Supreme Industries

Operator: Welcome to Supreme Industries Ltd. Q2 FY27 earnings conference call hosted by DAM Capital Advisors Limited. As a reminder, all participant lines will be in listen-only mode, and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing star and then zero on your touchtone phone. Please note that the conference is being recorded. I now hand the conference over to Mr. Ashim. Thank you, and over to you, sir.

Ashim – DAM Capital Advisors: Thank you. Good evening and welcome, everyone, to Supreme Industries Ltd.'s Q2 FY27 earnings call. We have the senior management of the company with us, who will take us through the quarter's performance, after which we will open the floor for questions. Thank you, and over to Mr. Taparia for his opening remarks.

M. P. Taparia – Chairman & Managing Director: Thank you, Mr. Ashim, and thank you all very much. I am M. P. Taparia, Chairman and Managing Director of Supreme Industries Ltd. I, along with my colleagues, Mr. P. C. Somani, CFO, and Mr. R. J. Saboo, Vice President (Corporate Affairs) and Company Secretary, welcome all participants to this discussion on the unaudited standalone and consolidated financial results for the quarter and half year ended September 30, 2026.

The standalone and consolidated results are already with you. I will give a brief overview of the company's product operating performance and other highlights.

The company sold 341,991 tonnes of plastic goods and achieved revenue from operations of Rs.6,079 crore during the first half of the current year, against sales of 338,224 tonnes and net product turnover of Rs.5,003 crore in the corresponding half year of the previous year, achieving volume and product value growth of approximately 1% and 22%, respectively.

The standalone operating profit and profit after tax for the first half of the current year amounted to Rs.829 crore and Rs.487 crore, respectively, as compared to Rs.617 crore and Rs.371 crore, respectively, for the corresponding period of the previous year, achieving increases of 34% and 31%, respectively.

The business scenario of the company's plastic product segments for the second quarter ended September 30, 2026, as compared to the corresponding quarter of the previous year, was as follows.

The Plastic Piping System business grew by 24% in volume and 42% in value terms.

The Packaging Product segment grew by 3% in volume and 22% in value terms.

The Industrial Product segment business grew by 13% in volume and 49% in value terms.

The Consumer Product segment business degrew by 14% in volume and grew by 2% in value terms.

The overall turnover of value-added products increased to Rs.1,476 crore during the current second quarter, as compared to Rs.1,072 crore in the corresponding quarter of the previous year, achieving growth of 38%.

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The operating environment stabilized in the second quarter after the unusual polymer price volatility in the first quarter.

Geopolitical developments in West Asia remain a source of uncertainty, while the minimum import price on suspension-grade PVC resin and the withdrawal of the customs duty exemption have reduced volatility.

In the Plastic Piping System, volume grew by 24% in the second quarter, bringing first-half volume growth to approximately 2% year-on-year.

We continue to strengthen the business through value-added products such as fire piping systems, gas piping systems, electrofusion fittings, a premium range of bath fittings, industrial valves, and silent pipe systems made from polypropylene, as well as through wider market reach and the integration of the former Wavin business.

Our UPVC window and door business is seeing increasing market acceptance and an expanding dealer network.

Capacity utilization in composite cylinders is improving gradually, as procurement has begun at all three oil marketing companies.

Our industrial, material handling, and packaging businesses continue to perform satisfactorily, although the Consumer Product segment remained under pressure due to the rise in polymer prices.

Work on new units in Bihar, Jammu, Erode, {? Pondicherry ?}, and Malanpur, along with brownfield expansions at various sites, is progressing as planned.

We continue to fund these investments through healthy cash flows and internal accruals while maintaining financial discipline.

Looking ahead, given the geopolitical environment, making a precise forecast is quite difficult. Nevertheless, encouraged by the second-quarter performance, we expect company-wide volume growth of around 20-10% for fiscal year 2027, despite the significant degrowth during the first quarter.

We remain focused on sustainable long-term growth through a diversified product portfolio, a strong brand, an extensive distribution network, and a continued focus on operational excellence.

We have briefed you on the overall summary for the quarter and half year under reference. Thank you for your patience. Now my colleagues, Mr. P. C. Somani and Mr. R. J. Saboo, and I are available to reply to the various queries that may be raised by all of you. Thank you very much.

