NOMURA

Global Markets Research
27 April 2026

Sungrow Power Supply 300274.SZ 300274 CH

EQUITY: TECHNOLOGY

Downgrade to Neutral on balanced risk/reward

Soft 1Q26 driven by mix, lithium inflation, and FX; ESS growth narrative stalls due to lithium price hikes

Rating Down from Buy	**Neutral**
Target price Reduced from CNY 230.00	**CNY 120.00**
Closing price 27 April 2026	**CNY 131.39**
Implied upside	**-8.7%**
Market Cap (USD mn)	39,893.8
ADT (USD mn)	1,468.1

Weak 1Q26 earnings as slower inverter business and FX drag

Sungrow reported 1Q26 revenue of CNY15.56bn, down 18.3% y-y, reflecting a contraction in the solar inverter market, product mix change, and a high base impact of ESS (energy storage system). In addition, net profit fell 40.1% y-y to CNY2.29bn, which was attributed to: (i) a 1.9pp gross margin decline due to elevated lithium prices and mix change; (ii) the expansion of the opex-to-sales ratio to 14.9%, which compressed the operating margin; and (iii) the negative impact from FX fluctuations (financial expenses swung to CNY328mn vs a CNY59mn gain in 1Q25).

ESS margin pressure due to higher lithium prices

On ESS, management guided to a continued downward drift in the gross profit margin in the long term, citing two reinforcing headwinds: (i) shifts in the regional mix in the EU from Western Europe to Eastern Europe, where the GPM is structurally lower, and (ii) upstream lithium carbonate price inflation that will take time to pass through. In addition, based on an industry survey, near-term lithium prices may further rise due to supply cuts and inventory drawdown, caused by Zimbabwe's export ban and likely diesel shortage in Australia.

We view this gross margin guidance as incrementally negative given the additional overhang from the 1 July 2026 *USMCA (United States-Mexico-Canada Agreement) review*, where potential tightening of Rules of Origin (ROO), a 75%+ Regional Value Content (RVC) threshold, and Prohibited Foreign Entity (PFE)-style Chinese equity restrictions could render Mexico-routed ESS shipments uneconomic and force a switch to higher-cost North American cells. Further, management flagged intensive AIDC (AI Data Center) customer engagement, with 800V and new power products targeting late-2026E sampling and 2027E volume — implying limited 2026E revenue contribution.

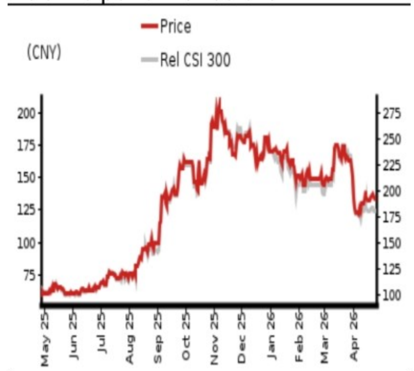
Downgrade to Neutral (from Buy) due to gross margin pressure

We downgrade Sungrow to Neutral from Buy and lower our TP to CNY120 (from CNY230). We trim our 2026/27F EPS to CNY7.28/9.13 from CNY9.76/12.22, to reflect: (i) likely continued ESS GPM compression, and (ii) a soft solar inverter market. Our new TP implies 16x 2026F P/E (vs 24x 2026F P/E previously), benchmarked to the historical average of 17x, given the current PEG ratio is no longer attractive as the consensus earnings growth has been reset lower. The stock trades at 18x 2026F P/E. We prefer CATL (300750 CH, Buy) in the sector.

Year-end 31 Dec	FY25	FY26F		FY27F		FY28F	
Currency (CNY)	Actual	Old	New	Old	New	Old	New
Revenue (mn)	89,184	142,220	106,417	183,462	128,480	0	156,765
Reported net profit (mn)	13,461	20,231	15,083	25,329	18,924	0	23,222
Normalised net profit (mn)	13,461	20,231	15,083	25,329	18,924	0	23,222
FD normalised EPS	6.49	9.76	7.28	12.22	9.13		11.20
FD norm. EPS growth (%)	22.0	27.0	12.0	25.2	25.5		22.7
FD normalised P/E (x)	20.2	–	18.1	–	14.4	–	11.7
EV/EBITDA (x)	13.9	–	11.6	–	8.6	–	6.3
Price/book (x)	5.5	–	4.1	–	3.2	–	2.5
Dividend yield (%)	1.2	–	1.4	–	1.7	–	2.1
ROE (%)	29.9	33.6	26.1	31.4	25.1		23.6
Net debt/equity (%)	net cash	net cash	net cash	net cash	net cash		net cash

