

Setting the **GOLD** standard

- Like-to-like revenue for SKY Gold (SKYGOLD) grew 81% YoY and 6% QoQ to INR717cr on higher volumes. Consolidated revenue stood at INR769cr (est. INR569cr) driven by volumes and higher gold prices.
- Gross profit surged by 137% YoY and 9% QoQ to INR50cr on higher sales and a superior product mix. Gross margin expanded by 120bp YoY to 6.5% on the back of a favourable product mix.
- EBITDA grew 154% YoY and 4% QoQ to INR39cr (est. INR27cr) on higher revenue, cost controls, and operating leverage. Operating margin expanded by 120bp YoY to 5%.
- Adjusted PAT, excluding other income, grew 166% YoY to INR19cr (est. INR16cr) on higher EBITDA. PAT, including other income, stood at INR37cr.
- We reiterate 'BUY' with a revised TP of INR4,500 at 35x FY26E earnings.

Robust festive demand and consolidation of acquisitions boost volume

Quarterly volume was slightly higher than our estimate at 345kg, with utilisation at 46%. The management aims to boost volume, with client additions and wallet share gains from existing customers. With retailers focusing on aggressive FOFO-led expansion and macro risk factors, investors are turning to the yellow metal as a safe asset class which is driving gold prices. We expect SKYGOLD to end FY25 with 363kg/month and 10% contribution from acquisitions. It is reaping the benefits of a shift to organised from unorganised players. The recent duty cut led to a surge in footfalls at the retailers' end and should accelerate the shift to organised from the unorganised market. Exports stood at INR69cr in Q2FY25 (9% contribution) versus INR14cr in Q2FY24. We expect exports to settle at 10% in FY25 and be one of the foremost drivers of volume in the medium to long term. With a consolidation of entities, new client additions, high gold prices, and a healthy demand for gold; we expect revenue to grow by 53% over FY24–27.

Margin healthy; other income boosts profitability

Margin expanded YoY as the management's focus is on raising contribution from value added products. Employee count rose to 830 from 650 by FY24 on consolidation of entities and greater hiring on higher volumes. GML stood at 22%, with blended cost of debt for GML ~3%. Management is confident of growing GML to 65% by December and 80% over the medium term. This will lead to an expansion in PAT margin. This can lead to the company achieving a margin that is better than our estimates. We expect EBITDA/ PAT margins to expand by 70bp/110bp over FY24–27. Though the management has indicated 4% PAT margin by FY27, we remain conservative at 3.4%. In Q2FY25, it sold its mutual fund holding and converted the proceeds into FDs. This resulted in higher profits. Excluding this, PAT stood at INR19cr. We expect higher other income in Q3FY25 as well.

Valuation and view

Factoring in its recent blockbuster performance and expected fund raiser at a higher price than earlier expected, we have upgraded our estimates. We expect revenue/EBITDA/PAT to grow 53%/61%/73% over FY24–27. It has added CARATLANE and PN Gadgil will boost volume in upcoming quarters. CARATLANE can achieve a volume of 50kg/month, with gold being supplied by CARATLANE which can boost profitability for SKYGOLD. Given its record of overachieving its targets in the past, aggressive growth over FY24–27, and the management's execution capabilities, we think that SKYGOLD can be a long-term growth story. **We maintain 'BUY' with revised TP of INR4,500 (35x FY26E earnings).**

Key financials

Particulars	Q2FY25	Q2FY24	YoY (%)	Q1FY25	QoQ (%)	FY24	FY25E	FY26E	FY27E
Net sales (INR cr)	769	396	94	723	6.3	1,745	3,195	5,018	6,298
Gross profit (INR cr)	50	21	137	46	8.7	105	208	326	413
Gross margin (%)	6.5	5.3	116bp	6.4	14bp	6	6.5	6.5	6.6
EBITDA (INR cr)	39	15	154	37	4.1	77	159	254	321
EBITDA margin (%)	5	3.9	119bp	5.2	(11bp)	4.4	5	5.1	5.1
Adjusted PAT (INR cr)	19	7	166	21	(8.9)	40	110	165	215
P/E ratio (x)						31.1	44.6	29.7	22.8

CMP: INR3,593

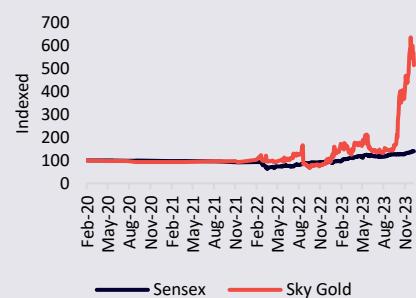
Rating: BUY

Target price: INR4,500

Upside: 25%

Date: November 20, 2024

Bloomberg:	SKYG:IN
52-week range (INR):	250/2,440
M-cap (INR cr):	3,124
Promoter holding (%)	61.32