Operator: Thank you very much. We will now begin the question-and-answer session. Anyone who wishes to ask a question may press star and one on their touchtone telephone. If you wish to remove yourself from the question queue, you may press star and two. Participants are requested to use handsets while asking a question. Ladies and gentlemen, we will wait for a moment while the question queue assembles.

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The first question is from the line of Shravan Shah from Dolat Capital. Please go ahead.

Shravan Shah – Dolat Capital: Hi, sir. Just a couple of things to understand. Particularly in plastic piping, we are saying that we have reduced the guidance from 15% to 17% to now 13%. Considering the muted growth in the first half, even to achieve this 13%, we need to achieve approximately 22% growth in the second half, which is approximately 412,500 metric tonnes versus 270–274 lakh in the first half. Sir, do we think that this is achievable? Currently, up to October, are we seeing such growth? Are we confident, or is there a possibility that we could further downwardly revise this volume growth of 13% to perhaps a lower number going forward?

M. P. Taparia – Chairman & Managing Director: Going by the present situation, we do not expect any lower number to be announced again. In the first 25 days of October, we have maintained 23% volume growth.

This lower growth forecast from 15% to 13% is a result of the first-quarter performance, when we had a degrowth of around 13.5% in the Plastic Piping System due to a sharp reduction in prices in April, which was unprecedented. We do not see any such reason today.

Fortunately, our major sales are going to be in PVC and CPVC, and they are not as closely linked to the price volatility caused by crude prices. We are quite comfortable and, fortunately, we have capacity available and proper coverage of raw materials as well. Therefore, we do not see any constraint either from capacity or from the availability of raw materials.

Shravan Shah – Dolat Capital: Got it, sir. In this quarter, Q2, have we seen any kind of inventory loss? Related to that, are inventories at the channel level currently at a normal level? At the same time, on the pricing front, have we seen a price hike in CPVC in October?

M. P. Taparia – Chairman & Managing Director: PVC prices have gone up. Accordingly, CPVC prices have gone up, but they have gone up to a reasonable level that our customers can easily afford, so we have no problem.

Regarding inventory levels, we cannot say for certain, but we think customers are now remaining very cautious. They are keeping their inventories at a minimum level, and we are making sure that, whatever order we receive, because of our huge capacity at so many sites, we are able to deliver most of their orders within 48 hours.

Shravan Shah – Dolat Capital: Okay. Is there no inventory gain or loss in Q2?

M. P. Taparia – Chairman & Managing Director: There will be an inventory gain in the first half overall as well, but we will determine the overall inventory gain precisely when we close the year in March next year. As of today, there will be an inventory gain.

Shravan Shah – Dolat Capital: Okay. Whatever PVC price increase has happened until now, has everything been passed on to the system? I am asking because there has been significant growth in our realization in the PVC segment. For the last three quarters, if I look at it, there has been an increase of approximately 7.5% every quarter on a quarter-on-quarter basis. Obviously, PVC prices have gone up, but if current prices remain where they are and we assume there is no further increase, can we see some quarter-on-quarter increase in realization in the third quarter?

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M. P. Taparia – Chairman & Managing Director: As of today, we already know that whenever a price increase takes place, we increase our prices. We increase prices after a time lag, but we have passed on the increased price and increased cost to our customers.

Shravan Shah – Dolat Capital: Okay, okay. And on the margin, we have already said for [cut off]

Operator: Sorry to interrupt, sir. If you have a follow-up question, please rejoin the queue.

M. P. Taparia – Chairman & Managing Director: One question {? he can take ?}, whatever.

Operator: The next question is from the line of Keshav from HDFC Securities. Please go ahead.

Keshav – HDFC Securities: Hello. Hi, thanks for the opportunity. Sir, one thing I want to understand: as you alluded to the fact that October demand is healthy, it might be because Diwali is pushed back by a month this time. Normally, that could possibly be leading to higher demand in October. What are your thoughts on this?

M. P. Taparia – Chairman & Managing Director: You should know that when Diwali falls in October, normally October is the Dussehra period. During Dussehra, business remains very slow because most of the workers working on civil housing projects go to their villages.

Dussehra is now over. It started on October 11 and ended on October 21. Therefore, business was slow for 12 days, but overall, considering last year as well, I am giving you the volume growth up to yesterday's sales.

Keshav – HDFC Securities: Okay, fair. I am talking about Diwali. Last year, Diwali was in October, whereas this time it is in November, so that is leading to stronger volume growth in October. That is what I am trying to understand.

