



Fiberweb (India) Limited

Manufacturers of : Spunbond Nonwoven Fabrics

21st September, 2017

Dy. General Manager (Corporate Relation Dept.),
The Bombay Stock Exchange Ltd.,
1st Floor, New Trading Ring, Rotunda Bldg.,
P.J. Towers, Dalal Street, Fort,
MUMBAI – 400 001.

Dear Sir,

Re- Report publishing Bank of Baroda Capital Market

We enclose herewith the Report on our Company published on Bank of Baroda Capital Markets Ltd., for the benefit of our shareholders.

Kindly take note of the same.

Thanking you

Yours faithfully,
For Fiberweb (India) Limited

P. S. Krishnan
Chief Finance Officer

Encl: As above

Product is manufactured in the plant, where the Management system is certified for ISO 9001:2008, 14001:2004, OHSAS 18001:2007

Mumbai : "KIRAN", Ground Floor, 128 Bhaudaji Road, Matunga, Mumbai - 400019.
Phone : 91 (22) 2404 4855 / 76 / 2408 2689 / 90 Fax : 91 (22) 2404 4853
Regd. Office: Airport Road, Kadaiya, Nani Daman, (U.T.) - 396 210.
& Works Phone : 91 (260) 222 0766/0458/1458/1858/0958 Fax : 91(260) 2220758
E-mail : fiberweb@vsnl.net, fiberweb@fiberwebindia.com
Website : fiberwebindia.com



ISO9001:2008, 14001:2004, OHSAS18001:2007

CIN NO. L25209DD1985PLC004694

BUY

TP: Rs 470 | ▲45%

FIBERWEB (INDIA)

Plastic Products

20 September 2017

Moving into the big league

We reiterate **BUY** on Fiberweb (FWB) as the company is on track for strong earnings growth, led by (1) a near-tripling of capacity from 7,500mt to 20,500mt by Q1FY19, (2) higher client wallet share once the expansion is in place, and (3) increased domestic sales as exports grow, given that it runs an export-oriented unit. FWB has seen a visible pickup in order inflows, with deals worth ~Rs 600mn announced in recent months, taking the export book to an all-time high of Rs 1.8bn. We estimate a robust revenue/PAT CAGR of 51%/46% over FY17-FY20.

Padmaja Ambekar

+91 22 6138 9381

padmaja.ambekar@bobcaps.in

Pawan Parakh, CFA

+91 22 6138 9352

pawan.parakh@bobcaps.in

Mega capacity expansion underway: FWB derives ~65% of its revenues from exports, primarily to the US. To cater to the growing demand, the company has planned a 13,000mt capacity expansion (3,000mt of value-added melt-blown textiles and 10,000mt of spun-bond nonwoven textiles). As these capacities turn operational (H2FY18 for melt-blown and Q1FY19 for spun-bond nonwoven), they would bolster revenue growth over the next 3-4 years.

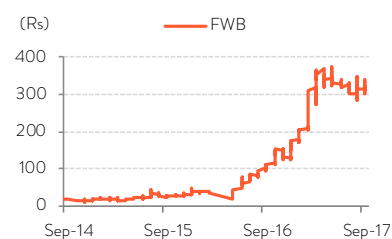
Strong visibility on demand: FWB is an established supplier to large brands in the US and has recently bagged Walmart as a client. Owing to financial issues, the company was unable to expand capacity over FY08-FY15, while demand from its clients kept growing. With the resolution of financial constraints and high product acceptability, FWB is well placed to regain its wallet share in client spends. Further, since its capacities are housed in an EOU (in Daman), the expected increase in exports will allow for higher domestic sales as well.