Source: Company data, Nomura estimates

Relative performance chart



Source: LSEG, Nomura

Research Analysts

Advanced Manufacturing

Frank Fan - NIHK
frank.fan@nomura.com
+852 2252 2195

Donnie Teng - NIHK
donnie.teng@nomura.com
+852 2252 1439

Key data on Sungrow Power Supply

Performance

(%)	1M	3M	12M		
Absolute (CNY)	-19.6	-16.9	123.4	M cap (USDmn)	39,893.8
Absolute (USD)	-18.6	-15.4	138.4	Free float (%)	61.0
Rel to CSI 300	-25.5	-18.3	97.4	3-mth ADT (USDmn)	1,468.1

Income statement (CNYmn)

Year-end 31 Dec	FY24	FY25	FY26F	FY27F	FY28F
Revenue	77,857	89,184	106,417	128,480	156,765
Cost of goods sold	-54,545	-60,795	-73,801	-89,113	-109,047
Gross profit	23,312	28,389	32,616	39,367	47,718
SG&A	-8,528	-11,230	-13,578	-15,417	-18,341
Employee share expense					
Operating profit	14,784	17,159	19,038	23,949	29,377
EBITDA	15,706	18,414	20,350	25,321	30,812
Depreciation	-783	-1,112	-1,168	-1,226	-1,288
Amortisation	-138	-143	-144	-146	-147
EBIT	14,784	17,159	19,038	23,949	29,377
Net interest expense	-290	-40	-651	-449	-549
Associates & JCEs					
Other income	-950	-859	-592	-1,105	-1,347
Earnings before tax	13,544	16,260	17,796	22,395	27,482
Income tax	-2,280	-2,727	-2,682	-3,359	-4,122
Net profit after tax	11,264	13,533	15,113	19,036	23,359
Minority interests	-228	-72	-30	-112	-137
Other items					
Preferred dividends					
Normalised NPAT	11,036	13,461	15,083	18,924	23,222
Extraordinary items					
Reported NPAT	11,036	13,461	15,083	18,924	23,222
Dividends	-2,217	-3,367	-3,771	-4,731	-5,806
Transfer to reserves	8,820	10,095	11,312	14,193	17,417
Valuations and ratios					
Reported P/E (x)	24.7	20.2	18.1	14.4	11.7
Normalised P/E (x)	24.7	20.2	18.1	14.4	11.7
FD normalised P/E (x)	24.7	20.2	18.1	14.4	11.7
Dividend yield (%)	0.8	1.2	1.4	1.7	2.1
Price/cashflow (x)	22.6	16.1	16.5	12.0	9.8
Price/book (x)	6.8	5.5	4.1	3.2	2.5
EV/EBITDA (x)	16.7	13.9	11.6	8.6	6.3
EV/EBIT (x)	17.7	14.9	12.4	9.1	6.6
Gross margin (%)	29.9	31.8	30.6	30.6	30.4
EBITDA margin (%)	20.2	20.6	19.1	19.7	19.7
EBIT margin (%)	19.0	19.2	17.9	18.6	18.7
Net margin (%)	14.2	15.1	14.2	14.7	14.8
Effective tax rate (%)	16.8	16.8	15.1	15.0	15.0
Dividend payout (%)	20.1	25.0	25.0	25.0	25.0
ROE (%)	31.7	29.9	26.1	25.1	23.6
ROA (pretax %)	18.5	18.0	17.9	19.9	21.9
Growth (%)					
Revenue	7.8	14.5	19.3	20.7	22.0
EBITDA	18.9	17.2	10.5	24.4	21.7
Normalised EPS	-16.4	22.0	12.0	25.5	22.7
Normalised FDEPS	-16.4	22.0	12.0	25.5	22.7

Source: Company data, Nomura estimates

Cashflow statement (CNYmn)

Year-end 31 Dec	FY24	FY25	FY26F	FY27F	FY28F
EBITDA	15,706	18,414	20,350	25,321	30,812
Change in working capital	-6,009	1,473	6,101	191	-1,778
Other operating cashflow	2,372	-2,969	-9,893	-2,804	-1,167
Cashflow from operations	12,068	16,918	16,559	22,708	27,866
Capital expenditure	-2,786	-3,008	-3,834	-4,497	-5,487
Free cashflow	9,282	13,910	12,724	18,211	22,380
Reduction in investments	0	0	0	0	
Net acquisitions					
Dec in other LT assets	-810	-899	-738	-798	
Inc in other LT liabilities	-1,099	-689	0	0	
Adjustments	-8,067	1,646	2,242	738	798
CF after investing acts	1,215	13,647	13,379	18,211	22,380
Cash dividends	-2,217	-3,367	-3,771	-4,731	-5,806
Equity issue					
Debt issue	897	-2,713	570	0	0
Convertible debt issue					
Others	3,637	-4,536	9,204	4,731	5,806
CF from financial acts	2,317	-10,616	6,003	0	0
Net cashflow	3,532	3,031	19,382	18,211	22,380
Beginning cash	16,267	19,799	22,831	42,213	60,424
Ending cash	19,799	22,831	42,213	60,424	82,804
Ending net debt	-10,722	-17,343	-36,851	-55,062	-77,442