M. P. Taparia – Chairman & Managing Director: Last year, Diwali would have resulted in lower growth. No, Diwali will not affect us much. During Diwali, only certain parts of the country close between Dhanteras and Labh Panchami, which will be from November 6 to November 13, but only certain states are affected.

Dussehra affects many parts of the country. We have factored in all the factors that occurred last year as well, so the effect is not coming from this year's Diwali timing.

Keshav – HDFC Securities: Got it. This is helpful. We can see that employee costs have increased by 25% year-on-year. Why is there a sharp increase?

M. P. Taparia – Chairman & Managing Director: The increase is 9%, and the number of people in the company has also grown.

Management: The new units that were added in the second half of last year were not present in the first half.

M. P. Taparia – Chairman & Managing Director: The first half.

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Keshav – HDFC Securities: Understood. One last question from my side. We can see that, in one year, the margin in the protective segment and the packaging segment has taken a hit in this quarter. What is the reason for this? Earlier, you used to give us some sense about inventory gains or particular gains. At least, can you give us some sense of the H1 inventory gain, as a broader number?

M. P. Taparia – Chairman & Managing Director: There will be some inventory gain, but we will tell you the final, correct inventory gain in April. Overall, as of today, we anticipate that there will be an inventory gain this year.

Keshav – HDFC Securities: The reason I am asking this question again is that, if you see, Q2 margin is still below 13% despite the inventory gain. Why is the margin low in this quarter?

M. P. Taparia – Chairman & Managing Director: Raw material prices are on the higher side, so the base has become higher for the purpose of calculating the margin. Apart from that, whenever price increases take place, we want to help our distributors liquidate their existing inventory, so we increase prices only after a gap of 10–12 days.

Keshav – HDFC Securities: Understood, sir. Thank you so much, sir. That is all.

Operator: Thank you. Ladies and gentlemen, in order to ensure that management is able to address questions from all [cut off]

Operator: The participants in the conference are requested to limit their questions to two per participant. The next question is from the line of Pravin from PL Capital. Please go ahead.

Pravin – PL Capital: Hi. Thank you for the opportunity. Sir, in the packaging segment, there has been margin contraction. Is this because elevated raw material prices have not yet been passed on, or what is the reason for it?

Management: Elevated prices are difficult to pass on. There was an 18 or 2 shift in the polythene price. Everything is directly linked to crude prices, and supply was not able to come from the Middle East. The Middle East is a major supplier of polythene {? in ?} the country, and many plants in the Middle East went for a shipment from the Middle East to India. In any case, the situation became very difficult.

That is why the margin in the packaging business went down {? due to that packaging ?} film. We were not able to secure a price increase that was easily acceptable because competition is present. Therefore, it was not possible to increase the price immediately or fully. However, it is a small segment of our business, although it definitely reduced our margins.

Pravin – PL Capital: Okay. The second point, sir, is that you also explained that you helped distributors with elevated raw material prices. Can you quantify that and elaborate on how it affected our gross margins?

Management: Basically, I can quantify it as follows: when the price increase took place, we increased the price in the market after 10–15 days.

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Pravin – PL Capital: Okay. Thank you.

Operator: Thank you. The next question is from the line of Sneha from Nuwama. Please go ahead.

Sneha – Nuwama: Hi, good evening, sir, and thanks a lot for the opportunity. I want to understand the margin situation in greater detail. While your volume guidance is understood, your margins have missed estimates in this quarter as well as the last quarter. What is the primary reason for the margin miss? We understand that, product-mix-wise, it should not have deteriorated because agri was present in that mix. What is the reason for the quarter-on-quarter fall in margins, and what will lead to an improvement?

Management: Since we have given margin guidance for the full year of 14%-14.5%, we are very comfortable that 14%-14.5% will provide a very good return on our investment.

Sneha – Nuwama: Understood, but if I exclude the inventory gains in the first quarter, margins would have been even lower. Could we understand the reason for the margin miss in this particular quarter? How much price increase happened in PVC, and how much of it did you pass on?

Management: We increase prices after a gap of 10-15 days to help our distributors improve their balance sheets. Overall, we are giving guidance of an increase in operating margin to between 14% and 14.5% for the full year.

Sneha – Nuwama: Understood. In CPVC, how much of the price increase has already taken place in the market?