Palash Kawale

kawale.palash@nuvama.com

Setting the **GOLD** standard

Q2FY25 result highlights

Particulars (INR cr)	Q2FY25	Q1FY24	YoY (%)	Q4FY24	QoQ (%)	FY24	FY25E	FY26E	FY27E
Income from operations	769	376	104.6	513	49.8	1,745	3,275	5,134	6,443
Gross profit	50	24	112.2	35	40.7	105	213	339	428
Gross margin (%)	6.5	6.3	(23bp)	6.9	(42bp)	6	6.5	6.6	6.7
Employee expense	6	3	134	5	25.1	13	25	38	48
Other expenses	5	2	121.1	5	(4.5)	14	25	35	45
EBITDA	39	19	108	25	53.1	77	163	266	335
EBITDA margin (%)	5	5	8bp	4.9	11bp	4.4	5	5.2	5.2
Depreciation	2	1	114.5	2	2.9	6	8	11	13
Interest expense	10	4	143.6	7	53	75	180	261	329
Other income	20	1	2,308.4	2	1,156.9	4	26	5	6
Profit before tax	46	14	NA	18	154.8	54	153	236	305
Profit after tax	37	11	NA	14	169.7	40	113	174	225
Extraordinary items	-	-	-	-	-	-	-	-	-
Adjusted net profit	19	11	NA	14	42	40	113	174	225

Revised estimates

(INR cr)	FY25E			FY26E			FY27E		
	Old	Revised	Change (%)	Old	Revised	Change (%)	Old	Revised	Change (%)
Net sales	3,207	3,275	2.1	5,038	5,134	1.9	6,282	6,443	2.6
Other income	4	26	540.2	5	5	7.7	5	6	29.2
Total income	3,211	3,300	2.8	5,043	5,139	1.9	6,287	6,450	2.6
EBITDA	147	163	10.8	236	266	12.7	294	335	13.9
EBITDA margin (%)	4.6	5		4.7	5.2		4.7	5.2	
PBT	125	153	22.5	211	236	11.8	269	305	13.3
PBT margin	3.9	4.7		4.2	4.6		4.3	4.7	
Net profit	92	113	22.9	156	174	11.6	198	225	13.6
Adjusted net profit	92	113	22.9	153	174	13.8	198	225	13.6
EPS (INR)	65.5	78	19.1	98	120.1	22.8	124	155.2	24.8
Adjusted EPS (INR)	65.5	78	19.1	98	120.1	22.8	124	155.2	24.8

Setting the **GOLD** standard

Financials in charts

Exhibit 1: Volume growth continues (kg/month)

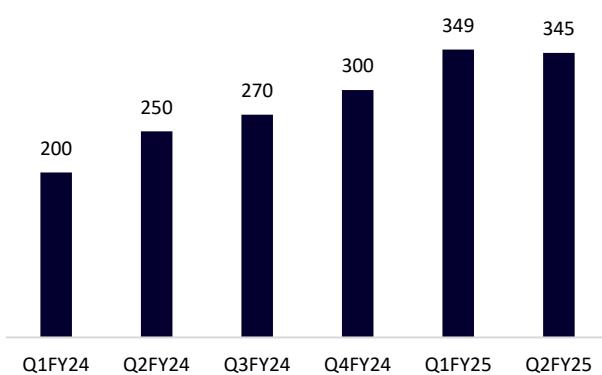


Exhibit 2: Average realisation (calculated) rises on surge in gold prices (INR/kg)

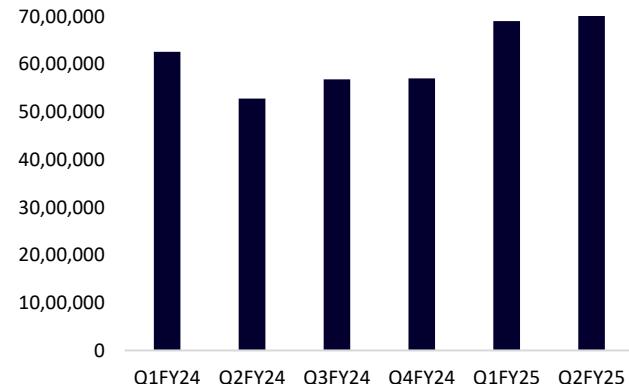


Exhibit 3: Revenue higher (INR cr) on consolidation

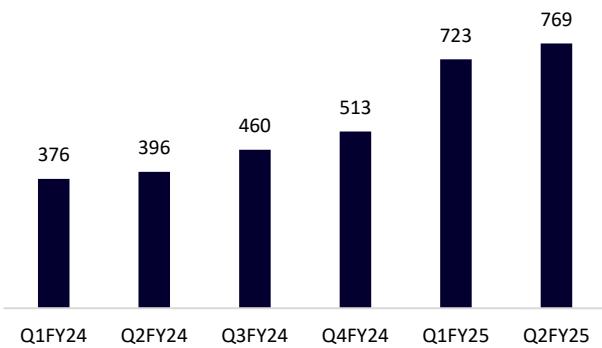


Exhibit 4: EBITDA trend (INR cr)

