

# COMPENDIUM ON INITIAL PUBLIC OFFERING

**SWADESHI LAGHUBITTA BITTIYA SANSTHA LTD**

## Company Overview

Swadeshi Laghubitta Bittiya Sanstha Limited is a category “D” National Level financial institution licensed by Nepal Rastra Bank and Government of Nepal. It’s head office is in Itahari-8, Dharan-Biratnagar Road, Sunsari. It commenced its operation since 9<sup>th</sup> Poush, 2071 BS under Bank and Financial Institution Act 2003.

## Area of Operation

Swadeshi Laghubitta started its operation with 23 branches in the year 2071 and at the end of the second quarter of 2073/74, it has been able to operate through 50 branches in 39 districts. The company has the motives of increasing the branches to 54, 62 and 70 by the end of the FY 2073/74, 2074/75 and 2075/76 respectively in any part of the country as required.

Number of Authorized Districts of Operation	75
Number of District (Coverage)	39
Number of Branches	50

The company aims to empower women and the formation of member seems to be dominated by the Women. Membership grew from 7,571 ,2071/72 to 36,169 members in the previous quarter. The company projected to increase the members at the rate of 28%, 53% and 38% in the projected periods respectively.



## SECTOR - RETAIL MICRO CREDIT

### Issue Details

<b>Issue Size</b>	<b>300,000</b>
<b>Price per Share</b>	<b>100</b>
<b>Issue Open Date</b>	<b>2073-12-25</b>
<b>Issue Close Date</b>	<b>2073-12-29</b>
<b>Issue to Staff</b>	<b>12,000</b>
<b>Issue to Mutual Funds</b>	<b>15,000</b>
<b>Issue to General Public</b>	<b>273,000</b>
<b>Issue Manager</b>	<b>NMB Capital Ltd.</b>
<b>Collection Centers</b>	<b>Various</b>
<b>Min. Application (Kitta).</b>	<b>50</b>
<b>Max. Application (Kitta).</b>	<b>1500</b>
<b>ICRA Rating</b>	<b>Not Applicable</b>

Note: As per regulation 3 (ka) of Credit Rating Regulation, 2068 the credit rating of this issue is not required since the issue is up to NPR Three crores.

## Issue Objectives:

The issue is made to meet the regulatory requirement of Banking & Financial Institutions Act 2063, which requires at least 30% share to be issued to general public within three to five years of company in operation.

The proceeds from the issue will be allocated to:

- Agriculture loan: Rs.1,00,00,000
- Retail business and service loan: Rs.1,50,00,000
- Small and Cottage industry loan: Rs.50,00,000

## Target Groups

- Women, poor farmers, underprivileged, and underdeveloped people of rural areas; having plots less than 10 aana or 10 dhur Municipality area, having less than 20 ropani or 1.5 bigaha in mountain and terai, having householders not more than single floor RCC house with less than NRs.180,000 annual income.
- Projects aiming at strengthening microfinance frameworks.
- Retail / Wholesale Micro-Financial Institutions/ COOPS servicing poor and low income peoples.

## Upcoming Plan and Strategy

- Prioritize the extension of branches.
- Deposit and lending will be done as per the extension of the branches.
- Determined to offer services and facilities as required by the customers in future.
- Reach to the ever increasing number of customers with its financial services.

## Key Fundamentals

<b>Paid up Capital</b>	<b>700,00,000</b>
<b>Reserve and Surplus</b>	<b>4,557,000</b>
<b>Book Value Per Share</b>	<b>106.51</b>
<b>Earning Per Share</b>	<b>22.16</b>
<b>Operating Profit Per Share</b>	<b>15.15</b>
<b>Non-Performing Loan (%)</b>	<b>0.92</b>

## Capital Structure (%)

	<b>Existing</b>	<b>Post issue</b>
<b>Authorized</b>	<b>200,000,000</b>	<b>200,000,000</b>
<b>Issued</b>	<b>70,000,000</b>	<b>100,000,000</b>
<b>Paid Up</b>	<b>70,000,000</b>	<b>100,000,000</b>

## Shareholding Structure (%)

	<b>Existing</b>	<b>Post issue</b>
<b>Pubic</b>	<b>-</b>	<b>300,000 (30%)</b>
<b>Promoter</b>	<b>10,00,000</b>	<b>700000 (70%)</b>

## Details about Board of Directors

### 1) Mr. Lalmani Joshi – Chairman

Mr. Lalmani Joshi, Masters, has the vast knowledge and experience of working in several fields. He has served as the Secretary of several governmental positions. He is the former director of Nepal Industrial Development Corporation, Himalayan Bank, Department of Electricity Development. He was appointed the director in Nabil Bank Ltd. by NRB. He is also a former chairman at Nepal Oil Corporation. He is the chairman at Emerging Nepal Ltd.

