IPO NOTE

AFCONS

AFCONS INFRASTRUCTURE LIMITED

24.10.2024

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Canara Bank Securities Ltd
A Wholly Owned Subsidiary Of Canara Bank

- Incorporated in 1959, Afcons Infrastructure Limited is the flagship infrastructure, engineering and construction company of the Shapoorji Pallonji group, with a legacy of over six decades.
- The company has five major infrastructure business verticals;
    - Marine and industrial projects cover ports, harbour jetties, dry docks, wet basins, breakwaters, outfall and intake structures, liquefied natural gas tanks, and material handling systems.
    - Surface transport projects cover highways, roads, interchanges, mining-related infrastructure, and railways.
    - Urban infrastructure projects include elevated and underground metro works, bridges, flyovers, and elevated corridors.
    - Hydro and underground projects cover dams, barrages, tunnels (including large road tunnels), underground works, water, and irrigation.
    - Oil and gas projects cover both offshore and onshore oil and gas projects.
- During the period comprising the last eleven financial years and the three-month period ending June 30, 2024, they have successfully completed 79 projects across 17 countries with a total historic executed contract value of ₹563.05 billion. As of June 30, 2024, they have 65 active projects (i.e., ongoing projects) across 12 countries, aggregating to an order book of ₹317.47 billion.
- The company is present globally in Asia, Africa, and the Middle East.
- The company has worked on several complex projects some of which include Chenab Bridge- the tallest single-arch railway bridge in the world, and Atal Tunnel - the world's longest highway tunnel located at 3,000 metres above sea level.
- Some of the company's ongoing projects include Kolkata Metro- Design and construction of tunnels below the Hooghly River; Male to Thilafushi Link Project, Maldives and the Construction of a 21 km long tunnel including India's first undersea rail tunnel (7 km long) for the Mumbai – Ahmedabad high-speed rail corridor.

Issue Details

Price Band (in ₹ per share)	440.00-463.00
Issue size (in ₹ Crore)	5430.00
Fresh Issue (in ₹ Crore)	1250.00
OFS (in ₹ Crore)	4180.00
Issue open date	25.10.2024
Issue close date	29.10.2024
Tentative date of Allotment	30.10.2024
Tentative date of Listing	04.11.2024
Total number of shares (lakhs)	1234.72-1173.35
No. of shares for QIBs (50%) (lakhs)	614.20-583.69
No. of shares for NII (15%) (lakhs)	184.26-175.11
No. of shares for S-HNI (33%)(lakhs)	61.42-58.37
No. of shares for B-HNI (66%)(lakhs)	122.84-116.74
No. of shares for retail investors (35%) (lakhs)	429.94-408.59
No of shares for Employee Reservation (lakhs)	6.31-5.97
Minimum order quantity	32
Face value (in ₹)	10.00
Amount for retail investors (1 lot) (in ₹)	14080-14816
Maximum no. of shares for Retail investors at Lower Band	448 (14 lots)
Maximum no. of shares for Retail investors at Upper Band	416 (13 lots)
Maximum amount for retail investors at lower band - upper band (in ₹)	197120-192608
Minimum no. of shares for sHNI (2 Lakhs) at upper band	448 (14 lots)
Maximum no. of shares for sHNI (10 Lakhs) at upper band	2144 (67 lots)
Minimum number of shares for bHNI at upper band	2176 (68 lots)
Exchanges to be listed on	BSE & NSE

Promoters

- GOSWAMI INFRATECH PRIVATE LTD
- SHAPOORJI PALLONJI AND COMPANY PRIVATE LTD
- FLOREAT INVESTMENTS PRIVATE LTD
- SHAPOORJI PALLONJI MISTRY
- FIROZ CYRUS MISTRY AND ZAHAN CYRUS MISTRY

Objects of the Offer

- Capital expenditure towards the purchase of construction equipment up to Rs.80 crores
- Funding long-term working capital requirements up to Rs. 320 crores
- Prepayment or scheduled repayment of a portion of certain outstanding borrowings and acceptances availed by the Company up to Rs. 600 crores
- General corporate purpose.