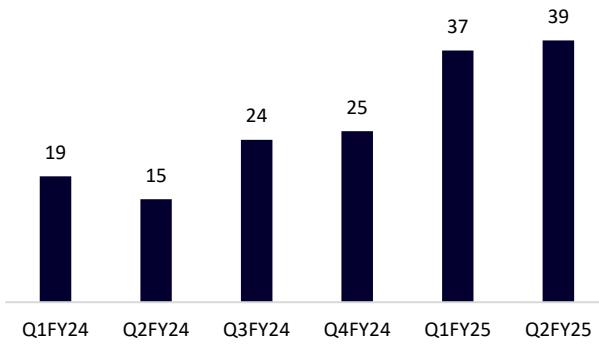


Exhibit 5: Margins expand

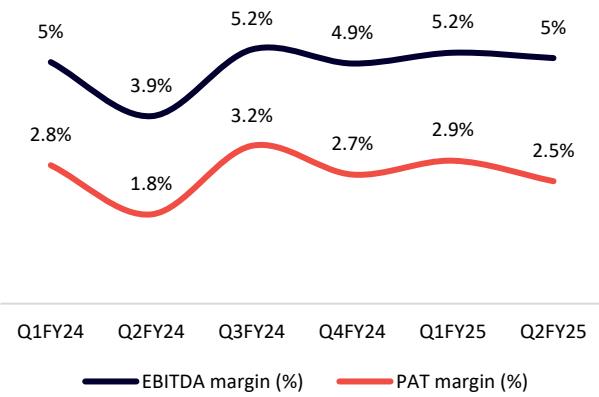
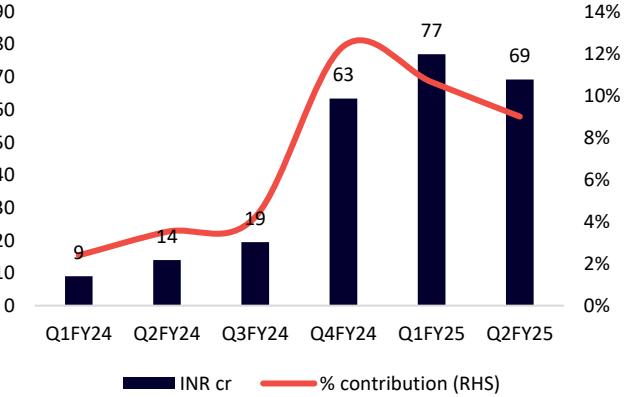


Exhibit 6: Exports rise exponentially



Source: Nuvama Wealth Research

Setting the **GOLD** standard

Previous outlook

Q1FY25: Factoring in its recent blockbuster performance, we have upgraded our estimates slightly. We expect revenue/EBITDA/PAT to grow 53%/56%/70% over FY24-27. Its recent fund raising will result in a slight dilution in EPS which we expect to grow at 63% CAGR. SKYGOLD can be a longterm compounding story. Given its record of overachieving its targets in the past; aggressive growth for FY24-27 and execution capabilities of management, we think that SKYGOLD can be a long-term growth story. We maintain 'BUY' with revised TP of INR3,600 (35x FY26E earnings). We expect its EPS to grow at 84% over FY24-26E. Despite of such a high growth, the company should be able to grow at a healthy rate in upcoming years. This gives us comfort on our target multiple. Our EPS growth and target multiple imply a PEG ratio of 0.4 which leaves enough margin of safety for investors and room for further upgrade in P/Ex multiple as the company executes its strategy.

Coverage: SKYGOLD is run by three brothers, each having more than 20 years of industry experience and a sharp focus on scaling up the business. The promoters have shown tremendous execution capabilities by building long-standing relationships with its clients. The company continues to add more customers and gain wallet share from existing clients. We think that SKYGOLD can be a long-term compounding story as it can scale up its asset-light model which allows it to operate at high return ratios (RoE/RoCE in FY24 stood at 24%/18%). We initiate coverage with a 'BUY' rating and TP of INR1,818 (20x FY26E earnings).