Robust return ratios; reiterate BUY: Despite the high expansion capex (of Rs 1bn), we expect an ROE of over 20% in FY20 led by strong revenue growth coupled with improving profitability from higher value-added product share. Our target of Rs 470 (20x one-year fwd P/E) holds 45% upside. **BUY.**

Ticker/Price	FWB IN/Rs 323
Market cap	US\$ 72mn
Shares o/s	14mn
3M ADV	US\$ 0.17mn
52wk high/low	Rs 389/Rs 97
Promoter/FPI/DII	53%/2%/2%

Source: Bloomberg

STOCK PERFORMANCE



Source: Bloomberg

KEY FINANCIALS

Y/E Mar	FY16	FY17	FY18E	FY19E	FY20E
Net profit (Rs mn)	71	142	281	279	439
EPS (Rs)	5.0	10.0	19.7	19.5	30.8
EPS growth (%)	249.4	100.6	97.3	(0.9)	57.7
ROE (%)	(14.6)	15.9	23.6	17.1	22.1
P/E (x)	65.2	32.5	16.5	16.6	10.5
EV/EBITDA (x)	80.4	34.9	15.0	10.0	7.2

Source: Company, BOBCAPS Research

BOB Capital Markets Ltd is a wholly owned subsidiary of Bank of Baroda

Important disclosures, including any required research certifications, are provided at the end of this report.



Out of the woods

Well planned capacity expansion to boost the topline

FWB specialises in the manufacture of nonwoven technical textiles used for personal hygiene (diapers, sanitary napkins, protective garments in hospitals), agriculture (crop cover, shade nets) and homotech (pillow covers, bed covers). The company has a strong client base across the globe, primarily in the US. Key customers include global majors Johnson & Johnson and Walmart, which testifies to FWB's product quality and delivery capabilities.

Owing to issues pertaining to BIFR, FWB's growth was restricted over FY08-FY15 while customer demand kept growing. Legacy financial issues have now been resolved and we believe FWB is well placed to regain the wallet share of key clients.

The company's current capacity for technical textiles stands at ~7,500 metric tonnes (5,000mt owned and ~2,500mt leased). The planned 13,000mt expansion at its Daman plant would increase total capacity threefold to ~20,500mt. The expansion includes 3,000mt of value-added melt-blown capacity (higher-margin), to be commissioned from Q3FY18 onwards, and 10,000mt of spun-bond nonwoven products, scheduled to become operational in Q1FY19.

PRODUCTION CAPACITY

(mt)	FY16	FY17	FY18E	FY19E	FY20E
Spun-Bond Nonwoven Textiles					
Manufacturing Capacity	5,000	5,000	5,000	5,000	5,000
Additional capacity	-	-	10,000	10,000	10,000
Lease Capacity	2,500	2,500	2,500	2,500	2,500
Melt-Blown Textiles					
Manufacturing Capacity	-	-	3,000	3,000	3,000
Total Capacity	7,500	7,500	20,500	20,500	20,500

Source: Company, BOBCAPS Research

Importantly, FWB has ~20,000sq mt of freehold land in Daman, which not only supports the current expansion drive, but would also suffice for future capacity growth.

Client mining to regain wallet share

While aggressive capacity expansion entails the added risk of potentially lower-than-expected volumes, we believe FWB is well insulated from this threat as new capacities would cater primarily to its existing client base. Over the last 6-7 years, FWB has been unable to expand capacity (owing to financial issues), leading to a steady reduction in its share of client spends. However, the acceptability of its products remains intact, making it easier to now ramp up volumes with those same clients (essentially large companies in the US).

In addition, FWB has bagged 3-4 new international clients, including Lowe's Company that supplies to US-based Walmart Departmental Stores (in Mar'17) – this provides

assurance on utilisation of the increased capacity in future. Client mining coupled with new customer addition provides strong visibility on growth.

Buildup in order book already visible

FWB has a strong export order book of ~Rs 1.8bn, primarily from the US. Most of these orders are to be executed over the next one year. Given the increasing visibility on capacity addition, FWB has already started booking orders, with ~Rs 600mn in new orders announced over the last 3-4 months.

