28E
Operating Cash Flow	3	4,666	6,706	9,077	13,208	BV/Share (INR)	4.4	4.6	5.4	7.3	10.7
Capex	-1,107	-1,272	-1,479	-2,019	-2,159	ROIC	5.3%	7.1%	15.4%	30.0%	48.5%
Free Cash Flow	-1,105	3,394	5,226	7,059	11,049	ROE	2.7%	5.1%	15.2%	27.7%	35.8%
Inc (-) / Dec in Investments	788	-588	-589	0	0	Net Debt/Equity (x)	0.2	0.4	0.1	-0.1	-0.4
Others	218	-195	429	701	1,203	P/E (x)	2,104.2	1,147.0	342.8	148.1	81.2
Investing Cash Flow	-101	-2,054	-1,639	-1,317	-956	P/B (x)	60.1	58.2	49.1	36.4	24.9
Inc / Dec (-) in Capital	172	-2,499	2	10	35	EV/EBITDA (x)	219.6	161.4	105.6	66.8	43.9
Dividend + Tax thereon	0	0	0	0	0	EV/Sales (x)	11.9	9.6	7.6	5.9	4.6
Inc / Dec (-) in Loans	721	971	-2,040	-2,534	-2,843	Debtor days	14	11	10	9	9
Others	-451	-593	-800	-775	-726	Inventory days	68	65	59	57	55
Financing Cash Flow	443	-2,120	-2,838	-3,298	-3,534	Creditor days	23	31	31	34	35
Inc / Dec (-) in Cash	344	492	2,229	4,462	8,718	Source: Company, JM Financial					
Opening Cash Balance	414	758	1,249	3,479	7,941						
Closing Cash Balance	758	1,249	3,479	7,941	16,659						
Source: Company, JM Financial											

History of Recommendation and Target Price

Date	Recommendation	Target Price	% Chg.
14-Feb-23	Buy	250	
26-Apr-23	Buy	230	-8.0
25-May-23	Buy	210	-8.7
17-Jun-23	Buy	210	0.0
12-Aug-23	Buy	210	0.0
4-Sep-23	Buy	210	0.0
6-Nov-23	Buy	210	0.0
6-Feb-24	Buy	210	0.0
23-May-24	Buy	220	4.8
18-Jun-24	Buy	230	4.5
14-Aug-24	Buy	230	0.0
28-Aug-24	Buy	250	8.7
13-Nov-24	Buy	250	0.0
6-Jan-25	Buy	240	-4.0
11-Feb-25	Buy	240	0.0
31-May-25	Buy	250	4.2
27-Jun-25	Buy	250	0.0
12-Aug-25	Buy	260	4.0
8-Oct-25	Buy	300	15.4
8-Nov-25	Buy	310	3.3

Recommendation History



APPENDIX I

JM Financial Institutional Securities Limited

Corporate Identity Number: U67100MH2017PLC296081

Member of BSE Ltd. and National Stock Exchange of India Ltd.

SEBI Registration Nos.: Stock Broker - INZ000163434, Research Analyst - INH000000610

Registered Office: 7th Floor, Cnergy, Appasaheb Marathe Marg, Prabhadevi, Mumbai 400 025, India.

Board: +91 22 6630 3030 | Fax: +91 22 6630 3488 | Email: jmfinancial.research@jmfl.com | www.jmfl.com

Compliance Officer: Ms. Ashley Johnson | Tel: +91 22 6224 1862 | Email: ashley.johnson@jmfl.com

Grievance Officer: Ms. Ashley Johnson | Tel: +91 22 6224 1862 | Email: instcompliance@jmfl.com

Investment in securities market are subject to market risks. Read all the related documents carefully before investing.

New Rating System: Definition of ratings	
Rating	Meaning
BUY	Expected return >= 15% over the next twelve months.
ADD	Expected return >= 5% and < 15% over the next twelve months.
REDUCE	Expected return >= -10% and < 5% over the next twelve months.
SELL	Expected return < -10% over the next twelve months.

Note: For REITs (Real Estate Investment Trust) and InvIT (Infrastructure Investment Trust) total expected returns include dividends or DPU (distribution per unit)

Previous Rating System: Definition of ratings	
Rating	Meaning
BUY	Total expected returns of more than 10% for stocks with market capitalisation in excess of INR 200 billion and REITs* and more than 15% for all other stocks, over the next twelve months. Total expected return includes dividend yields.
HOLD	Price expected to move in the range of 10% downside to 10% upside from the current market price for stocks with market capitalisation in excess of INR 200 billion and REITs* and in the range of 10% downside to 15% upside from the current market price for all other stocks, over the next twelve months.
SELL	Price expected to move downwards by more than 10% from the current market price over the next twelve months.