### 2) Mr. Ashok Kumar Agrawal – Director

Mr. Ashok Kumar Agrawal is the director of LIC Nepal from 14 years. He has served as director with Bank of Asia Ltd. (now NIC Asia Bank Ltd.).

### 3) Mr. Suresh Kumar Agrawal – Director

Mr. Suresh Kumar Agrawal was the president of Reshu Group of Company and director of KP Cement Industries Pvt. Ltd. He is the managing director at Paradise Trading Company.

### 4) Mr. Dipesh Khetan Agrawal – Director

Mr. Dipesh Khetan Agrawal was a director at Global Chemicals Pvt. Ltd.

## Details about Management Teams

### 1) Mr. Punya Prasad Khaniya – C.E.O.

Mr. Punya Prasad Khaniya, MBA, B.E., was the CEO of Reliable Laghubitta Bittiya Sanstha Ltd., assistant manager at Malika Bikas Bank and officer at Manjushree Finance Company.

### 2) Mr. Rajendra Prasad Sharma –

*Chief Business Officer*

Mr. Sharma, MBA, has worked as the officer of Nepal Grameen Bikas Bank Ltd. and USAID.

### 3) Mr. Shreedhar Gautam – Head of Operation Department

Mr. Gautam was the manager at Sahakari Bittiya Sanstha Ltd., Senior officer at Capital Merchant Banking & Finance Company Ltd., and supervisor/junior officer at Bageshowri Development Bank Ltd.

### 4) Mr. Ashok Subedi – Head of Finance Department

Mr. Ashok Subedi, Chartered Accountants, has previously worked at Apex Development Bank. He has 4 years of experience of working in Audit firm in India.

### 5) Mr. Nawaraj Pokharel – Head of HR/GS Department

Mr. Pokharel was the former CEO at Sewa Saving and Cooperatives Ltd., manager of Sahara Nepal Saving and Cooperatives Society Ltd. and branch manager at Nerude Laghubitta Bikas Bikas Bank Ltd.

## Details of Significant Shareholders (Promoters)

S.N.	Name	No. of Shares	Paid up Amount
1.	Asian Distributors Pvt. Ltd.	100000	10,000,000
2.	Life Care Distributors Pvt. Ltd.	100000	10,000,000
3.	United Distributors Pvt. Ltd.	75000	75,000,000
4.	Prudential Capital Management Pvt. Ltd.	75000	75,00,00,000
5.	Pooja International Nepal Pvt. Ltd.	50000	5,000,000
6.	Global Trading Concern Pvt. Ltd.	40000	40,00,000

## General Introduction to Balance Sheet Figures

The paid up capital will be Rs.100 millions after the issue of 300,000 shares. The company projects the paid up capital to be Rs.150 millions from the next FY which implies that the company will issue additional 50 millions worth of shares through Rights (i.e. 50% Rights) in the coming period. The reserve and surplus are projected to increase at a very high rate of 675%, 127% and 107% which will make the net worth of the company very good. The deposit as on end of 2<sup>nd</sup> quarter 2073/74 stands at Rs.213.37 millions, an increase of 66% from last FY while the loan and advance for the same period is Rs.1052.14 millions, a 44% increase. This growth are expected to be in the similar trend in the years ahead. The borrowing has increased by 46% till the 2<sup>nd</sup> quarter 2073/74 and this are projected to increase 23% by end of FY 2073/74 and 35% in two period onward. The company has a 0.92% non-performing loan at present, projected to fall in the future. The fixed asset of the company are adequate and will be increased as per the infrastructure necessitated by the company. The company has not made any investments and has no projection of the same.