KEY ANNOUNCEMENTS MADE RECENTLY

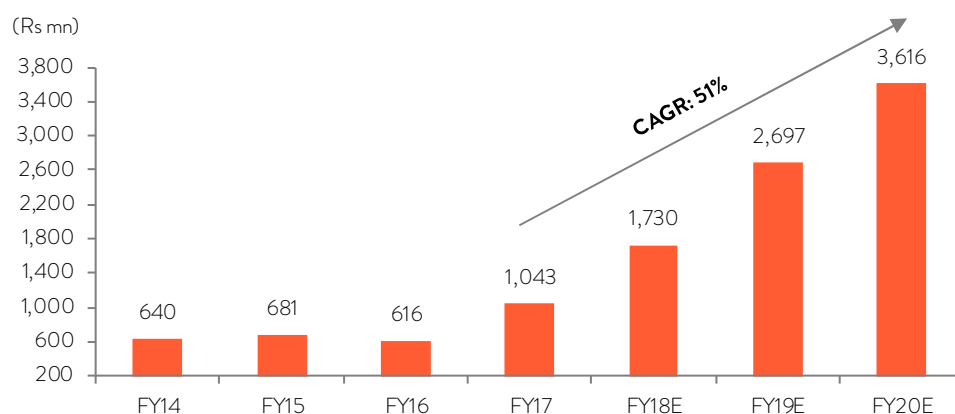
Sr. No.	Date of announcement	Order book	Description of Import / Export order
1.	August 2017	Rs 109mn (US\$ 1.70mn) Value-added products	USA
2.	July 2017	Rs 190mn (US\$ 3.80mn)	USA
3.	June 2017	Rs 208mn (US\$ 4.16mn)	USA
4.	May 2017	Rs 121mn (US\$ 1.86mn)	USA

Source: Company, BOBCAPS Research

Exports constituted 65% of the company's revenues in FY17, of which the US market contributed ~80%. In the international market, FWB's products are primarily used for crop cover, soil cover, and wind & insect protection. In the domestic market, supplies are predominantly to a single customer (Johnson & Johnson) for use in high-growth hygiene products such as baby diapers, adult diapers, sanitary napkins and protective garments in hospitals. Management stated that it is receiving enquiries from major domestic players operating in the hygiene segment as well.

The company's manufacturing facility is an export-oriented unit (EOU) and hence carries a restriction on domestic sales (50% of export value). As the company grows its export revenues, it will have further scope to grow its domestic revenues too. With a large business opportunity in both the export and domestic markets, we expect FWB to report a strong revenue CAGR of 51% over FY17-FY20.

UPSURGE IN REVENUES EXPECTED DUE TO CAPACITY EXPANSION

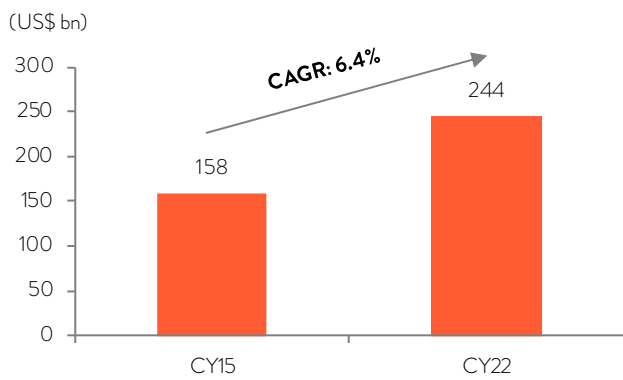


Source: Company, BOBCAPS Research

Large market opportunity

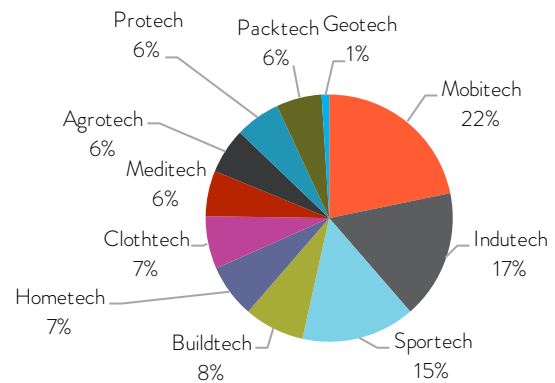
The global technical textile market was at US\$ 158bn in 2015 and is expected to log a CAGR of 6.4% to reach US\$ 244bn by 2022. The US is the major contributor with 17% market share followed by China (10%), Germany (8%) and the UK (4%). Technical textiles are used for multiple purposes including packaging (Packtech), agricultural applications such as crop cover, soil cover and wind & insect protection (Agrotech), industrial applications such as bed sheets & pillow covers, curtains, luggage & garments (Indutech), and transportation/automotive applications like seat belts, seat covers and automotive interior carpets (Mobiltech).