* REITs refers to Real Estate Investment Trusts.

Research Analyst(s) Certification

The Research Analyst(s), with respect to each issuer and its securities covered by them in this research report, certify that:

All of the views expressed in this research report accurately reflect his or her or their personal views about all of the issuers and their securities; and

No part of his or her or their compensation was, is, or will be directly or indirectly related to the specific recommendations or views expressed in this research report.

Important Disclosures

This research report has been prepared by JM Financial Institutional Securities Limited (JM Financial Institutional Securities) to provide information about the company(ies) and sector(s), if any, covered in the report and may be distributed by it and/or its associates solely for the purpose of information of the select recipient of this report. This report and/or any part thereof, may not be duplicated in any form and/or reproduced or redistributed without the prior written consent of JM Financial Institutional Securities. This report has been prepared independent of the companies covered herein.

JM Financial Institutional Securities is registered with the Securities and Exchange Board of India (SEBI) as a Research Analyst and a Stock Broker having trading memberships of the BSE Ltd. (BSE) and National Stock Exchange of India Ltd. (NSE). No material disciplinary action has been taken by SEBI against JM Financial Institutional Securities in the past two financial years which may impact the investment decision making of the investor. Registration granted by SEBI and certification from the National Institute of Securities Market (NISM) in no way guarantee performance of JM Financial Institutional Securities or provide any assurance of returns to investors.

JM Financial Institutional Securities renders stock broking services primarily to institutional investors and provides the research services to its institutional clients/investors. JM Financial Institutional Securities and its associates are part of a multi-service, integrated investment banking, investment management, brokerage and financing group. JM Financial Institutional Securities and/or its associates might have provided or may provide services in respect of managing offerings of securities, corporate finance, investment banking, mergers & acquisitions, broking, financing or any other advisory services to the company(ies) covered herein. JM Financial Institutional Securities and/or its associates might have received during the past twelve months or may receive compensation from the company(ies) mentioned in this report for rendering any of the above services.

JM Financial Institutional Securities and/or its associates, their directors and employees may; (a) from time to time, have a long or short position in, and buy or sell the securities of the company(ies) 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 company(ies) covered under this report or (c) act as an advisor or lender/borrower to, or may have any financial interest in, such company(ies) or (d) considering the nature of business/activities that JM Financial Institutional Securities is engaged in, it may have potential conflict of interest at the time of publication of this report on the subject company(ies).

Neither JM Financial Institutional Securities nor its associates or the Research Analyst(s) named in this report or his/her relatives individually own one per cent or more securities of the company(ies) covered under this report, at the relevant date as specified in the SEBI (Research Analysts) Regulations, 2014.

The Research Analyst(s) principally responsible for the preparation of this research report and their immediate relatives are prohibited from buying or selling debt or equity securities, including but not limited to any option, right, warrant, future, long or short position issued by company(ies) covered under this report. The Research Analyst(s) principally responsible for the preparation of this research report or their immediate relatives (as defined under SEBI (Research Analysts) Regulations, 2014); (a) do not have any financial interest in the company(ies) covered under this report or (b) did not receive any compensation from the company(ies) covered under this report, or from any third party, in connection with this report or (c) do not have any other material conflict of interest at the time of publication of this report. Research Analyst(s) are not serving as an officer, director or employee of the company(ies) covered under this report.

While reasonable care has been taken in the preparation of this report, it does not purport to be a complete description of the securities, markets or developments referred to herein, and JM Financial Institutional Securities does not warrant its accuracy or completeness. JM Financial Institutional Securities may 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. This report is provided for information only and is not an investment advice and must not alone be taken as the basis for an investment decision.

This research report is based on the fundamental research/analysis conducted by the Research Analyst(s) named herein. Accordingly, this report has been prepared by studying/focusing on the fundamentals of the company(ies) covered in this report and other macro-economic factors. JM Financial Institutional Securities may have also issued or may issue, research reports and/or recommendations based on the technical/quantitative analysis of the company(ies) covered in this report by studying and using charts of the stock's price movement, trading volume and/or other volatility parameters. As a result, the views/recommendations expressed in such technical research reports could be inconsistent or even contrary to the views contained in this report.

The investment discussed or views expressed or recommendations/opinions given herein may not be suitable for all investors. The user assumes the entire risk of any use made of this information. The information contained herein may be changed without notice and JM Financial Institutional Securities reserves the right to make modifications and alterations to this statement as they may deem fit from time to time.

This report is neither an offer nor solicitation of an offer to buy and/or sell any securities mentioned herein and/or not an official confirmation of any transaction.