Balance sheet (CNYmn)

As at 31 Dec	FY24	FY25	FY26F	FY27F	FY28F
Cash & equivalents	19,799	22,831	42,213	60,424	82,804
Marketable securities					
Accounts receivable	28,486	24,733	35,589	36,089	44,151
Inventories	29,028	27,255	39,731	43,689	53,616
Other current assets	17,836	20,609	16,038	17,360	18,791
Total current assets	95,149	95,428	133,571	157,563	199,362
LT investments					
Fixed assets	11,267	13,674	14,554	15,324	16,241
Goodwill	297	297	297	297	297
Other intangible assets	1,122	1,231	1,295	1,321	1,348
Other LT assets	7,239	8,049	8,948	9,685	10,483
Total assets	115,074	118,679	158,664	184,190	227,731
Short-term debt	4,214	2,422	2,279	2,279	2,279
Accounts payable	36,757	36,636	54,631	60,073	73,722
Other current liabilities	19,327	18,169	25,036	25,566	29,557
Total current liabilities	60,298	57,228	81,945	87,917	105,558
Long-term debt	4,863	3,065	3,083	3,083	3,083
Convertible debt					
Other LT liabilities	9,714	8,615	7,926	7,926	7,926
Total liabilities	74,875	68,908	92,954	98,926	116,567
Minority interest					
Preferred stock					
Common stock	2,073	2,073	2,073	2,073	2,073
Retained earnings	28,346	37,640	52,724	71,647	94,869
Proposed dividends					
Other equity and reserves	9,779	10,058	10,913	11,544	14,221
Total shareholders' equity	40,199	49,772	65,710	85,264	111,164
Total equity & liabilities	115,074	118,679	158,664	184,190	227,731
Liquidity (x)					
Current ratio	1.58	1.67	1.63	1.79	1.89
Interest cover	50.9	433.8	29.3	53.3	53.6
Leverage					
Net debt/EBITDA (x)	net cash	net cash	net cash	net cash	net cash
Net debt/equity (%)	net cash	net cash	net cash	net cash	net cash
Per share					
Reported EPS (CNY)	5.32	6.49	7.28	9.13	11.20
Norm EPS (CNY)	5.32	6.49	7.28	9.13	11.20
FD norm EPS (CNY)	5.32	6.49	7.28	9.13	11.20
BVPS (CNY)	19.39	24.01	31.69	41.13	53.62
DPS (CNY)	1.07	1.62	1.82	2.28	2.80
Activity (days)					
Days receivable	133.5	108.9	103.4	101.8	93.7
Days inventory	194.2	169.0	165.6	170.8	163.3
Days payable	246.0	220.3	225.7	234.9	224.5
Cash cycle	81.8	57.5	43.4	37.7	32.4

Source: Company data, Nomura estimates

Company profile

Sungrow Power Supply is a top-tier power control system and energy storage vendor in China, with major product being PV inverter, energy storage equipment, and solar EPC.

Valuation Methodology

We use P/E method to value Sungrow and our TP of CNY120 is based on 16x 2026F P/E, largerly in-line with its historical average at 17x, which is supported by solid ESS volume growth in 2026F but capped by declining gross margins. The benchmark index is CSI300.

Risks that may impede the achievement of the target price

Upside risks include: 1) faster ESS development in data center clients; 2) better gross margins due to stable battery prices. Downside risks include: 1) policy headwinds for ESS business; 2) softening utility-scale project demand.

ESG

Sungrow fits the ESG theme since it is one of leading solar inverter companies, helping generate renewable energy with low consumption costs.

Appendix A-1

This report has been produced by Nomura International (Hong Kong) Ltd. (NIHK), Hong Kong.
See Disclaimers for Nomura Group entity details.

Analyst Certification

We, Frank Fan and Donnie Teng, hereby certify (1) that the views expressed in this Research report accurately reflect our personal views about any or all of the subject securities or issuers referred to in this Research report, (2) no part of our compensation was, is or will be directly or indirectly related to the specific recommendations or views expressed in this Research report and (3) no part of our compensation is tied to any specific investment banking transactions performed by Nomura Securities International, Inc., Nomura International plc or any other Nomura Group company.