TECHNICAL TEXTILE INDUSTRY SIZE



Source: Industry, BOBCAPS Research

INDUSTRY DEMAND BREAKDOWN



Source: Industry, BOBCAPS Research

FWB manufactures nonwoven fabric rolls used for medical (personal hygiene), agricultural and homotech purposes. The company currently caters to 19% of the global technical textile market, implying significant room to grow and capture more market share in future. About 75% of the products are exported from its 100% EOU factory at Daman (~80% to the US, 10% to Europe & the UK, and 10% to South Africa, New Zealand, Africa & Gulf countries).

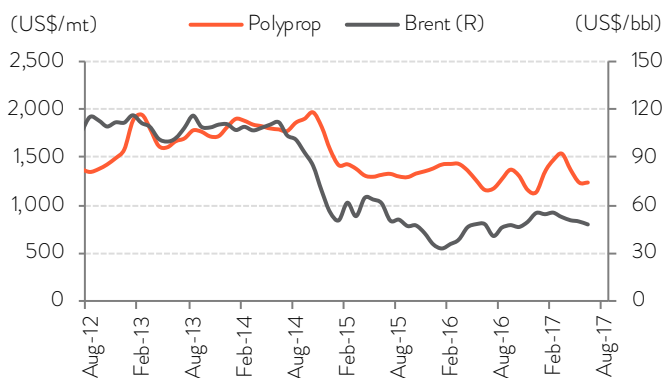
FWB's supplies to the US are primarily for agricultural use such as crop & soil covering, livestock protection, shading and weed & insect control. The products include crop covers, shade nets, mulch mats, anti-hail nets and bird protection nets, fishing nets and other types of agriculture-related netting.

In the domestic market, FWB's supplies are primarily to Johnson & Johnson for its hygiene and medical products. FWB has enquiries from other leading players as well, which it would cater to once the new capacity is in place. In India, sanitary napkins, baby diapers and wipes are extremely under-penetrated categories and thus hold strong growth potential for the company.

Variable pricing to factor in commodity price volatility

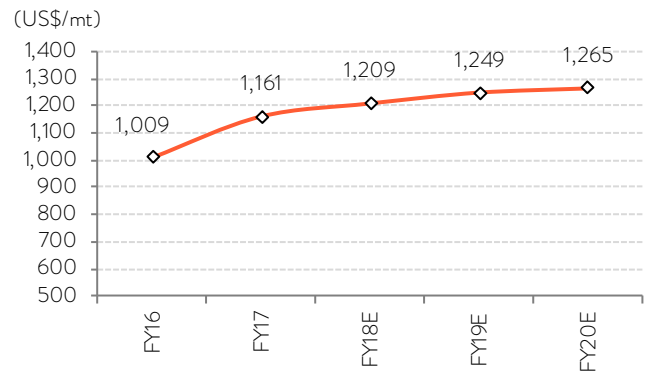
FWB’s key raw material is ‘polypropylene’ (PP) which is a derivative of crude oil. In the last five years, crude oil prices have fallen 58% and PP prices have fallen 37%. Alternatively, the RM price could increase in future as well. However, FWB is largely insulated from fluctuation in commodity prices as (a) its product manufacturing cycle is very short and (b) it has price variation clauses with customers. Volatility in commodity prices could optically impact gross margins, but gross EBITDA/mt has remained relatively stable (unlike the volatility in commodity prices) for FWB.