## Compare with Industry Figures

- The ROE and ROA of the company are 20.8% and 1.63% respectively as per the FY 2072/73, whereas the industry figure is 34.64% and 4.11% respectively as on 2<sup>nd</sup> quarter 2073/74. This percentage is expected to go up to 30.75% and 2.16% by the FY ended 2075/76.
- Net worth per share of the company is Rs. 106.51 while the industry average is Rs.183.07 for the 2nd quarter of 2073/74. This is expected to be above the current industry average in the projected period.
- The CAR for the FY 2072/73 is 10.28% which is above the NRB requirement of 8%, while the current industry average is 16.61%. The company project to increase this ratio in the years ahead maintaining above the 8% requirements.
- NPL for the current period is 0.92%, below the industry average of 1.28%. This ratio is expected to fall to at least 0.30% in the FY 2075/76.
- The loan and advance growth rate is 206.48% for the FY ended 2072/73 compared to 48.1 % of industry. For the year ahead, it project to increase at CAGR of 60%.

## Excerpts from Balance Sheet (NRs. In Millions)

Particular	71/72	72/73	73/74	74/75	75/76
<b>Paid-Up capital</b>	70	70	150	150	150
<b>Reserve/ Surplus</b>	(10.95)	4.55	35.26	80.18	166.1
<b>Net Worth</b>	59.01	74.55	185.26	230.2	316.1
<b>Borrowing</b>	287.4	726.4	1307.5	1765.1	2382.9
<b>Deposits</b>	16.9	128.3	269.4	404.1	646.7
<b>Loans/ Advances</b>	237.7	728.5	1457.1	2070.9	2971.8
<b>Total Assets</b>	367.5	951.5	1777.4	2424.7	3386.1

## Ratios

Particular	71/72	72/73	73/74	74/75	75/76
<b>CAR(%)</b>	18.66	10.28	12.82	11.48	11.13
<b>NPL (%)</b>	-	0.92	0.50	0.40	0.30
<b>Credit/ (Borrowing + Deposit)</b>	78.11	85.23	92.40	95.47	98.09
<b>Loan Growth</b>	-	206.48	100	42.12	43.5
<b>Deposit Growth</b>	-	659.17	110	50	60
<b>Total Asset Growth</b>	-	158.91	86.80	36.42	39.65

## General Introduction to Income Statement Figures

The company is able to make net profit of Rs.15.5 millions in the second FY. This figure are projected to increase at CAGR of 84%. The net interest income is projected to increase at CAGR of 23.5%. Similarly, operating profit is expected to go up at CAGR of 132.5%. The employee and operating expenses are Rs.32.7 and Rs.52.4 million respectively and are projected to be Rs.96 and Rs.145 millions by the end of FY 2075/76. The company has made a provision for possible losses of Rs.15.69 millions as on the end of 2<sup>nd</sup> quarter of 2073/74. The company has made a bonus of Rs.1.75 millions in the FY 2072/73.

## Compare with Industry Figures

- EPS of the company is Rs.22.16 as per FY 2072/73 while the industry average EPS is Rs.50.83 as on 2<sup>nd</sup> quarter 2073/74. Since the company is only in its second year of operation compared to the already established MFIs, but also this figure is better than the EPS of recently established MFIs. This EPS is projected to increase to Rs.65 by the end of the projected period.
- Cost of fund as on the FY ended 2072/73 stands at 3.20 % whereas the industry average is 6.17%. This percentage is expected to stay below the industry average in the projected period, which is a positive indicator.
- Net profit margin of the company is 16.35 % which are projected to increase upto 24% and industry same is 28.24% for the FY ended 2072/73. The company expect to match the industry figure considering its existing rapid growth prospect.
- The ratio of operating expenses to the net interest income is 77.67 % of the company vs the 54.13% as per FY 2072/73. The ratio is expected to fall to 52% by the end of third projected year.
- The ratio of employee expenses to total operating expenses is 62.48% while the industry average is 63.73%. This is in line with the industry.

## Excerpts from Income Statement (in Millions)

Particular	71/72	72/73	73/74	74/75	75/76
<b>NII</b>	<b>6.92</b>	<b>67.48</b>	<b>121.4</b>	<b>193.7</b>	<b>275.6</b>
<b>Operating Expenses</b>	<b>16</b>	<b>52.4</b>	<b>89</b>	<b>124.9</b>	<b>145.3</b>
<b>Employee Expenses</b>	<b>8.77</b>	<b>32.75</b>	<b>55.9</b>	<b>83.24</b>	<b>95.8</b>
<b>Operating Profit</b>	<b>(11.07)</b>	<b>10.6</b>	<b>42.16</b>	<b>65.68</b>	<b>133.4</b>
<b>Net Profit</b>	<b>(10.95)</b>	<b>15.5</b>	<b>34.24</b>	<b>52.39</b>	<b>97.21</b>