Issuer Specific Regulatory Disclosures

The terms "Nomura" and "Nomura Group" used herein refer to Nomura Holdings, Inc. and its affiliates and subsidiaries, including Nomura Securities International, Inc. ('NSI') and Instinet, LLC ('ILLC'), U. S. registered broker dealers and members of SIPC.

Materially mentioned issuers

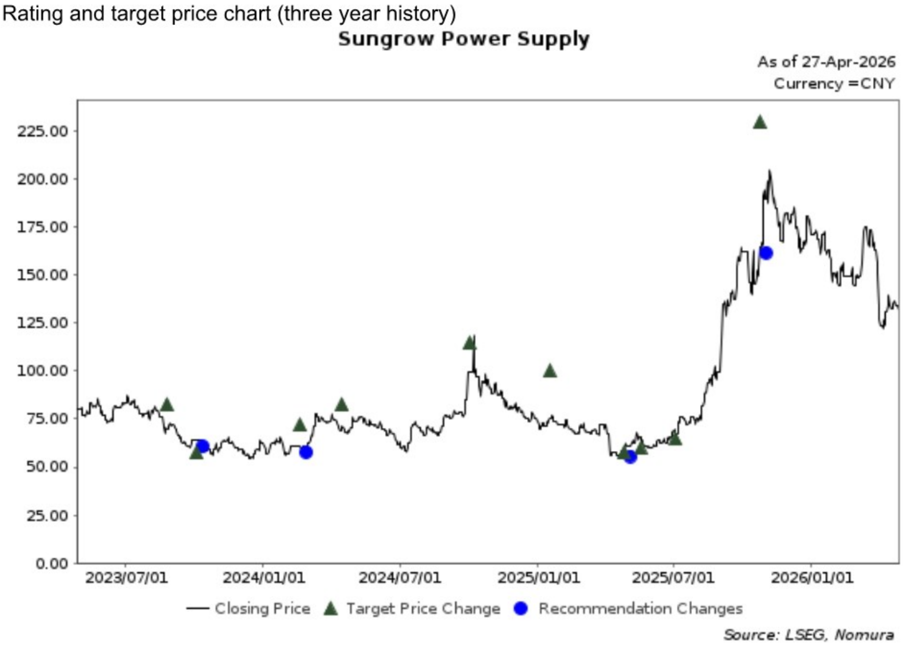
Issuer	Ticker	Price	Price date	Stock rating	Sector rating	Disclosures
Sungrow Power Supply	300274 CH	CNY 131.39	27-Apr-2026	Neutral	N/A	
Contemporary Amperex Technology	300750 CH	CNY 434.88	27-Apr-2026	Buy	N/A	A10,A35

A10 The Nomura Group is a registered market maker in the securities / related derivatives of the issuer.

A35 The Nomura Group beneficially owns 1% or more financial interest in the subject company.

Sungrow Power Supply (300274 CH) **CNY 131.39 (27-Apr-2026)** Neutral (Sector rating: N/A)

Rating and target price chart (three year history)



Date	Rating	Target price	Closing price
24-Oct-25	Buy		165.00
24-Oct-25		230.00	165.00
04-Jul-25		65.00	67.70
18-May-25		60.00	65.31
26-Apr-25	Neutral		58.82
26-Apr-25		58.00	58.82
17-Jan-25		100.00	75.05
02-Oct-24		115.00	99.58
15-Apr-24		82.97	71.24
19-Feb-24	Buy		60.99
19-Feb-24		72.15	60.99
04-Oct-23	Neutral		63.94
04-Oct-23		57.72	63.94
25-Aug-23		82.97	70.13

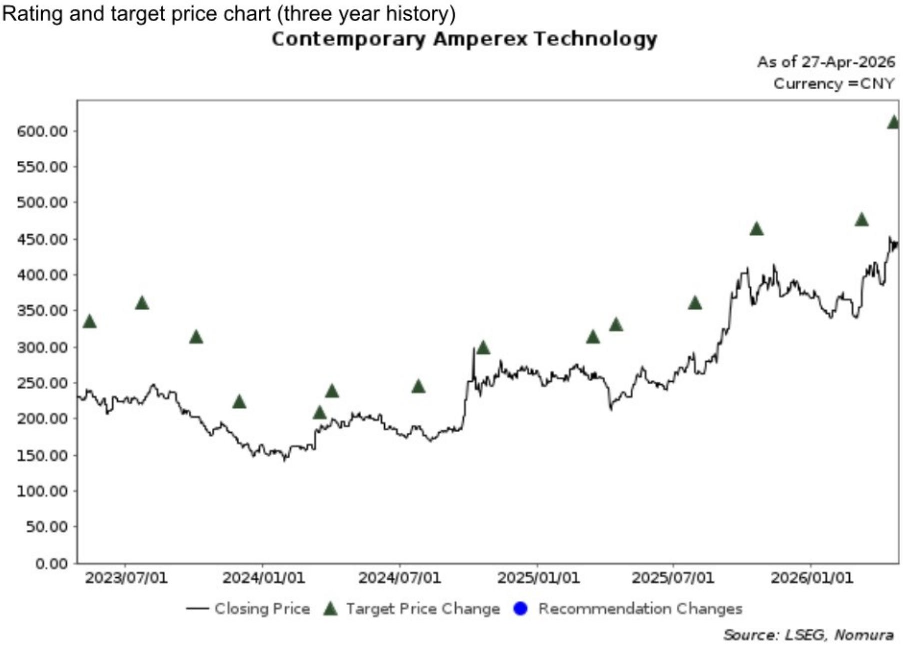
For explanation of ratings refer to the stock rating keys located after chart(s)