BRIEF FINANCIALS

PARTICULARS (Rs. Cr) *	Q1FY25	FY24	FY23	FY22
Share Capital[1]	340.74	340.74	71.97	71.97
Net Worth	3662.25	3575.04	3155.06	2691.03
Revenue from Operations	3154.36	13267.49	12637.38	11018.96
EBITDA	371.69	1583.12	1373.78	1068.59
EBITDA Margin (%)	11.57	11.60	10.70	9.48
Profit/(Loss) After Tax	91.58	449.73	410.86	357.60
EPS (in Rs.)	2.69**	13.20	12.06	10.49
Net Asset Value (in Rs.)	107.48	104.92	92.59	78.98
Total Borrowing	3365.09	2455.00	1562.81	1555.20
P/E#	43.03^	35.08	NA	NA
P/B#	4.31	4.41	NA	NA

**Restated consolidated financials; #Calculated at upper price band; ^Annualised, **not annualised; 1 13.1.24 -14.1.24: Conversion of convertible preference share via allotment of 246,540,258 Equity Shares to Goswami Infratech Private Limited; Allotment of 14,652,015 Equity Shares to Floreat Investments Private Ltd.; Allotment of 7,575,758 Equity Shares to Shapoorji Pallonji and Company Private Limited.*

Profit & Loss Statement

Particulars (In Crores)	FY2022	FY2023	FY2024
INCOME			
Revenue from operations	11018.97	12637.38	13267.50
Other income	250.58	206.71	379.38
Total Income	11,269.55	12,844.09	13,646.87
YoY Growth (%)	-	14.69%	4.99%
Employee benefit expenses	1084.98	1298.23	1383.42
Employee Expenses-% of Revenue	9.63%	10.11%	10.14%
Cost of material consumed	3176.31	3851.71	4012.47
Cost of Material-% of Revenue	28.18%	29.99%	29.40%
Cost of construction	4939.64	5200.65	5293.97
Other Expenses	881.97	976.18	1212.61
Depreciation and amortisation expense	355.37	471.58	494.53
EBIT	831.29	1045.74	1249.86
EBIT Margin (%)	7.54%	8.27%	9.42%
Finance cost	424.73	446.66	577.26
Profit before tax	406.55	599.08	672.60
Tax expenses			
Current tax	124.57	189.43	200.24
Deferred Tax	-78.72	-29.79	7.24
Tax Adjustments relating to Previous Years	3.10	28.58	15.38
Total tax expenses	48.95	188.22	222.87
Profit for the year	357.61	410.86	449.74
PAT Margin (%)	3.25%	3.25%	3.39%
Earnings per share			
Basic earnings per share (₹)	10.49	12.06	13.20