## Ratios

Particular	71/72	72/73	73/74	74/75	75/76
<b>NIIM</b>	<b>-</b>	<b>435.35</b>	<b>354.5</b>	<b>369.7</b>	<b>283.5</b>
<b>Yield on Advance</b>	<b>4.02</b>	<b>13.02</b>	<b>11.25</b>	<b>12.78</b>	<b>12.73</b>
<b>Opt. Exp/NII</b>	<b>231.22</b>	<b>77.67</b>	<b>73.36</b>	<b>64.46</b>	<b>52.72</b>
<b>Cost of Funds</b>	<b>0.86</b>	<b>3.20</b>	<b>3.72</b>	<b>4.18</b>	<b>4.20</b>
<b>IRS</b>	<b>3.16</b>	<b>9.82</b>	<b>6.51</b>	<b>7.43</b>	<b>7.51</b>
<b>Emp. Exp/ Operating Cost</b>	<b>54.8</b>	<b>62.5</b>	<b>62.80</b>	<b>66.64</b>	<b>66</b>
<b>ROE %</b>	<b>(18.55)</b>	<b>20.80</b>	<b>18.48</b>	<b>22.76</b>	<b>30.75</b>
<b>ROA %</b>	<b>(2.98)</b>	<b>1.63</b>	<b>1.93</b>	<b>2.16</b>	<b>2.87</b>
<b>EPS</b>	<b>(15.65)</b>	<b>22.16</b>	<b>22.83</b>	<b>34.93</b>	<b>64.81</b>
<b>Net worth per share</b>	<b>84.35</b>	<b>106.51</b>	<b>123.5</b>	<b>153.45</b>	<b>210.74</b>

## Strengths-Weaknesses-Opportunities-Threats (SWOT) Analysis

### Strength

- 1) Highly experienced and capable group of Board of Directors and Management teams.
- 2) Centralized financial data integration system, swadeshi microfinance system, swadeshi training & development system, robust internal control system and standard operation procedure which would be regarded as state-of-the-art.
- 3) Able to reach the customers of 39 districts within 2 years of operation.
- 4) The company is in profits in its second year of operation and the financial indicator are strong, which shows the growth factors to be positive along with better asset quality.

### Weakness

- 1) High rate of lending proportionate to deposits and borrowings might cause inadequate cash at times.
- 2) The loan are made to the members based upon guarantee not on actual collateral. This raise the credit risk of the loan and non performing loans.
- 3) The paid up capital of 10 crores may not be sufficient for the company to carry on its objectives along with branch expansion.

## SWOT

### Opportunities

- 1) NRB recent monetary policy directed the commercial banks to at least grant 5% of total loan to deprived sectors, out of which 2% should be direct and 3% indirect. The indirect loan can be made through the MFIs.
- 2) As per CBS (2010), 25.2 percent of population are below poverty line in Nepal, offering scope of plenty of areas to serve.
- 3) The company has the authority to establish its branch in all 75 districts. Currently, it has 50 branches in 39 districts and has the annual mission to establish at least 10 branches, thereby reaching to the greater numbers of customers.
- 4) The application for incorporation of additional MFIs has been halted for now (except in 10 districts which lacks the financial services), which has enhanced the scope for existing MFIs.

### Threats

- 1) NRB has issued license to 32 Micro-finance institutions which can result an intense competition between the institutions once they are listed in Nepse Index.
- 2) NRB direction to Wholesale MFIs to increase their capital upto Rs.60 crores by Ashad 2075 can rush the Wholesale MFIs in search of capital.
- 3) NRB has limited the interest rate spread of MFIs to 7 percent, preventing the MFIs charging higher interest to its borrowers, thus limiting the interest earning capacity of MFIs.
- 4) Risks from volatile stocks markets and unsettled political disputes.

## Valuation of Company

The valuation of the company is done on Relative valuation approach and the Guideline to Public Company Methods (GPCM). The Income approach is not applied because of lack of information and data and the company has no projection of paying dividends in the projected years.

Relative Valuation Model – the value is determined taking the industry average as on 2<sup>nd</sup> quarter of 2073/74 and the financial ratio as per the last audited financial statements of the company. The value is determined using the P/E and P/B multiples, as we lack the data for the P/CF and P/S ratio.