Valuation Methodology We use P/E method to value Sungrow and our TP of CNY120 is based on 16x 2026F P/E, largerly in-line with its historical average at 17x, which is supported by solid ESS volume growth in 2026F but capped by declining gross margins. The benchmark index is CSI300.

Risks that may impede the achievement of the target price Upside risks include: 1) faster ESS development in data center clients; 2) better gross margins due to stable battery prices. Downside risks include: 1) policy headwinds for ESS business; 2) softening utility-scale project demand.

Contemporary Amperex Technology (300750 CH) **CNY 434.88 (27-Apr-2026)** Buy (Sector rating: N/A)

Rating and target price chart (three year history)



Date	Rating	Target price	Closing price
22-Apr-26		612.00	436.35
10-Mar-26		476.00	376.30
20-Oct-25		465.00	366.50
31-Jul-25		362.00	264.62
15-Apr-25		331.00	228.15
16-Mar-25		315.00	262.00
20-Oct-24		300.00	249.89
26-Jul-24		246.00	189.35
02-Apr-24		240.00	199.70
17-Mar-24		210.00	181.00
30-Nov-23		225.00	167.00
04-Oct-23		315.00	203.03
23-Jul-23		361.00	221.59
15-May-23		336.00	238.29

For explanation of ratings refer to the stock rating keys located after chart(s)

Valuation Methodology Our TP of CNY612.00 is based on 25x of 2027F EPS of CNY24.47, which implies 1.25x FY27F PEG based on FY26-28F earnings CAGR of 20%. The benchmark index is CSI300.
Risks that may impede the achievement of the target price Downside risks: 1) stronger-than-expected raw material price hike; 2) slower-than-expected shipments to global OEMs; and 3) intensified competition in both China and overseas markets.

Important Disclosures

Online availability of research and conflict-of-interest disclosures

Nomura Group research is available on www.nomuranow.com/research, Bloomberg, Capital IQ, Factset, LSEG.
Important disclosures may be read at http://go.nomuranow.com/research/m/Disclosures or requested from Nomura Securities International, Inc.
If you have any difficulties with the website, please email grpsupport@nomura.com for help.

The analysts responsible for preparing this report have received compensation based upon various factors including the firm's total revenues, a portion of which is generated by Investment Banking activities. Unless otherwise noted, the non-US analysts listed at the front of this report are not registered/qualified as research analysts under FINRA rules, may not be associated persons of NSI, and may not be subject to FINRA Rule 2241 restrictions on communications with covered companies, public appearances, and trading securities held by a research analyst account.

Nomura Global Financial Products Inc. (NGFP) Nomura Derivative Products Inc. (NDP) and Nomura International plc. (NIplc) are registered with the Commodities Futures Trading Commission and the National Futures Association (NFA) as swap dealers. NGFP, NDPI, and NIplc are generally engaged in the trading of swaps and other derivative products, any of which may be the subject of this report.

Distribution of ratings (Nomura Group)

The distribution of all ratings published by Nomura Group Global Equity Research is as follows:
57% have been assigned a Buy rating which, for purposes of mandatory disclosures, are classified as a Buy rating; 34% of companies with this rating are investment banking clients of the Nomura Group*. 0% of companies (which are admitted to trading on a regulated market in the EEA) with this rating were supplied material services** by the Nomura Group.
41% have been assigned a Neutral rating which, for purposes of mandatory disclosures, is classified as a Hold rating; 57% of companies with this rating are investment banking clients of the Nomura Group*. 0% of companies (which are admitted to trading on a regulated market in the EEA) with this rating were supplied material services by the Nomura Group
2% have been assigned a Reduce rating which, for purposes of mandatory disclosures, are classified as a Sell rating; 0% of companies with this rating are investment banking clients of the Nomura Group*. 0% of companies (which are admitted to trading on a regulated market in the EEA) with this rating were supplied material services by the Nomura Group.
As at 31 March 2026.
**The Nomura Group as defined in the Disclaimer section at the end of this report.*
*** As defined by the EU Market Abuse Regulation*