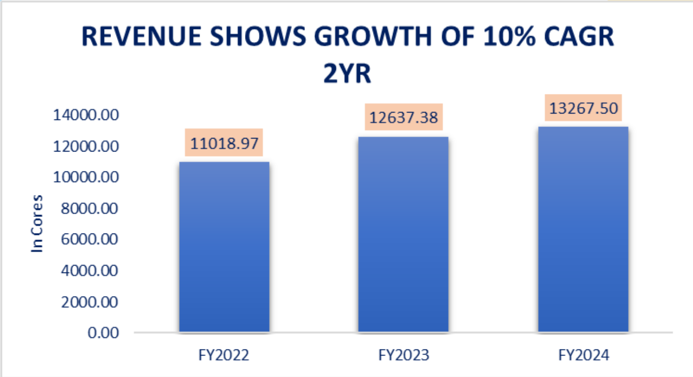
Cashflow Statement

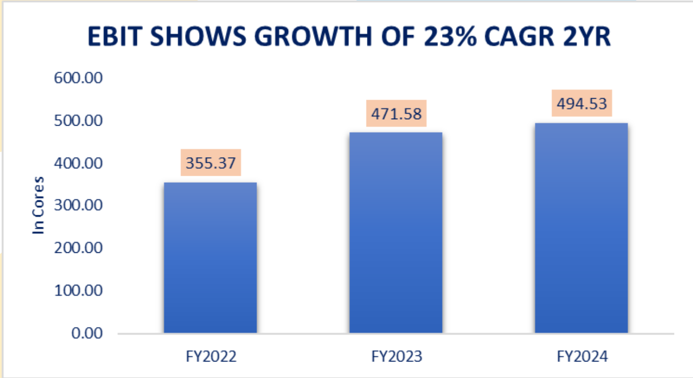
Particulars (In Crores)	FY2022	FY2023	FY2024
Cash generated from operating activities	726.92	1315.38	957.59
Income tax paid (net of refunds)	-116.47	-99.90	-250.14
Net cash generated from operating activities	610.45	1215.48	707.45
Net cash used in investing activities	-250.62	-870.21	-858.57
Net cash used in financing activities	-521.01	-482.55	245.53
Net increase/ (decrease) in cash and cash equivalents	-161.18	-137.27	94.41
Cash and cash equivalent as at 1 April	612.53	447.09	319.32
Effects of exchange rate changes on cash and cash equivalents	-4.26	9.51	-0.47
Cash and cash equivalent as at year end	447.09	319.32	413.26

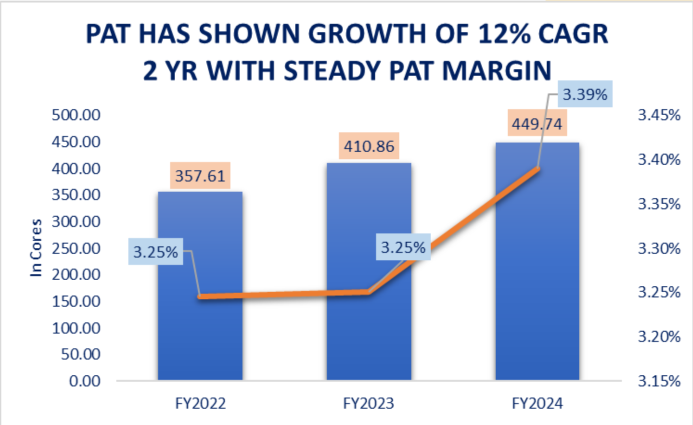
Balance Sheet

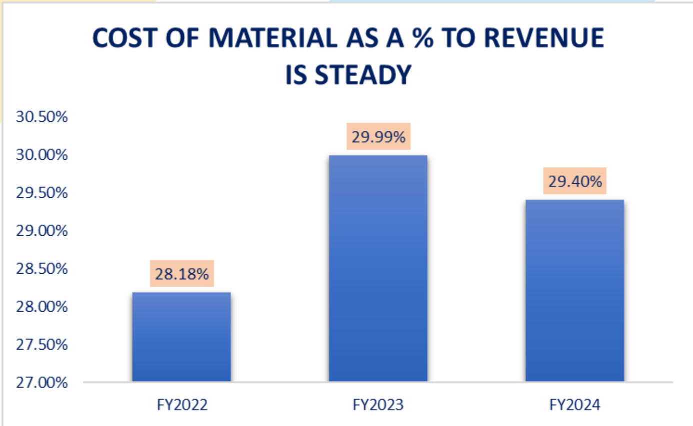
Particulars (In Crores)	FY2022	FY2023	FY2024
Assets			
Non-current assets			
Property, plant and equipment	2251.39	2448.75	2715.14
Capital Work-in-Progress	17.53	183.60	43.07
Right-of-use-asset	65.56	48.72	67.91
Goodwill	0.14	0.14	0.10
Intangible Assets	0.66	0.61	0.60
Financial Assets			
Investments	0.89	0.51	0.78
Trade Receivables	678.88	651.21	499.21
Loans			
Other financial asset	308.96	365.92	417.99
Contract assets	1491.29	1416.50	1271.03
Non current tax assets (net)	68.73	28.81	53.64
Other non-current assets	196.64	181.54	190.88
Total non- current assets	5080.67	5326.30	5260.34
Current assets			
Inventories	1270.24	1585.79	1626.57
Financial assets			
Trade receivables	2303.87	2196.64	3120.98
Cash and cash equivalents	447.09	319.32	413.26
Bank Balance other than	79.33	58.12	253.01