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 JM Financial Institutional Securities and/or its affiliated company(ies) to any registration or licensing requirement within such jurisdiction. The securities described herein may or may not be eligible for sale in all jurisdictions or to a certain category of investors. Persons in whose possession this report may come, are required to inform themselves of and to observe such restrictions. Please click [here](#) to access our detailed Terms and Conditions, including the Most Important Terms and Conditions.

Additional disclosure only for U.S. persons: JM Financial Institutional Securities has entered into an agreement with JM Financial Securities, Inc. ("JM Financial Securities"), a U.S. registered broker-dealer and member of the Financial Industry Regulatory Authority ("FINRA") in order to conduct certain business in the United States in reliance on the exemption from U.S. broker-dealer registration provided by Rule 15a-6, promulgated under the U.S. Securities Exchange Act of 1934 (the "Exchange Act"), as amended, and as interpreted by the staff of the U.S. Securities and Exchange Commission ("SEC") (together "Rule 15a-6").

This research report is distributed in the United States by JM Financial Securities in compliance with Rule 15a-6, and as a "third party research report" for purposes of FINRA Rule 2241. In compliance with Rule 15a-6(a)(3) this research report is distributed only to "major U.S. institutional investors" as defined in Rule 15a-6 and is not intended for use by any person or entity that is not a major U.S. institutional investor. If you have received a copy of this research report and are not a major U.S. institutional investor, you are instructed not to read, rely on, or reproduce the contents hereof, and to destroy this research or return it to JM Financial Institutional Securities or to JM Financial Securities.

This research report is a product of JM Financial Institutional Securities, which is the employer of the research analyst(s) solely responsible for its content. The research analyst(s) preparing this research report is/are resident outside the United States and are not associated persons or employees of any U.S. registered broker-dealer. Therefore, the analyst(s) are not subject to supervision by a U.S. broker-dealer, or otherwise required to satisfy the regulatory licensing requirements of FINRA and may not be subject to the Rule 2241 restrictions on communications with a subject company, public appearances and trading securities held by a research analyst account.

Any U.S. person who is recipient of this report that wishes further information regarding, or to effect any transaction in, any of the securities discussed in this report, must contact, and deal directly through a U.S. registered representative affiliated with a broker-dealer registered with the SEC and a member of FINRA. In the U.S., JM Financial Institutional Securities has an affiliate, JM Financial Securities, Inc. located at 1325 Avenue of the Americas, 27th Floor, Office No. 2715, New York, New York 10019. Telephone +1 (332) 900 4958 which is registered with the SEC and is a member of FINRA and SIPC.

Additional disclosure only for U.K. persons: Neither JM Financial Institutional Securities nor any of its affiliates is authorised in the United Kingdom (U.K.) by the Financial Conduct Authority. As a result, this report is for distribution only to persons who (i) have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended, the "Financial Promotion Order"), (ii) are persons falling within Article 49(2)(a) to (d) ("high net worth companies, unincorporated associations etc.") of the Financial Promotion Order, (iii) are outside the United Kingdom, or (iv) are persons to whom an invitation or inducement to engage in investment activity (within the meaning of section 21 of the Financial Services and Markets Act 2000) in connection with the matters to which this report relates may otherwise lawfully be communicated or caused to be communicated (all such persons together being referred to as "relevant persons"). This report is directed only at relevant persons and must not be acted on or relied on by persons who are not relevant persons. Any investment or investment activity to which this report relates is available only to relevant persons and will be engaged in only with relevant persons.

Additional disclosure only for Canadian persons: This report is not, and under no circumstances is to be construed as, an advertisement or a public offering of the securities described herein in Canada or any province or territory thereof. Under no circumstances is this report to be construed as an offer to sell securities or as a solicitation of an offer to buy securities in any jurisdiction of Canada. Any offer or sale of the securities described herein in Canada will be made only under an exemption from the requirements to file a prospectus with the relevant Canadian securities regulators and only by a dealer properly registered under applicable securities laws or, alternatively, pursuant to an exemption from the registration requirement in the relevant province or territory of Canada in which such offer or sale is made. This report is not, and under no circumstances is it to be construed as, a prospectus or an offering memorandum. No securities commission or similar regulatory authority in Canada has reviewed or in any way passed upon these materials, the information contained herein or the merits of the securities described herein and any representation to the contrary is an offence. If you are located in Canada, this report has been made available to you based on your representation that you are an "accredited investor" as such term is defined in National Instrument 45-106 Prospectus Exemptions and a "permitted client" as such term is defined in National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations. Under no circumstances is the information contained herein to be construed as investment advice in any province or territory of Canada nor should it be construed as being tailored to the needs of the recipient. Canadian recipients are advised that JM Financial Securities, Inc., JM Financial Institutional Securities Limited, their affiliates and authorized agents are not responsible for, nor do they accept, any liability whatsoever for any direct or consequential loss arising from any use of this research report or the information contained herein.