Definition of Nomura Group's equity research rating system and sectors

The rating system is a relative system, indicating expected performance against a specific benchmark identified for each individual stock, subject to limited management discretion. An analyst's target price is an assessment of the current intrinsic fair value of the stock based on an appropriate valuation methodology determined by the analyst. Valuation methodologies include, but are not limited to, discounted cash flow analysis, expected return on equity and multiple analysis. Analysts may also indicate expected absolute upside/downside relative to the stated target price, defined as (target price - current price)/current price.

STOCKS

A rating of **'Buy'**, indicates that the analyst expects the stock to outperform the Benchmark over the next 12 months. A rating of **'Neutral'**, indicates that the analyst expects the stock to perform in line with the Benchmark over the next 12 months. A rating of **'Reduce'**, indicates that the analyst expects the stock to underperform the Benchmark over the next 12 months. A rating of **'Suspended'**, indicates that the rating, target price and estimates have been suspended temporarily to comply with applicable regulations and/or firm policies. Securities and/or companies that are labelled as **'Not rated'** or shown as **'No rating'** are not in regular research coverage. Investors should not expect continuing or additional information from Nomura relating to such securities and/or companies. Benchmarks are as follows: **United States/Europe/Asia ex-Japan:** please see valuation methodologies for explanations of relevant benchmarks for stocks, which can be accessed at: http://go.nomuranow.com/research/m/Disclosures; **Global Emerging Markets (ex-Asia):** MSCI Emerging Markets ex-Asia, unless otherwise stated in the valuation methodology; **Japan:** Russell/Nomura Large Cap.

SECTORS

A **'Bullish'** stance, indicates that the analyst expects the sector to outperform the Benchmark during the next 12 months. A **'Neutral'** stance, indicates that the analyst expects the sector to perform in line with the Benchmark during the next 12 months. A **'Bearish'** stance, indicates that the analyst expects the sector to underperform the Benchmark during the next 12 months. Sectors that are labelled as **'Not rated'** or shown as **'N/A'** are not assigned ratings. Benchmarks are as follows: **United States:** S&P 500; **Europe:** Dow Jones STOXX 600; **Global Emerging Markets (ex-Asia):** MSCI Emerging Markets ex-Asia. **Japan/Asia ex-Japan:** Sector ratings are not assigned.

Target Price

A Target Price, if discussed, indicates the analyst's forecast for the share price with a 12-month time horizon, reflecting in part the analyst's estimates for the company's earnings. The achievement of any target price may be impeded by general market and macroeconomic trends, and by other risks related to the company or the market, and may not occur if the company's earnings differ from estimates.

Disclaimers

This publication contains material that has been prepared by the Nomura Group entity identified on page 1 and, if applicable, with the contributions of one or more Nomura Group entities whose employees and their respective affiliations are specified on page 1 or identified elsewhere in this publication. The term "Nomura Group" used herein refers to Nomura Holdings, Inc. and its affiliates and subsidiaries including: (a) Nomura Securities Co., Ltd. ('NSC') Tokyo, Japan, (b) Nomura Financial Products Europe GmbH ('NFPE'), Germany, (c) Nomura International plc ('NIplc'), UK, (d) Nomura Securities International, Inc. ('NSI'), New York, US, (e) Nomura International (Hong Kong) Ltd. ('NIHK'), Hong Kong, (f) Nomura Financial Investment (Korea) Co., Ltd. ('NFIK'), Korea (Information on Nomura analysts registered with the Korea Financial Investment Association ('KOFIA') can be found on the KOFIA Intranet at http://dis.kofia.or.kr, (g) Nomura Singapore Ltd. ('NSL'), Singapore (Registration number 197201440E, regulated by the Monetary Authority of Singapore) (h) Nomura Australia Ltd. ('NAL'), Australia (ABN 48 003 032 513), regulated by the Australian Securities and Investment Commission ('ASIC') and holder of an Australian financial services licence number 246412, (i) Nomura Securities Malaysia Sdn. Bhd. ('NSM'), Malaysia, (j) NIHK, Taipei Branch ('NITB'), Taiwan, (k) Nomura Financial Advisory and Securities (India) Private Limited ('NFASL'), Mumbai, India (Registered Address: Ceejay House, Level 11, Plot F, Shivsagar Estate, Dr. Annie Besant Road, Worli, Mumbai- 400 018, India; Tel: 91 22 4037 4037, Fax: 91 22 4037 4111; CIN No: U74140MH2007PTC169116, SEBI Registration No. for Stock Broking activities : INZ000255633; SEBI Registration No. for Merchant Banking : INM000011419; SEBI Registration No. for Research: INH000001014 - Compliance Officer: Ms. Pratiksha Tondwalkar, 91 22 40374904, grievance email: investorgrievancesra@nomura.com Webpage: LINK