Setting the **GOLD** standard

Financials

Income Statement	(INR cr)				
Year to March	FY22	FY23	FY24	FY25E	FY26E
Income from operations	1,154	1,745	3,275	5,134	6,443
Direct costs	1,104	1,641	3,062	4,795	6,015
Employee cost	5	13	25	38	48
Other expenses	8	14	25	35	45
Total operating expenses	1,117	1,668	3,112	4,868	6,108
EBITDA	36	77	163	266	335
Depreciation and amortisation	1	6	8	11	13
EBIT	35	71	155	255	322
Interest expenses	11	21	27	25	24
Other income	1	4	26	5	6
Profit before tax	25	54	153	236	305
Provision for tax	6	14	40	62	80
Core profit	19	40	113	174	225
Extraordinary items	0	0	0	0	0
Profit after tax	19	40	113	174	225
Share from associates	0	0	0	0	0
Adjusted net profit	19	40	113	174	225
Equity shares outstanding (cr)	1	1	1	1	1
Basic EPS (INR)	17.3	30.6	82.8	127.5	164.8
Diluted shares (cr)	1	1	1	1	1
Fully diluted EPS (INR)	17.3	30.6	82.8	127.5	164.8
Dividend per share	3	2	0	0	0
Dividend payout (%)	16	6	0	0	0

Common size metrics as a percentage of net revenue

Year to March	FY22	FY23	FY24	FY25E	FY26E
Operating expenses	96.9	95.6	95.0	94.8	94.8
Depreciation	0.1	0.4	0.2	0.2	0.2
Interest expenditure	0.9	1.2	0.8	0.5	0.4
EBITDA margin	3.1	4.4	5.0	5.2	5.2
Net profit margin	1.6	2.3	3.5	3.4	3.5

Growth metrics (%)

Year to March	FY22	FY23	FY24	FY25E	FY26E
Revenue	46.8	51.3	87.6	56.8	25.5
EBITDA	79.0	112.7	110.8	63.2	26.0
PBT	15.3	116.0	183.2	54.0	29.2
Net profit	9.9	117.4	179.2	54.0	29.2
EPS	(45.1)	76.4	170.7	54.0	29.2

Setting the *GOLD* standard

Balance Sheet					
As of March 31	FY22	FY23	FY24	FY25E	(INR cr) FY26E
Equity share capital	29	30	36	36	36
Preference Share Capital	0	0	0	0	0
Reserves & surplus	679	856	1,260	1,417	1,682
Shareholders funds	708	886	1,295	1,453	1,718
Secured loans	63	35	620	520	440
Unsecured loans	0	0	0	0	0
Borrowings	63	35	620	520	440
Minority interest	0	0	0	0	0
Sources of funds	771	922	1,915	1,972	2,157
Gross block	263	289	588	738	788
Depreciation	108	123	212	342	479
Net block	155	166	376	396	308
Capital work in progress	11	108	128	158	188
Total fixed assets	166	274	504	554	496
Right of Use Assets	130	113	173	165	215
Investments	42	372	196	211	271
Inventories	434	293	604	661	689
Sundry debtors	92	136	353	242	313
Cash and equivalents	13	24	127	182	226
Loans and advances	170	83	147	162	211
Other current assets	0	0	0	0	0
Total current assets	708	536	1,231	1,247	1,438
Sundry creditors and others	293	244	619	589	634
Provisions	37	44	56	61	66
Total CL & provisions	330	288	675	650	700
Net current assets	378	248	556	596	738
Net Deferred tax	12	31	41	41	41
Misc expenditure	43	-116	445	405	395
Uses of funds	771	922	1,915	1,972	2,157
Book value per share (INR)	120	146	182	204	242

Cash Flow Statement					
Year to March	FY22	FY23	FY24	FY25E	(INR cr) FY26E
Net profit	18	40	113	174	225
Add: Depreciation	1	6	8	11	13
Add: Miscellaneous expenses written off/other assets	10	17	-4	-3	0
Add: Deferred tax	0	0	-1	0	0
Gross cash flow	29	63	115	182	238
Less: Changes in working capital	-34	-202	-184	-132	-78
Operating cash flow	-5	-138	-69	49	160
Less: Capex	2	20	10	10	10
Free cash flow	-8	-158	-79	39	150