Loans	55.09	53.35	61.84
Other financial assets	92.38	398.31	501.34
Contract assets	2471.53	3272.51	3954.39
Other current assets	1173.58	1090.92	1041.92
Total Current Assets	7893.10	8974.96	10973.30
Total assets	12973.77	14301.25	16233.64
Equity and liabilities			
Equity			
Equity share capital	71.97	71.97	340.74
Instruments entirely equity in nature	450.00	450.00	0.00
Other equity	2190.11	2653.75	3255.22
Non controlling interest	-9.28	1.56	1.56
Total equity	2702.80	3177.28	3597.52
Liabilities			
Non-Current liabilities			
Financial liabilities			
Borrowings	401.89	596.47	597.69
Lease liabilities	34.20	15.68	35.15
Trade payables			
Total outstanding due to micro and small enterprises	29.05	51.95	23.21
Total outstanding due to creditors other than micro and small enterprises	410.68	420.89	407.79
Other financial liabilities	188.09	156.88	126.53
Contract liabilities	1766.30	1524.03	1451.29
Provisions	86.29	8.87	9.32
Deferred tax liabilities (net)	129.75	99.29	103.67
Total Non-Current liabilities	3046.24	2874.06	2754.65
Current liabilities			
Financial liabilities			
Borrowings	1153.31	966.34	1857.31
Lease Liabilities	33.84	33.75	33.08
Trade payables			
Due to MSME	303.81	375.93	198.45
Due to other than MSME	2393.51	3132.57	4127.16
Other financial liabilities	494.78	362.37	269.85
Contract liabilities	2713.84	3015.28	2998.16
Provisions	68.54	150.01	227.22
Current tax liabilities (net)	15.39	93.56	83.89
Other current liabilities	47.70	120.10	86.35
Total Current liabilities	7224.73	8249.92	9881.47
Total liabilities	10270.97	11123.97	12636.12
Total equity and liabilities	12973.77	14301.25	16233.64