For reports with respect to Indian public companies or authored by India-based NFASL research analysts: (i) Investment in securities markets is subject to market risks. Read all the related documents carefully before investing. (ii) Registration granted by SEBI, and certification from NISM in no way guarantee performance of the intermediary or provide any assurance of returns to investors. (iii) NFASL terms and conditions for availing research services is disclosed on NFASL webpage.

(l) Nomura Fiduciary Research & Consulting Co., Ltd. ('NFRC') Tokyo, Japan. (m) Nomura Orient International Securities Co., Ltd ("NOI"), is a majority owned joint venture amongst Nomura Group, Orient International (Holding) Co., Ltd, and Shanghai Huangpu Investment Holding (Group) Co., Ltd. In accordance with the laws of the People's Republic of China ("PRC", excluding Hong Kong, Macau and Taiwan, for the purpose of this document), NOI is licensed in the PRC to provide securities research and investment recommendations and it operates independently from the other members of the Nomura Group; in particular, NOI's interests in PRC securities are not disclosed to, or aggregated with the holdings of, any other Nomura Group entities and the interests in PRC securities of other Nomura Group entities are not disclosed to, or aggregated with the holdings of, NOI. An individual name printed next to NOI on the front page of a research report indicates that individual is employed by NOI to provide research assistance to NIHK under a research partnership agreement. 'NSFSPL' next to an employee's name on the front page of a research report indicates that the individual is employed by Nomura Structured Finance Services Private Limited to provide assistance to certain Nomura entities under inter-company agreements. 'Verdhana' next to an individual's name on the front page of a research report indicates that the individual is employed by PT Verdhana Sekuritas Indonesia ('Verdhana') to provide research assistance to NIHK under a research partnership agreement and neither Verdhana nor such individual is licensed outside of Indonesia.

THIS MATERIAL IS: (I) FOR YOUR PRIVATE INFORMATION, AND WE ARE NOT SOLICITING ANY ACTION BASED UPON IT; (II) NOT TO

Certain securities are subject to fluctuations in exchange rates that could have an adverse effect on the value or price of, or income derived from, the investment.

With respect to Fixed Income Research: Recommendations fall into two categories: tactical, which typically last up to three months; or strategic, which typically last from 6-12 months. However, trade recommendations may be reviewed at any time as circumstances change. 'Stop loss' levels for trades are also provided; which, if hit, closes the trade recommendation automatically. Prices and yields shown in recommendations are taken at the time of submission for publication and are based on either indicative Bloomberg, LSEG or Nomura prices and yields at that time. The prices and yields shown are not necessarily those at which the trade recommendation can be implemented.

The securities described herein may not have been registered under the US Securities Act of 1933 (the '1933 Act'), and, in such case, may not be offered or sold in the US or to US persons unless they have been registered under the 1933 Act, or except in compliance with an exemption from the registration requirements of the 1933 Act. Unless governing law permits otherwise, any transaction should be executed via a Nomura entity in your home jurisdiction.

This document has been approved for distribution in the UK as investment research by NIplc. NIplc is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. NIplc is a member of the London Stock Exchange. This document does not constitute a personal recommendation within the meaning of applicable regulations in the UK, or take into account the particular investment objectives, financial situations, or needs of individual investors. This document is intended only for investors who are 'eligible counterparties' or 'professional clients' for the purposes of applicable regulations in the UK, and may not, therefore, be redistributed to persons who are 'retail clients' for such purposes.

This document has been approved for distribution in the European Economic Area as investment research by Nomura Financial Products Europe GmbH ("NFPE"). NFPE is a company organized as a limited liability company under German law registered in the Commercial Register of the Court of Frankfurt/Main under HRB 110223. NFPE is authorized and regulated by the German Federal Financial Supervisory Authority (BaFin).

This document has been approved by NIHK, which is regulated by the Hong Kong Securities and Futures Commission, for distribution in Hong Kong by NIHK. This document is intended only for investors who are 'professional investors' for the purposes of applicable regulations in Hong Kong and may not, therefore, be redistributed to persons who are not 'professional investors' for such purposes.

This document has been approved for distribution in Australia by NAL, which is authorized and regulated in Australia by the ASIC.

This document has also been approved for distribution in Malaysia by NSM.