Setting the *GOLD* standard

Ratios

Year to March	FY22	FY23	FY24	FY25E	FY26E
RoAE (%)	21.3	23.7	26.0	30.1	24.7
RoACE (%)	16.7	17.9	19.8	22.9	24.3
Debtor days	21	21	22	15	15
Current ratio	52	15	26	25	25
Debt/equity ratio	1.5	1.2	1.1	0.5	0.4
Inventory days	27	56	40	35	30
Payable days	1	1	1	1	1
Cash conversion cycle (days)	48	76	61	49	44
Debt/EBITDA ratio	4	4	2	2	1
Adjusted debt/equity ratio	1.3	0.9	0.2	0.1	(0.1)

Valuation parameters

Year to March	FY22	FY23	FY24	FY25E	FY26E
Diluted EPS (INR)	17.3	30.6	82.8	127.5	164.8
YoY growth (%)	(45.1)	76.4	170.7	54.0	29.2
CEPS (INR)	18.7	35.4	88.7	135.4	174.3
Diluted P/E ratio (x)	54.8	31.1	43.4	28.2	21.8
Price/BV ratio (x)	39.3	19.5	13.7	6.1	4.8
EV/sales ratio (x)	1.0	0.8	1.5	0.9	0.7
EV/EBITDA ratio (x)	31.6	19.2	29.6	18.1	14.0
Diluted shares outstanding	1.1	1.3	1.4	1.4	1.4
Basic EPS	17.3	30.6	82.8	127.5	164.8
Basic P/E ratio (x)	54.8	31.1	43.4	28.2	21.8
Dividend yield (%)	0.3	0.2	0.2	0.2	0.2

Setting the **GOLD** standard

Nuvama Wealth and Investment Limited, Eight Floor 801 to 804, Inspire BKC G Block, BKC Main Road, Bandra Kurla Complex, Bandra East, Mumbai-400051

Sandeep Raina

Head of Research – Professional Client Group
sandeep.raina@nuvama.com

Disclaimer

Nuvama Wealth and Investment Limited (Formerly known as Edelweiss Broking Limited) ("NWIL") or ("Research Entity") a company duly incorporated under the Companies Act, 1956 (CIN No U65100GJ2008PLC077462) having its Registered office situated at Eight Floor 801 to 804, Inspire BKC G Block, BKC Main Road, Bandra Kurla Complex, Bandra East, Mumbai-400051. It is regulated by the Securities and Exchange Board of India ("SEBI") and is licensed to carry on the business of broking, depository services and related activities. The business of NWIL and its Associates (list available on www.nuvamawealth.com) are organized around five broad business groups: Credit including Housing and SME Finance, Commodities, Financial Markets, Asset Management and Life Insurance

Broking services offered by Nuvama Wealth and Investment Limited under SEBI Registration No. INZ 000005231. Name of the Compliance Officer: Mr Srijith Menon, Email address: complianceofficer.nwil@nuvama.com. Corporate Office Eight Floor 801 to 804, Inspire BKC G Block, BKC Main Road, Bandra Kurla Complex, Bandra East, Mumbai-400051

This Report has been prepared by Nuvama Wealth and Investment Limited (Formerly Edelweiss Broking Limited) [NWIL] in the capacity of a Research Analyst having SEBI Registration No. INH000011103 and distributed as per SEBI (Research Analysts) Regulations 2014. This report does not constitute an offer or solicitation for the purchase or sale of any financial instrument or as an official confirmation of any transaction. The information contained herein is from publicly available data or other sources believed to be reliable. This report is provided for assistance only and is not intended to be and must not alone be taken as the basis for an investment decision. The user assumes the entire risk of any use made of this information. Each recipient of this report should make such investigation as it deems necessary to arrive at an independent evaluation of an investment in the securities of companies referred to in this document (including the merits and risks involved), and should consult his own advisors to determine the merits and risks of such investment. The investment discussed or views expressed may not be suitable for all investors.

This information is strictly confidential and is being furnished to you solely for your information. This information should not be reproduced or redistributed or passed on directly or indirectly in any form to any other person or published, copied, in whole or in part, for any purpose. 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 NWIL and associates / group companies to any registration or licensing requirements within such jurisdiction. The distribution of this report in certain jurisdictions may be restricted by law, and persons in whose possession this report comes, should observe, any such restrictions. The information given in this report is as of the date of this report and there can be no assurance that future results or events will be consistent with this information. This information is subject to change without any prior notice. NWIL reserves the right to make modifications and alterations to this statement as may be required from time to time. NWIL or any of its associates / group companies shall 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. NWIL is committed to providing independent and transparent recommendation to its clients. Neither NWIL nor any of its associates, group companies, directors, employees, agents or representatives shall be liable for any damages whether direct, indirect, special or consequential including loss of revenue or lost profits that may arise from or in connection with the use of the information. Our proprietary trading and investment businesses may make investment decisions that are inconsistent with the recommendations expressed herein. Past performance is not necessarily a guide to future performance. The disclosures of interest statements incorporated in this report are provided solely to enhance the transparency and should not be treated as endorsement of the views expressed in the report. The information provided in these reports remains, unless otherwise stated, the copyright of NWIL. All layout, design, original artwork, concepts and other Intellectual Properties, remains the property and copyright of NWIL and may not be used in any form or for any purpose whatsoever by any party without the express written permission of the copyright holders.