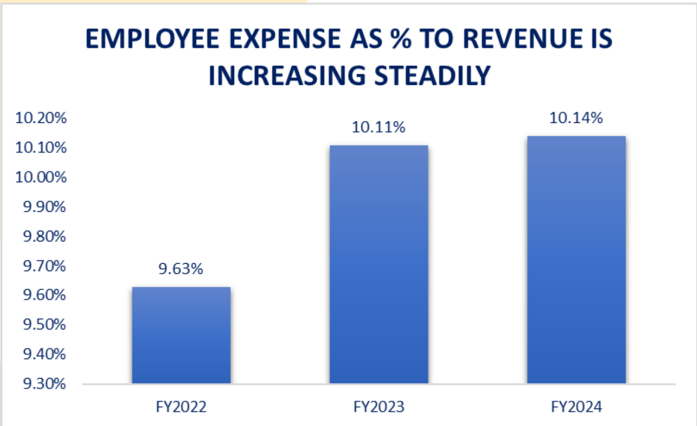
PERFORMANCE

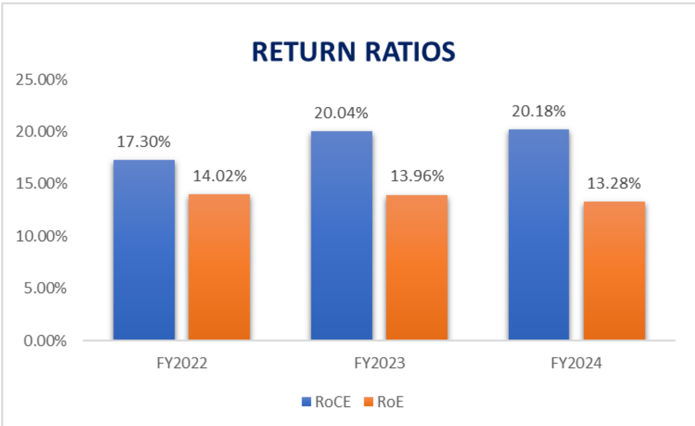


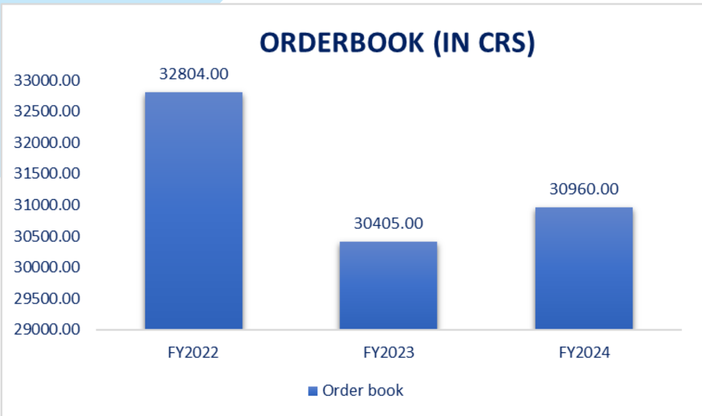


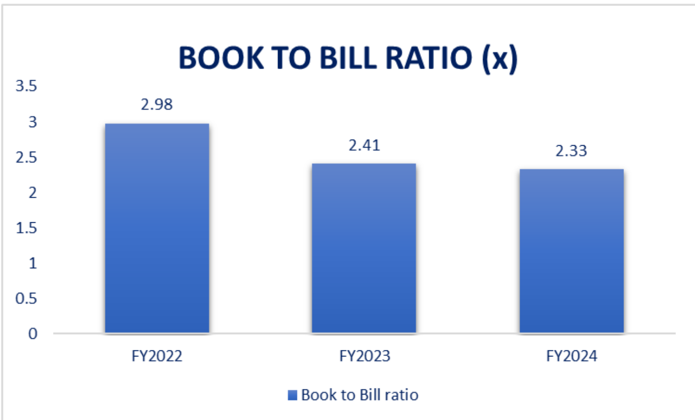












INDUSTRY REVIEW

Assessment of Infrastructure Construction Segment;

- The Government of India has been placing strong emphasis on India's Infrastructure sector as it is crucial to India's overall growth.
- The Indian Infrastructure Industry has grown at a CAGR of 12.2% from INR 5,041.1 billion in FY2018 to INR 8,973.0 billion in FY2023.
- Sustained investment in infrastructure will help India gradually bridge its sizeable infrastructure deficit, which ranges from rural road and power access to strained urban transport systems.
- Ongoing regulatory reforms made as part of the Government's Make in India initiative are also opening up infrastructure sectors to greater foreign and private involvement, which will unlock greater pools of financing and improve operational efficiencies in the industry.
- Thus, FSIAPL estimates India's Infrastructure Industry to grow at a CAGR of 9.90% from INR 8,973.0 billion in FY2023 to INR 14,380.3 billion in FY2028.
- Improved capacity utilization, a pick-up in credit demand and improved business expectations are pointing towards strengthening investment activity in the Indian economy in the period ahead.
- On the downside, the higher cost of capital owing to the tightening of monetary policy by various central banks including RBI, global uncertainty led by geopolitical tensions and the risk of a slowdown in major advanced economies could hamper investment activities.
- Overall, the investment cycle appears to be poised to gain momentum going ahead, but its sustainability needs to be monitored.

Key announcement under Union Budget 2024–25;

- In the 2024-25 Union Budget, the Hon'ble Finance Minister (FM) unveiled a strategy aimed at sustaining high and resource-efficient economic growth while ensuring energy security in terms of availability, accessibility, and affordability.
- Key announcements included a coal gasification scheme, mandatory blending of compressed biogas, and financial support for biomass collection.
- Additionally, the Hon'ble FM announced the forthcoming release of a policy document on appropriate energy transition pathways, designed to balance the goals of employment, growth, and environmental sustainability.
- The capital expenditure for the Department of Water Resources, River Development, and Ganga Rejuvenation (DoWR, RD & GR), Ministry of Jal Shakti (MoJS), has declined at a CAGR of 12.5%, dropping from INR 3.3 billion in FY2018 to INR 1.7 billion in FY2023.
- According to FSIAPL's analysis and historical trends, the capital outlay in the irrigation sector is expected to grow at a CAGR of approximately 4.0%, reaching INR 2.0 billion by FY2028.
- For irrigation and flood mitigation in Bihar, the government will provide financial support for projects estimated at INR 115.0 billion through the Accelerated Irrigation Benefit Programme and other sources.
- This includes the Kosi-Mechi intra-state link and 20 other ongoing and new schemes, such as barrages, river pollution abatement, and irrigation projects.
- Additionally, the government will extend assistance to Assam, Himachal Pradesh, Uttarakhand, and Sikkim for flood management, landslides, and related projects.