Management: In CPVC also, we are to increase prices. We have announced the second phase, and we have announced the third increase from tomorrow.

Sneha – Nuwama: So, from tomorrow, we are implementing the price hike in the market. Is that what you are saying?

Management: This will be communicated to customers, with increases of 3%, 5%, and 7%, depending on the product. We are announcing the price increase from tomorrow.

Sneha – Nuwama: Understood, sir. Thanks, and all the best.

Operator: Thank you. The next question is from the line of Anup from Anand Rathi Shares and Stock Brokers. Please go ahead.

Anup – Anand Rathi Shares and Stock Brokers: Hi, sir. What would be your guidance for pipe volume growth and EBIT margin for H2 FY27?

Management: We have given guidance of 13% growth in the piping business, and if the piping business has to grow at 14%-14.5%, otherwise we cannot achieve the company margin. Therefore, pipe margin has to be 14%-14.5% or perhaps slightly better.

Anup – Anand Rathi Shares and Stock Brokers: Okay. What did you say about the PIP business?

Management: Piping business.

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Anup – Anand Rathi Shares and Stock Brokers: Understood. What would be the expected capex for FY27 in terms of cash outflow?

Management: Cash outflow should not be more than 700–750 crore. 700–750 crore.

Management: Any more questions?

Operator: Miss Anup, you are not audible. She has exited.

Management: Okay, thank you.

Operator: Thank you. A reminder to all participants: you may press star and one to ask a question. The next question is from the line of Ritesh Shah from Investec. Please go ahead.

Ritesh Shah – Investec: Hi, sir. Thanks for the opportunity. My question is on PVC piping volume growth, which is very encouraging. I wanted to understand where this growth is coming from.

Management: The summer months are over. Housing is a lean agri-demand period. July to September is the rainy season.

Ritesh Shah – Investec: Sir, are there any other avenues besides housing that are contributing to volume growth?

Management: The majority of the second-quarter growth was from housing. For the full year, it is housing and agriculture.

Ritesh Shah – Investec: Sir, do you think there are any tailwinds with respect to Nal Se Jal orders coming through in a few states?

Management: As far as Nal Se Jal is concerned, if you understand the structure of the Nal Se Jal business, it can come only from a state that is also spending a certain percentage of money. Only then is that state entitled to receive a contribution from the Centre.

Therefore, Nal Se Jal business is becoming very difficult for many states. Even if they require it, they cannot start if they do not spend money, because no money will come from the Centre. Nal Se Jal has suffered in the last 2 years, and this year, as of today, I can say that it is going to be much lower than what was budgeted.

The Centre had provided {? 72,000 ?} crore, but when the state government does not provide matching funds, the central government will not release the money. We are therefore not very optimistic about any significant volume of Nal Se Jal business from the Centre this year as well.

However, business is coming from irrigation systems and sewerage systems, but that is not a significant business for our company because many people compete on quality, whereas we do not compromise on quality. Therefore, we will be working at a low margin, but we do not consider this a significant business for our company this year.

Ritesh Shah – Investec: Sure. Sir, would it be possible for you to give some details on the OPVC doors and windows and gas fittings businesses as well?

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Management: Regarding all three businesses together, I can say that the OPVC business is picking up now. We anticipate good growth for OPVC for the full year. We have also introduced several new varieties in OPVC for the remaining 6 months.

For windows, we are starting only with ready-made windows, and every month our window business is increasing. Every month, we are establishing new distributors, including in major cities. We are quite optimistic about the growth of the window business.

We are also very encouraged by our bath fittings business. We have introduced a new range of MOBO bath fittings. In addition to offline sales, we have started selling online, and we are also starting to receive online orders for our MOBO bath fittings.

Ritesh Shah – Investec: And, sir, what about gas fittings?

Management: Gas fittings have been well accepted, and we are now in a position to supply gas to 5 locations. We get an advantage because gas pipes remain in coils, while the freight content is very high. We are the only company in the country that supplies from 5 locations: east, west, south, north, and northeast.

Ritesh Shah – Investec: Sure, sir. Thank you very much for the answers.

Operator: Thank you. The next question is from the line of R Ghavli, an individual investor. Please go ahead.

R Ghavli – Individual Investor: Hello? Hello?

Management: Yes, please.

R Ghavli – Individual Investor: Sir, can you repeat the revenue guidance you gave at the beginning? I could not catch that number. Can you please repeat the revenue growth guidance?