In Singapore, this document has been distributed by NSL, an exempt financial adviser as defined under the Financial Advisers Act (Chapter 110), among other things, and regulated by the Monetary Authority of Singapore. NSL may distribute this document produced by its foreign affiliates pursuant to an arrangement under Regulation 32C of the Financial Advisers Regulations. This document is intended for accredited, expert or institutional investors as defined by the Securities and Futures Act (Chapter 289). Where the recipient of this document is not an accredited, expert or institutional investor, NSL accepts legal responsibility for the contents of this document in respect of such recipient only to the extent required by law. Recipients of this document in Singapore should contact NSL in respect of matters arising from, or in connection with, this document. THIS DOCUMENT IS INTENDED FOR GENERAL CIRCULATION. IT DOES NOT TAKE INTO ACCOUNT THE SPECIFIC INVESTMENT OBJECTIVES, FINANCIAL SITUATION OR PARTICULAR NEEDS OF ANY PARTICULAR PERSON. RECIPIENTS SHOULD TAKE INTO ACCOUNT THEIR SPECIFIC INVESTMENT OBJECTIVES, FINANCIAL SITUATION OR PARTICULAR NEEDS BEFORE MAKING A COMMITMENT TO PURCHASE ANY SECURITIES, INCLUDING SEEKING ADVICE FROM AN INDEPENDENT FINANCIAL ADVISER REGARDING THE SUITABILITY OF THE INVESTMENT, UNDER A SEPARATE ENGAGEMENT, AS THE RECIPIENT DEEMS FIT.

Unless prohibited by the provisions of Regulation S of the 1933 Act, this material is distributed in the US, by NSI, a US-registered broker-dealer, which accepts responsibility for its contents in accordance with the provisions of Rule 15a-6, under the US Securities Exchange Act of 1934.

The entity that prepared this document permits its separately operated affiliates within the Nomura Group to make copies of such documents available to their clients.

This document has not been approved for distribution to persons other than 'Authorised Persons', 'Exempt Persons' or 'Institutions' (as defined by the Capital Markets Authority) in the Kingdom of Saudi Arabia ('Saudi Arabia') or a 'Market Counterparty' or a 'Professional Client' (as defined by the Dubai Financial Services Authority) in the United Arab Emirates ('UAE') or a 'Market Counterparty' or a 'Business Customer' (as defined by the Qatar Financial Centre Regulatory Authority) in the State of Qatar ('Qatar') by Nomura Saudi Arabia, NIplc or any other member of the Nomura Group, as the case may be. Neither this document nor any copy thereof may be taken or transmitted or distributed, directly or indirectly, by any person other than those authorised to do so into Saudi Arabia or in the UAE or in Qatar or to any person other than 'Authorised Persons', 'Exempt Persons' or 'Institutions' located in Saudi Arabia or a 'Market Counterparty' or a 'Professional Client' in the UAE or a 'Market Counterparty' or a 'Business Customer' in Qatar. Any failure to comply with these restrictions may constitute a violation of the laws of the UAE or Saudi Arabia or Qatar.

For report with reference of TAIWAN public companies or authored by Taiwan based research analyst:

THIS DOCUMENT IS SOLELY FOR REFERENCE ONLY. You should independently evaluate the investment risks and are solely responsible for your investment decisions. NO PORTION OF THE REPORT MAY BE REPRODUCED OR QUOTED BY THE PRESS OR ANY OTHER PERSON WITHOUT WRITTEN AUTHORIZATION FROM NOMURA GROUP. Pursuant to Operational Regulations Governing Securities Firms Recommending Trades in Securities to Customers and/or other applicable laws or regulations in Taiwan, you are prohibited to provide the reports to others (including but not limited to related parties, affiliated companies and any other third parties) or engage in any activities in connection with the reports which may involve conflicts of interests. INFORMATION ON SECURITIES / INSTRUMENTS NOT EXECUTABLE BY NOMURA INTERNATIONAL (HONG KONG) LTD., TAIPEI BRANCH IS FOR INFORMATIONAL PURPOSES ONLY AND IS NOT BE CONSTRUED AS A RECOMMENDATION OR A SOLICITATION TO TRADE IN SUCH SECURITIES / INSTRUMENTS.

This material may not be distributed in Indonesia or passed on within the territory of the Republic of Indonesia or to persons who are Indonesian citizens (wherever they are domiciled or located) or entities of or residents in Indonesia in a manner which constitutes a public offering under the laws of the Republic of Indonesia. The securities mentioned in this document may not be offered or sold in Indonesia or to persons who are citizens of Indonesia (wherever they are domiciled or located) or entities of or residents in Indonesia in a manner which constitutes a public offering under the laws of the Republic of Indonesia.