Growth Opportunities;

- India is projected to remain the fastest-growing major economy, with a real GDP growth rate forecasted at 6.8% for FY2026-27.
- Global construction industry growth will largely be driven by expanding construction investment in emerging markets, which are expected to achieve an annual average real growth of 3.9% y-o-y between CY2024 and CY2033, contributing to the global construction industry's expansion from USD 5.7 trillion in CY2023 to an anticipated USD 7.8 trillion by CY2029, with India, Indonesia, Vietnam, the Philippines, and Bangladesh among the markets experiencing the highest growth rates in the region over the coming decade.
- With an average annual growth rate of 4.9% y-o-y from CY2024 to CY2033. Sub-Saharan Africa (SSA) is poised to achieve the fastest construction industry growth globally.
- This growth is propelled by favourable demographic trends, an expanding middle class, and substantial infrastructure investments in certain markets relative to their construction industry value.
- As per Fitch Solutions, the Indian Construction industry value stood at INR 23,978 billion as of FY2023. It is projected to be the fastest-growing construction market in the world growing at a CAGR of 9.5% to 10% between FY2023-FY2028 to reach INR 38,509 billion market size by FY2028.
- The key driver for growth is stable government support for infrastructure development and expanded private capex in key sectors and public-private partnerships.

COMPETITIVE STRENGTHS OF THE COMPANY

Strong Track Record of Timely Execution of Large-Scale, Complex and High-Value Projects;

- During the three months ended June 30, 2024, and the Financial Years 2024, 2023 and 2022, they completed three, seven, nine, and seven projects, respectively, aggregating to ₹39,345.65 million, ₹88,431.10 million, ₹63,403.90 million, and ₹75,674.17 million, respectively in contract value. These projects were delivered across 10 countries, and all of these projects were completed on or ahead of schedule.
- Further, in the 2023 ENR (Engineering News-Record, US) Top International Contractors rankings, they were the 10th largest international marine and port facilities contractor in the world and the only Indian company in the top 25, the 12th largest contractor in the bridges segment and the only Indian company in the top 25, the 42nd largest contractor in the transportation segment and the only Indian company in the top 50, and the 18th largest contractor in the transmission lines and aqueducts segment, in each case based on International Revenue for the Financial Year 2023 (Source: Fitch Report).

Large Order Book and Strong Financial Performance;

- As of June 30, 2024, and 2023, their order book amounted to ₹317,474.27 Mn. and ₹352,402.15 Mn., respectively.
- As of March 31, 2024, 2023 and 2022, their order book amounted to ₹309,609.90 million, ₹304,057.67 million and ₹328,048.34 million, respectively.
- Their order book has also contributed to their strong financial performance.
- For the three months ended June 30, 2024 and 2023 and the Financial Years 2024, 2023 and 2022, their revenue from operations amounted to ₹31,543.60 million, ₹31,714.13 million, ₹132,674.95 million, ₹126,373.82 million, and ₹110,189.66 million, respectively, and their EBITDA amounted to ₹3,716.93 million, ₹3,140.55 million, ₹15,831.24 million, ₹13,737.89 million, and ₹10,685.99 million, respectively.

Collaboration among Internal Teams and with JV counterparties, and a Strategic Equipment Base leading to Strong Execution Capabilities;

- Collaboration among their internal teams is instrumental in facilitating strong execution capabilities.
- Further, to drive innovation and ensure efficient construction methodologies, they have established the Core Methods and Engineering Group (“CMEG”).
- Led by two senior management executives and comprising other senior-level personnel, the CMEG plays a pivotal role in assisting business units with the planning and development of innovative, construction-friendly, and cost-efficient construction methodologies.
- They also own and maintain a large and strategic equipment base comprising a wide range of heavy machinery and specialized equipment.
- As of June 30, 2024, their equipment base included 11 marine barges, 153 cranes, 16 tunnel boring machines, 8 large-capacity jack-ups, and 21 piling rigs (Source: Fitch Report).
- Four tunnel boring machines are also pending delivery.
- They also have two dedicated workshops in Delhi and Nagpur for the maintenance of their equipment base.
- Fitch estimates the value of their indigenous strategic equipment base to be approximately US$490 million, as of June 30, 2024.