Management: For FY27, we expect our business to grow between 13,500 crore and 14,000 crore. Our operating margin will be between 14% and 14.5%.

R Ghavli – Individual Investor: This is the overall consolidated revenue growth, right?

Management: That is for Prince Pipes and Fittings.

R Ghavli – Individual Investor: Okay. Thank you very much, sir.

Management: Thank you.

Operator: Thank you. The next question is from the line of Sneha from Nuwama. Please go ahead.

Sneha – Nuwama: Thank you, sir, and thank you for the follow-up opportunity. I wanted to understand your Others business, which has increased from approximately 20-odd crores to approximately 80-odd crores. Is this the MOBO division being factored in, or is it the windows and doors business that you have entered into being factored in here?

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Management: No, the MOBO business is part of the plastic piping system. The window and door business is currently part of Others.

Sneha – Nuwama: Okay.

Management: Secondly, there are some other trading activities, such as the incidental business of raw material trading. We have some surplus raw material that we normally sell.

Sneha – Nuwama: Right.

Management: That is what gets included in the Others segment.

Sneha – Nuwama: Understood. Thanks for the clarity, sir. That is all.

Management: Thank you.

Operator: Thank you. Anyone who wishes to ask a question may press star and one on their touchtone telephone. The next question is from the line of Tejas from Citi Group. Please go ahead.

Tejas – Citi Group: Thanks, sir. I missed the volume growth for the month of October so far that you mentioned at the start of the call. Can you repeat it?

Management: Up to yesterday, the growth for this month was 23% in the Plastic Piping System.

Tejas – Citi Group: So, for the first 25 days of October, 23% is the year-on-year growth in plastic pipes. Regarding raw materials, how many days of inventory do you typically carry, and have there been any changes recently or currently?

Management: We are keeping adequate raw material inventory because we import some raw materials, and we are keeping more inventory because there is significant uncertainty about when a ship will leave and when it will arrive.

We are keeping adequate inventory so that we do not deprive our customers by being unable to supply because raw material is unavailable. We have adequate raw material across the many grades of material that we use, and many of them are imported. We are keeping adequate raw material according to the supply situation so that we can respond to the requirements of all our customers throughout the country.

Tejas – Citi Group: Understood. Lastly, if I calculate realizations in the Plastic Piping segment on a per-kilogram basis and look at the first half on a year-on-year basis, the increase appears to be slightly higher than the increase in domestic PVC prices. Is this simply a function of the mix, or has there been a change in policy?

Management: No. Earlier, we were producing only PVC. Now, we are making silent pipes, which use a more expensive raw material. They are made from polypropylene using a special formulation.

We are also supplying plumbing-system curd pipe systems, which use very expensive raw material that is made only outside the country. The polypropylene that we use for silent pipes is also made outside the country, where the cost of raw materials on a CIF basis is quite high, and the decline in

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the rupee also increases the cost.

Therefore, you cannot rely only on the basic PVC price to determine the average cost of raw materials. CPVC is also very expensive. The raw materials used in the piping system are quite expensive.

Tejas – Citi Group: Understood. What is the share of these newer products and CPVC, and how much has it increased on a year-on-year basis?

Management: Every segment is showing an increase. Every segment's business is growing.

Tejas – Citi Group: Understood. Thanks.

Operator: Thank you. The next question is from the line of Bhavin Rupani from Investec. Please go ahead.

Bhavin Rupani – Investec: Hi. Thank you, sir, for the opportunity. I have one question on Nal Se Jal. Our understanding is that the central government released approximately 7,700 crores after the post-media audit in August 2026. Do you think that, as funds begin to be released by the central government, we could see incremental volume growth from FY28 onwards?

Management: We are not receiving many inquiries for Nal Se Jal from any state as of today. We are aware that the state government has to match the funds distributed by the central government. We are also aware that many states have still not cleared last year's bills.

Management: Earlier, they felt that, after last year's bill, the contractor would not come back to take the order again. Therefore, next year, the government is also not going to spend substantially, and the central government is not going to spend substantially this year either. The way it has happened over the last 2 years, the same thing may happen this year as well.

R Ghavli – Individual Investor: Got it, sir. Thank you very much.

Operator: Thank you. The next question is from the line of Rahul Agarwal from Ikigai Asset. Please go ahead.

Management: Yes, Rahul.