The rationale for using P/E ratio in valuation is that the earning power, as measured by the EPS, is the primary determinant of investment value. Looking the table at the right and assuming the P/E model is appropriate, the investment in this IPO can provide the investors annual holding period return of at least 390% by the end of FY 2075/76. We have assumed the opportunity cost of 12% p.a. and the maximum allotment time to be two months from the issue date. However, negative earning in any projected period will make this valuation meaningless.

P/B multiple can typically be used when P/E is not possible. Book value is the cumulative amount that is usually positive and more stable than EPS. Using this multiple, the share price of the company are expected to remain in between Rs.1100 to Rs.1900 during the projected period.

### Guideline Public Company Methods

The value is based on the multiples of comparables public companies, where multiples are adjusted to reflect differences in the relative risk and growth prospects.

We assume the following:

- Discount for lack of control – Nil; since the company is a public company.
- Discount for lack of marketability – Nil; since the issue will be publicly listed in index.
- Discount for risk – Nil; since the issue is IPO and issued at par hence it is considered riskless.

P/E Based Valuation			
Projected Year	Industry P/E	EPS of Company	Value of Shares
2073/74	43.17	22.83	986
2074/75	43.17	34.93	1508
2075/76	43.17	64.81	2798

P/B Based Valuation			
Projected Year	Industry P/B	BVPS of Company	Value of Shares
2073/74	8.99	123.51	1110
2074/75	8.99	153.45	1379
2075/76	8.99	210.74	1895

Average MVIC/EBITDA (FY 2072/73)	4.2 x
Normalized EBITDA of the Company (FY 2072/73) (NRs. In Millions)	80 Millions
Value of Company (NRs. In Millions)	336 millions
Value of Debt (NRs. In Millions)	0.7264 millions
Value of Equity (NRs. In Millions)	244.07 millions

*The industry average is computed based on the available financial statements that could be extracted.*

## Performance of previously listed Microfinance Institutions

We have shown below the performance of four Microfinance Institutions which are listed in the NEPSE Index in the recent times.

Symbol of Microfinance	Opening date of trade	Listing Price	Last Closing Price	Difference	Capital Gain %	Time	52 weeks High	52 weeks Low
SLBS	8 <sup>th</sup> Feb 17	486	544	58	11.93%	2 months	544	486
RSDC	8 <sup>th</sup> Feb 17	334	751	417	124.55%	2 months	763	334
NMFBS	8 <sup>th</sup> Feb 17	506	648	142	28.06%	2 months	648	506
MERO	5 <sup>th</sup> Sept 16	392	894	502	128.06%	7 months	894	392

The performance of the shares of Swadeshi Laghubitta Bittiya Sanstha Ltd., once it get listed in the index, can be expected to be in a similar price trends as the above four MFIs. Taking the above four closing price as the basis and the maximum listing price of Rs. 320, unrealized capital gain of the investment in the shares of company in the secondary market can be expected to be 120% in the time zone of seven months.

The listing price of the company should be in between the *three times* the book value of the company before the issue of IPO. Accordingly, the listing price of the shares of Swadeshi Laghubitta Bittiya Sanstha Ltd. in the Nepse Index is expected to be in between the current book value of Rs.106 to 3 times this figure, which amounts to Rs.320.

### Fundamental growth of the MFIs after the issue of IPO

The table on right presents the fundamental factors of the previously listed Microfinance Institutions before and after the issue of the IPO.

We can see that the fundamental value of the two microfinance institutions, RSDC Laghubitta Bittiya Sanstha Ltd. and Suryodaya Laghubitta Bittiya Sanstha Ltd. have progressed after the issue of the IPO, even if the deposit and loan and advance growth has fallen comparatively.

This actual fundamental data have supported the ratios we have calculated above as per the projected figures of the company and places our reliance on the projection being made.

Therefore, the fundamental growth of the Swadeshi Laghubitta Bittiya Sanstha Ltd. after the issue of IPO can be reasonably expected.