NWIL shall not be liable for any delay or any other interruption which may occur in presenting the data due to any reason including network (Internet) reasons or snags in the system, break down of the system or any other equipment, server breakdown, maintenance shutdown, breakdown of communication services or inability of the NWIL to present the data. In no event shall NWIL be liable for any damages, including without limitation direct or indirect, special, incidental, or consequential damages, losses or expenses arising in connection with the data presented by the NWIL through this report. We offer our research services to clients as well as our prospects. Though this report is disseminated to all the customers simultaneously, not all customers may receive this report at the same time. We will not treat recipients as customers by virtue of their receiving this report.

NWIL and its associates, officer, directors, and employees, research analyst (including relatives) worldwide may: (a) from time to time, have long or short positions in, and buy or sell the securities thereof, of 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 subject company/company(ies) discussed herein or act as advisor or lender/borrower to such company(ies) or have other potential/material conflict of interest with respect to any recommendation and related information and opinions at the time of publication of research report or at the time of public appearance. (c) NWIL may have proprietary long/short position in the above mentioned scrip(s) and therefore should be considered as interested. (d). The views provided herein are general in nature and do not consider risk appetite or investment objective of any particular investor; readers are requested to take independent professional advice before investing. This should not be construed as invitation or solicitation to do business with NWIL. (e) Registration granted by SEBI and certification from NISM in no way guarantee performance of NWIL or provide any assurance of returns to investors and clients.

NWIL or its associates may have received compensation from the subject company in the past 12 months. NWIL or its associates may have managed or co-managed public offering of securities for the subject company in the past 12 months. NWIL or its associates may have received compensation for investment banking or merchant banking or brokerage services from the subject company in the past 12 months. NWIL or its associates may have received any compensation for products or services other than investment banking or merchant banking or brokerage services from the subject company in the past 12 months. NWIL or its associates have not received any compensation or other benefits from the Subject Company or third party in connection with the research report. Research analyst or his/her relative or NWIL's associates may have financial interest in the subject company. NWIL, its associates, research analyst and his/her relative may have other potential/material conflict of interest with respect to any recommendation and related information and opinions at the time of publication of research report or at the time of public appearance.

Participants in foreign exchange transactions may incur risks arising from several factors, including the following: (i) exchange rates can be volatile and are subject to large fluctuations; (ii) the value of currencies may be affected by numerous market factors, including world and national economic, political and regulatory events, events in equity and debt markets and changes in interest rates; and (iii) currencies may be subject to devaluation or government imposed exchange controls which could affect the value of the currency. Investors in securities such as ADRs and Currency Derivatives, whose values are affected by the currency of an underlying security, effectively assume currency risk.

Research analyst has served as an officer, director or employee of subject Company: No

NWIL has financial interest in the subject companies: No

NWIL's Associates may have actual / beneficial ownership of 1% or more securities of the subject company at the end of the month immediately preceding the date of publication of research report.

Disclaimer

Research analyst or his/her relative has actual/beneficial ownership of 1% or more securities of the subject company at the end of the month immediately preceding the date of publication of research report: No

NWIL has actual/beneficial ownership of 1% or more securities of the subject company at the end of the month immediately preceding the date of publication of research report: No

Subject company may have been client during twelve months preceding the date of distribution of the research report.

There were no instances of non-compliance by NWIL on any matter related to the capital markets, resulting in significant and material disciplinary action during the last three years. A graph of daily closing prices of the securities is also available at www.nseindia.com

Analyst Certification

The analyst for this report certifies that all of the views expressed in this report accurately reflect his or her personal views about the subject company or companies and its or their securities, and no part of his or her compensation was, is or will be, directly or indirectly related to specific recommendations or views expressed in this report.