If they fail to qualify for or win new contracts from project owners, their business, financial condition, results of operations, prospects and cash flows could be adversely affected;

- They enter into contracts primarily through a competitive bidding process, and their business depends on their ability to bid for and be awarded contracts for projects by project owners.
- Typically, project owners advertise potential projects in newspapers or on their websites by publishing pre-qualification notices.
- If a project is of interest to by, they evaluate their credentials considering the eligibility criteria specified for the project.
- They endeavour to qualify on their own for projects that are of interest.
- If they do not qualify due to eligibility requirements, they may seek to form project-specific joint ventures or consortiums with other relevant experienced and qualified contractors.
- Once they pre-qualify for a bid, tender documents are sent to pre-qualified bidders (including their Company) by the project owner.
- They then submit a financial bid, along with any technical bid details required, to the project owner.
- Further, projects awarded to them may be subject to litigation by unsuccessful bidders.
- Such legal proceedings may result in a delay in the award of the project, even if they have successfully bid for it, which may result in them having to retain unallocated resources and as a result, adversely affect their profitability.
- Further, they may be required to incur substantial expenditure, time, and resources in defending such litigation.
- While they have not been involved in any such proceedings during the three months ended June 30, 2024, and the Financial Years 2024, 2023 and 2022, any unsuccessful outcome in any such proceedings in the future may lead to the termination of a contract awarded to them, which could adversely affect their future revenues and profits.

Their business is capital-intensive. If they experience insufficient cash flows or are unable to access suitable financing to meet working capital requirements and loan repayment obligations, their business, financial condition and results of operations could be adversely affected.

- Their business requires a significant amount of working capital which is based on certain assumptions, and accordingly, any change in such assumptions will result in changes to their working capital requirements.
- Working capital is required for the mobilization of resources, including construction materials labour, and other work on projects before payment is received from their customers. Further, since the contracts they bid for typically involve a lengthy and complex bidding and selection process, it is difficult to predict whether or when a particular contract will be awarded to them.
- As a result, they may need to incur expenses in anticipation of contract awards, which may not eventually materialize, and finance such expenses by incurring additional indebtedness.
- Their working capital requirements may increase in the future if they undertake larger or additional projects or projects with a long gestation period, if payment terms do not include advance payments or if contracts have payment schedules that shift payments towards the end of a project or otherwise increase their working capital burden.
- As of June 30, 2024, their working capital days of sale, which represents their net working capital divided by revenue calculated daily, was 91 days.
- They finance their working capital requirements through a variety of sources including cash credit facilities, working capital demand loans, bill discounting and vendor financing.
- Set forth below are details of their net working capital requirements as of June 30, 2024, and 2023 and March 31, 2024, 2023 and 2022.

They are subject to risks arising from interest rate fluctuations, which could reduce the profitability of their projects and adversely affect their business, financial condition and results of operations.

- Interest rates for borrowings have been volatile in recent periods.
- Their operations are funded to a significant extent by debt and increases in interest rate and a consequent increase in the cost of servicing such debt may adversely affect their results of operations and financial condition.
- Changes in prevailing interest rates affect their interest expense concerning their borrowings and their interest income concerning their interest on short-term deposits with banks.
- Their debt facilities carry interest at variable rates as well as fixed rates. As of June 30, 2024, the interest rates for their borrowings ranged from 4.63% to 11.10% per annum.
- Although they may in the future engage in interest rate hedging transactions or exercise any right available to them under their financing arrangements to terminate the existing debt financing arrangement on the respective 50 reset dates and enter into new financing arrangements, there can be no assurance that they will be able to do so on commercially reasonable terms or that these agreements, if entered into, will protect them adequately against interest rate risks.
- Further, if such arrangements do not protect them adequately against interest rate risks, they may result in higher costs.