Rahul Agarwal – Ikigai Asset: Hi, sir. Good evening. I have 3 questions. Firstly, what was the CPVC volume growth for the first half?

Management: 38%.

Rahul Agarwal – Ikigai Asset: Okay. For the packaging and industrial segments, what is the volume growth guidance for the full year?

Management: For the Industrial Product segment, we have no volume guidance because it depends on what items the customer wants to order. The customer may order less raw material or the volume may be lower, but the raw material may be quite expensive. Therefore, it is very difficult to provide volume guidance for that segment with industrial customers. We are doing custom molding

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only.

Rahul Agarwal – Ikigai Asset: It is fair to say that this business will start recovering in terms of sales volume growth in the second half. Is that directionally correct?

Management: The Industrial Product segment did well and grew by 13% in volume, so it looks quite comfortable.

The Packaging Product segment did not have strong growth. When prices go too high, demand does not match capacity. Polymer prices have gone too high this year. The country has shown 10% degrowth this year up to now.

Rahul Agarwal – Ikigai Asset: Would you expect recovery in the second half, or will it remain weaker in the second half and perhaps...

Management: As of today, crude prices remain quite high.

Rahul Agarwal – Ikigai Asset: Got it. For the Consumer Product business, particularly furniture, what exactly is the issue? Why is it degrowing so much?

Management: Prices have gone too high. Polymer was also not available because the government had imposed restrictions on local producers, and they diverted a substantial amount of capacity to make LPG.

From propylene, they were asked to provide even 50% for LPG and 15–50% only to make raw material. The local supply of polypropylene was also affected.

In any case, furniture is a very small volume segment for our company. There has also been a significant diversion of chair demand toward reprocessed material. We do not make chairs from reprocessed material. We supply products made entirely from prime material.

Rahul Agarwal – Ikigai Asset: Got it, sir. Thank you very much for answering my question.

Operator: Thank you. A reminder to all participants: anyone who wishes to ask a question may press star and one on their touchtone telephone.

Management: No questions?

Operator: The next question is from the line of Prashant Soni from Drashti Capital. Please go ahead.

Management: Okay. Thank you.

Prashant Soni – Drashti Capital: Hi, sir. Thanks for taking my question. I have one question on the industry growth rate with respect to PVC. Is there any insight that you can provide on that?

Management: PVC growth? Industry growth in PVC. The industry growth number that we received from raw material producers is negative 10%.

Prashant Soni – Drashti Capital: This year? The first half?

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Management: In the first half of this year, according to the raw material producers, there was 10% degrowth. However, they also told us that they cannot know their actual sales number because they cannot capture the inventory adjustment among all the distributors and sellers.

Their basis is what is imported into the country and what they supply in the country. Based on that, their number shows 10% degrowth in the first half.

Prashant Soni – Drashti Capital: Got it, sir. This is very helpful. So, essentially, we are gaining market share at the expense of the unorganized sector?

Management: Our market grew, which means that our market share grew this year compared with last year.

Prashant Soni – Drashti Capital: Yes, sir. Thank you very much.

Operator: Thank you. Anyone who wishes to ask a question may press star and one on their touchtone telephone.

Management: No questions?

Operator: The next question is from the line of Aakash Shah from UTI MF. Please go ahead.

Management: Yes, Mr. Shah.

Aakash Shah – UTI MF: Hi, sir. Thank you for the opportunity. I wanted to check how much employee cost would be for the full year. In the first quarter, it was up 25%, and the absolute number was Rs.168 crore. How much would employee cost be for the full year?

Management: For the first half, it is Rs.330 crore, as compared to {? 280 crore ?} last year.

Aakash Shah – UTI MF: Yes.

Management: Since no new Greenfield project is coming this year, our first-half number is also the benchmark for the second half, except the [cut off]

Aakash Shah – UTI MF: Okay.

Management: ...commission to directors, which is based on the profit of the company.

Aakash Shah – UTI MF: Understood. Thank you, sir.

Operator: Thank you. Anyone who wishes to ask a question may press star and one on their touchtone telephone.

As there are no further questions, I now hand the conference over to management for closing comments.

Management: We are very thankful for all the insightful questions raised by our many investors. We thank them very much. Thank you all. Thank you.

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Operator: Thank you, sir. On behalf of DAM Capital Advisors Limited, that concludes this conference. Thank you for joining us, and you may now disconnect your lines.

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