DISCLAIMERS FOR INTERNATIONAL JURISDICTION

Disclaimer for U.S. Persons

The content of the website does not constitute an offer or invitation to purchase or subscribe for any securities or solicitation of any investments or investment services and/or shall not be considered as an advertisement tool. "U.S. Persons" are generally defined as a natural person, residing in the United States or any entity organized or incorporated under the laws of the United States. US Citizens living abroad may also be deemed "US Persons" under certain rules. THIS DOCUMENT IS INTENDED SOLELY TO PROVIDE INFORMATION TO THE QUALIFIED INSTITUTIONAL INVESTORS ONLY AND IS NOT MEANT FOR RETAIL INVESTORS. If you are not the intended recipient you must not copy, distribute, or take any action or place reliance on it. If you have received this communication by error, please notify the sender immediately. This communication is intended solely for the person to whom it is addressed and may contain confidential or privileged information. The document is intended to be educational only and not for a marketing or prospecting purpose. The views and opinions expressed as part of this presentation do not necessarily state or reflect those of Nuvama, its holding company(ies), subsidiaries and associates including entities in overseas jurisdictions.

The content of the website or any information contained therein must not be distributed, published, reproduced, or disclosed (in whole or in part) by recipients to any other person. The content of the website must not be acted on or relied on by persons who are not qualified institutional investor. Any investment or investment activity to which this website relates, is available only to qualified institutional investor and will be engaged only with qualified institutional investor. Any person who is not a qualified institutional investor should not act or rely on this website or any of its contents

Disclaimer for U.K. Persons:

The content of the website has not been approved by an authorized person within the meaning of the Financial Services and Markets Act 2000 ("FSMA"). In the United Kingdom, this document is intended for (a) persons who have professional experience in matters relating to investments falling within Article 19(5) of the FSMA (Financial Promotion) Order 2005 (the "Order"); (b) persons falling within Article 49(2)(a) to (d) of the Order (including high net worth companies and unincorporated associations); and (c) any other persons to whom it may otherwise lawfully be communicated (all such persons together being referred to as "relevant persons"). THIS DOCUMENT IS INTENDED SOLELY TO PROVIDE INFORMATION TO THE QUALIFIED INSTITUTIONAL INVESTORS ONLY AND IS NOT MEANT FOR RETAIL INVESTORS. If you are not the intended recipient you must not copy, distribute, or take any action or place reliance on it. If you have received this communication by error, please notify the sender immediately. This communication is intended solely for the person to whom it is addressed and may contain confidential or privileged information. The content of the document is intended to be educational only and not for a marketing or prospecting purpose. The views and opinions expressed as part of this document do not necessarily state or reflect those of Nuvama, its holding company (ies), subsidiaries and associates including entities in overseas jurisdictions.

Disclaimer for Canadian Persons

The content of the website is NOT MEANT FOR RETAIL INVESTORS. IT IS INTENDED SOLELY TO PROVIDE INFORMATION TO THE PERMITTED CLIENTS ONLY (as defined in National Instrument 31-103 ("NI 31-103")) who are resident in the Province of Ontario, Canada (an "Ontario Permitted Client"). Any products or services described in this document are made available only in accordance with applicable Canadian securities law and only where they may be lawfully offered for sale. If the person accessing this document is not an Ontario Permitted Client, as specified above, then the recipient should not access the same. Nuvama and its group companies is relying on an exemption from the adviser and/or dealer registration requirements under NI 31-103 available to certain international advisers and/or dealers. Please be advised that (i) Nuvama and its group companies is not registered in the Province of Ontario to trade in securities nor is it registered in the Province of Ontario to provide advice with respect to securities; (ii) Nuvama's head office or principal place of business is located in India; (iii) all or substantially all of Nuvama's assets may be situated outside of Canada; (iv) there may be difficulty enforcing legal rights against Nuvama because of the above; and (v) the name and address of Nuvama Group's agent for service of process in the Province of Ontario is: Bamac Services Inc., 181 Bay Street, Suite 2100, Toronto, Ontario M5J 2T3 Canada. The content of the website must not be distributed, published, reproduced or disclosed (in whole or in part) by recipients to any other person. This communication must not be acted on or relied on by persons who are not PERMITTED CLIENTS. Any investment or investment activity to which this communication relates is available only to relevant persons and will be engaged in only with relevant persons. Any person who is not a PERMITTED CLIENTS should not act or rely on this communication or any of its contents.

Disclaimer for UAE Persons

The content of the website is INTENDED SOLELY TO PROVIDE INFORMATION TO THE INSTITUTIONAL QUALIFIED INVESTORS ONLY AND IS NOT MEANT FOR RETAIL INVESTORS. Further, the information in this document does not constitute a public offer of securities in the United Arab Emirates and is not intended to be a public offer. The website has not been approved by or filed with the Central Bank of the United Arab Emirates, the Securities and Commodities Authority of the United Arab Emirates or the Dubai Financial Services Authority. The content of the website must not be distributed, published, reproduced or disclosed (in whole or in part) by recipients to any other person. The website must not be acted on or relied on by persons who are not INSTITUTIONAL QUALIFIED INVESTORS. Any investment or investment activity to which this communication relates is available only to relevant persons and will be engaged in only with relevant persons. Any person who is not a INSTITUTIONAL QUALIFIED INVESTORS should not act or rely on this communication or any of its contents. The content of the website must not be distributed, published, reproduced or disclosed (in whole or in part) by recipients to any other person. The website must not be acted on or relied on by persons who are not relevant persons. Any investment or investment activity to which this communication relates is available only to relevant persons and will be engaged in only with relevant persons. Any person who is not a relevant person should not act or rely on this communication or any of its contents.