PEER COMPARISON

Company Name	Revenue from Operations (in Cr.)	Face Value (Rs per share)	EPS (in Rs)	NAV (Per share Rs)	RoNW (%)	RoCE (%)	P/E*	P/B*
Afcons Infrastructure Limited	13267.49	10.00	13.2	104.92	12.58	20.18	35.08	4.41
Larsen & Toubro Limited	221112.91	2.00	93.96	623.15	15.24	15.02	36.78	5.55
KEC International Limited	19914.17	2.00	13.49	155.32	8.68	14.47	69.11	6.00
Kalpataru Project International	19626.43	2.00	31.37	308.36	10.17	13.67	39.21	3.99
Dilip Buildcon Limited	12011.90	10.00	13.75	298.85	4.44	8.60	35.54	1.64

**P/E & P/B ratio based on closing market price as of October 23rd, 2024, at the upper price and of IPO, financial details consolidated audited results as of FY24.*

OUR VIEWS

- Afcons Infrastructure is the flagship infrastructure, engineering and construction company of the Shapoorji Pallonji group, a diversified Indian conglomerate, and has a legacy of over 6 decades. The company has a strong track record of executing numerous complex, challenging and unique EPC projects both within India and internationally. This reflects strong technical capabilities and the ability to handle large-scale projects.
- They an extensive industry experience (over 60 years) and strategic acquisition by Shapoorji Pallonji group provides a solid foundation. The company is recognized for its execution capabilities, with a track record of timely delivery across 17 countries, which underpins its reputation in both domestic and international markets.
- They have a diversified geographical presence, with 30% of revenue from exports, which helps in reducing dependence on any single market. They are actively exploring new geographies such as Africa and neighbouring countries, aiming for diversification and expansion.
- Strategic investments in equipment ensure the company remains competitive and capable of handling specialized projects, such as tunnel boring and marine infrastructure. Strong order book of ₹40,000+ Cr. as of September 2024, with significant projects in key sectors like underground metro (37%) and railways (10%)
- The company has a strong dependence on government capital expenditure (capex), particularly in sectors like railways, where government investments drive growth. , High reliance on government spending poses a risk, especially if there are delays or changes in budget allocations.
- The company is one of the top Indian firms in international contracts, with strong positions in global marine, port, and bridge construction sectors. Being the only Indian company ranked in the top 25 for these sectors highlights its competitive edge.
- The company has longstanding relationships with several private and government clients globally. This includes Arcelor Mittal, with whom the company has an association of over 10 years, and ARISE Integrated Industrial Platforms (IIP), which designs, finances, conceives and operates industrial ecosystems across Africa, an association of over 5 years among others. Further, the company has executed various Marine and Industrial projects over 18 years for Reliance Industries Limited, including for its refinery in Jamnagar.
- Capital-intensive operations and high depreciation costs (due to the accelerated depreciation method) impact profit margins, but also indicate proactive management of assets to ensure efficient project execution.
- Revenue recognition policies may lead to fluctuations in reported earnings, especially when large projects' revenues are deferred until a significant portion of work is completed.
- Income increased from ₹11,269.55 Cr. in FY22 to ₹13,646.87 Cr. in FY24, with a CAGR of 10.1%, while Profit After Tax rose from ₹357.61 Cr. to ₹449.74 Cr. at a CAGR of 12.2%. This growth reflects effective cost management, leading to an increase in PAT margins from 3.17% to 3.30%. However, the company struggles to deliver strong PAT margins compared to EBITDA margins due to strategic equipment purchases, indicating steady financial performance with gradual margin expansion despite its capital-intensive nature.
- However, the company struggles to deliver strong PAT margins compared to EBITDA margins due to strategic equipment purchases, indicating steady financial performance with gradual margin expansion despite its capital-intensive nature.
- The issue is available at a P/E of 35x as of FY2024 and an annualised P/E of 43x as of Q1FY2025 which appears at par with the peers.

The company has a strong, diversified business model with a solid order book and consistent financial performance in the infrastructure sector. Key strengths include strategic equipment investments, but challenges such as low PAT margins and reliance on government capex exist. While management focuses on long-term asset utilization, backed by Shapoorji Pallonji, investors should be aware of risks related to capex dependency and profit margins.

We recommend **SUBSCRIBE** to this issue for long-term gains.

Sources: Company website and red herring prospectus

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