MFIs	RSDC		SLBS	
Particulars	Prior to issue (audited)	Post Issue (Q2 2016/17)	Prior to issue (audited)	Post Issue (Q2 2016/17)
Net Profits	6.62 mill	10.98 mill	5.62 mill	7.72 mill
Net Interest Income	12.62 mill	17.75 mill	17.63 mill	28.79 mill
Operating Profits		14.85 mill		23.54
Deposit Growth	-	-	459.15%	252.39%
Loan and advance growth	124.10%	57%	205.13%	154%
Net worth per share	115.35	135.35	108.59	193.39
EPS	14.14	21.96	8.58	77.18
ROE	9.55%	19.21%	37.59%	54.39%
ROA	0.94%	2.48%	4.05%	3.49%



### Tentative IPO allotments:

We have detailed the allotment modules of IPO (to general public) issued in a recent time of two Microfinance Institutions below:

MFIs	Forward		RSDC	
	Retail	Other	Retail	Other
Tal Issue	216,000	324,000	148,800	223,200
Total Application (Units in Million)	23.64	36.40	21.312	60.156
Total Issued Amounts (NRs. In Million)	21.60	32.40	14.88	22.32
Oversubscribed	109.45 x	112.35 x	143.23 x	269.52 x
Total Amounts (NRs. In Million)	2,364.12	3,640.14	2,131.26	6,015.68
Total valid applicant	107,697	17,028	154,580	
Allotments	<ul style="list-style-type: none"> <li>• 30.47% applicant got shares</li> <li>• Lottery of each 10 shares who applied for 50 to 1030 units.</li> <li>• Pro-rata at 0.89% who applied for 1040 to 3000 units.</li> </ul>		<ul style="list-style-type: none"> <li>• 21.39% i.e. 33,702 applicants got shares.</li> <li>• Lottery to 50 to 2550 units applied.</li> <li>• Pro-rata at 0.35% to 0.388% who applied for 2560 to 4000 units.</li> </ul>	

Observing the allotment modules presented in the left, we have made a tentative allotment of the IPO of Swadeshi Laghubitta Bittiya Sanstha Ltd.

We expect the oversubscription by 150 times on average in this issue.

Amount Issued (NRs. In Million)	27.3	
Oversubscription	150 x	
Total Application Amounts (NRs. in Millions)	4,095	
	Retail (40%)	Other (60%)
Collection from	1,638	2,457

Taking the maximum application amount by the Retail investors Rs.50,000, the total retail applicants will be 32,760. As per the guideline, a minimum of 10 kittas shares are to be allotted to applicants, which requires at least 32,76,000 kittas to satisfy all. However, we have only 109,200 kittas available. So, the lottery system is implemented here for the retail investors, where only 10,920 applicants out of total 32,760 valid retail applicants will be allotted a minimum of 10 kitta shares (i.e.33.33%).

For the investors of other category, pro-rata allotment at 0.67% on the application amounts will be made. That is, the investor applying maximum of 1500 kittas are likely to get 10 kittas shares only.

If the over subscription happens by more times than our estimation, then all investors of retails and others category will get shares on lottery basis only.

In case the total collection from the retail investors exceeds 40% of total application amounts, both the retail and other investor will be taken as one category and shares will be distributed uniformly or equally.

We expect the chances of invalid applicants to be lower as we expect more investors to apply the IPO through ASBA system.

## What Technical Analysis shows?

The below is the technical chart showing 200 days moving average of the Development Bank Indices, which includes the micro finance sectors also. The chart shows the upward trends of the industry at a glance. The correction took place from July 2016 high till January 2017. However from last months, it is again pacing in a bull trend. We expect this to continue in the coming periods and once it breaks the July 2016 high points, this will find a new support point at that level.



## RECOMMENDATION:

The above analysis of the company Financial Ratios, SWOT factors, experienced person in the Board and the Management teams lead us to the **BUY** recommendation to the IPO of the Swadeshi Laghubitta Bittiya Sanstha Limited. Though the past performance may not be taken a guarantee of the future projections, we have no alternative than to assume the projection will remain valid. The investment in this IPO may particularly be suitable to the growth investors.

**Disclaimer:** All of the content published on this Communiqué is based on internal data, publicly published data and other available information believed to be reliable. The information contained in this document is meant for general purposes only without warranty of any kind. The information/data herein alone is not sufficient and shouldn't be used for the development, analysis or implementation of an investment strategy.

The investments discussed or recommended in this report may not be suitable for all investors. Investors should use this research as one input into formulating an investment opinion. Additional inputs should include, but are not limited to, the review of other. This is not an offer (or solicitation of an offer) to buy/sell the securities/ instruments mentioned or an official confirmation. Global IME Capital Limited is not responsible for any error or inaccuracy or for any losses suffered on account of information contained in this report. This report does not purport to be offer for purchase and sale of share/ units.

Investing in the stock market may have large potential risks involved in which you can lose some or all your money. You, the reader and not Global IME Capital Ltd, are solely responsible for any losses, financial or otherwise, as a result of trading stocks.