Disclaimer

Disclaimer for Australia Persons

Any information set out on the website is only intended for persons who are “Professional Investors” as described in Section 761(G) of the Corporations Act 2001 (as amended). It is not intended to for any other class of persons and may not be relied upon by such persons and is therefore not intended for private individuals or those who would be classified as Retail Clients. All information on the website is general information only and is not to be considered any form of advice (whether investment or otherwise) or a recommendation, solicitation, or an offer to purchase or sell investments or related financial products or any financial services. The receiver of the website should make their own decisions based upon their own financial objectives and financial resources and, if in any doubt, should seek advice from an appropriate independent advisor. Nuvama and its group companies does not hold an Australian Financial Services License and is not licensed in Australia to provide financial product advice or services and is relying on “limited connection relief exemption” when dealing with “Professional Investors” (Wholesale client category) in Australia.

Disclaimer for Singapore Persons

The content of the website IS INTENDED SOLELY TO PROVIDE INFORMATION ONLY TO THE INSTITUTIONAL OR ACCREDITED INVESTORS ONLY AND IS NOT MEANT FOR RETAIL INVESTORS AS DEFINED UNDER THE SECURITIES AND FUTURES ACT “SFA”. If you are not the intended recipient you must not copy, distribute, or take any action or place reliance on it. If you have received this communication by error, please notify the sender immediately. Any such information contained or discussed in the document is subject to change and Nuvama and its group companies shall not have any responsibility to maintain the information made available or to supply any correction therewith. In no event will Nuvama and its group companies be liable for any special direct or indirect or consequential damages which may be incurred from the use of the information made available, even if it has been advised of the possibility of such damages. The company and its employees mentioned in these communications cannot be held liable for any error’s inaccuracies and/or omission howsoever caused. Any opinion or advice if any herein is made on a general basis and is subject to change without notice. The information provided in this document may contain optimistic statements regarding future events or future financial performance of countries, markets, or companies. You must make your own financial assessment of the relevance, accuracy and adequacy of the information provided if any in this document. This document has not been reviewed by the Monetary Authority of Singapore “MAS”.

Additional Marketing Disclaimer for all other International Jurisdiction:

The content of this website is restricted in certain jurisdictions and does not constitute or form part of any offer or invitation to sell or issue, or any solicitation of any offer to purchase or subscribe for, by anyone in any jurisdiction in which such an offer or solicitation is not authorised or may not lawfully be made (without compliance with any registration or other legal requirements) or in which the person making such offer or solicitation is not qualified to do so or to any person to whom it is unlawful to make such offer in any jurisdiction. The above information is for general guidance only, it is the responsibility of receivers to inform themselves as to any income or other tax consequences arising in the jurisdictions in which they are resident or domiciled or have any other presence for tax purposes, as well as any foreign exchange or other fiscal, or legal or regulatory restrictions which are relevant to their particular circumstances in connection with the acquisition, holding or disposal of any securities if any mentioned in this document. This document is strictly private and confidential and may not be reproduced or use for any other purpose and not be provided to any person other than the recipient thereof. If you are not the intended recipient you must not copy, distribute, or take any action or place reliance on it. If you have received this communication by error, please notify the sender immediately. Any such information contained or discussed on the website is subject to change and Nuvama Group or any of its Directors, Employees, agents or representatives shall not have any responsibility to maintain the information made available or to supply any correction therewith. In no event will Nuvama Group or any of its Directors, Employees, agents or representatives, be liable for any special direct or indirect or consequential damages which may be incurred from the use of the information made available, even if it has been advised of the possibility of such damages. The company and its employees mentioned in these communications cannot be held liable for any error’s inaccuracies and/or omission howsoever caused. Any opinion or advice herein is made on a general basis and is subject to change without notice. The information provided in this website may contain optimistic statements regarding future events or future financial performance of countries, markets, or companies. You must make your own financial assessment of the relevance, accuracy and adequacy of the information provided therein.

INVESTMENT IN SECURITIES MARKET ARE SUBJECT TO MARKET RISKS. READ ALL THE RELATED DOCUMENTS CAREFULLY BEFORE INVESTING.