COMMODITY PRICE TREND



Source: Industry, BOBCAPS Research

GROSS PROFIT PER MT

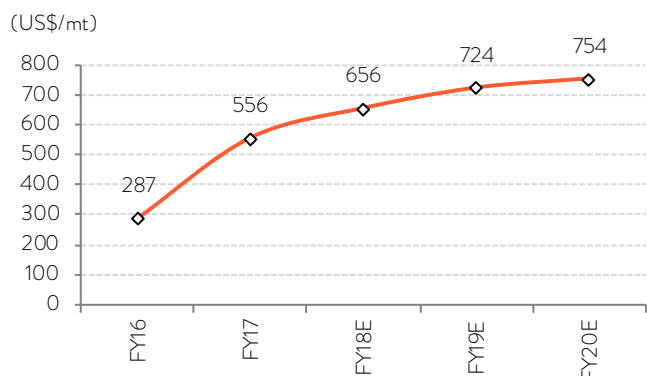


Source: Industry, BOBCAPS Research

All-round improvement to drive ROE

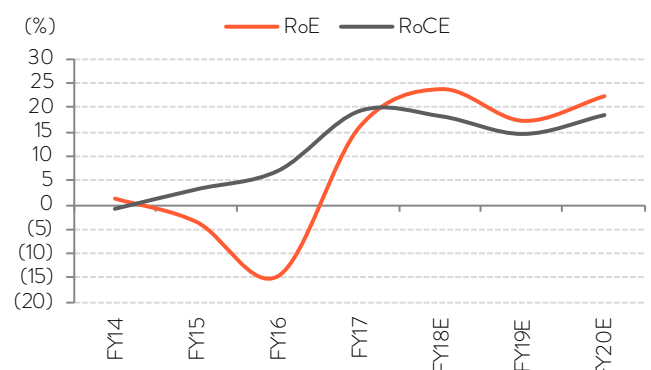
As detailed in our report, we expect FWB to deliver a strong revenue CAGR of 51% over FY17-FY20. We also forecast improvement in EBITDA/t led by (a) the contribution from value-added products (melt-blown) and (b) operating leverage benefits. As a part of the BIFR arrangement, FWB will enjoy tax exemption until FY18, post which we assume a tax rate of 25%. Factoring in these points, we expect a PAT CAGR of 46% over our forecast period. We note that the company’s Q1FY18 results were ahead of our estimates with revenue/PAT growth of 147%/102% YoY. Despite the high capex of Rs 1bn, we expect ROE to remain strong at ~22% in FY20, led by a combination of robust volume growth and an improving operational performance.

IMPROVEMENT IN EBITDA PER MT



Source: Industry, BOBCAPS Research

IMPROVING RETURN RATIOS

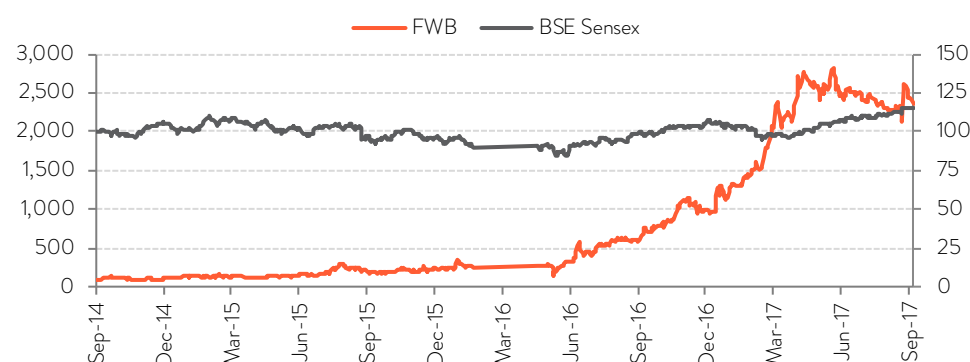


Source: Industry, BOBCAPS Research

Valuation methodology

- Post expansion, FWB would be well positioned to benefit from the growing global technical textile industry.
- Given the increasing revenue visibility led by a strong ~Rs 1.8bn export order book, commencement of additional capacity by Q1FY19 and a better product mix, we expect a revenue/earnings CAGR of ~51%/46% over FY17-FY20.
- We value FWB at a one-year forward P/E of 20x to arrive at our Sep'18 target of Rs 470 (implying 45% upside).

RELATIVE STOCK PERFORMANCE



Source: Bloomberg

Key risks

- Delays in securing orders could lead to lower capacity utilisation and thereby negatively impact profitability in future.
- Sharp currency fluctuations in the short term, could dent earnings.

FINANCIALS

Income Statement

Y/E Mar (Rs mn)	FY16	FY17	FY18E	FY19E	FY20E
Total revenue	617	1,044	1,730	2,697	3,617
EBITDA	76	170	317	523	719
EBIT	44	143	271	430	622
Net interest income/(expenses)	(0)	(0)	(0)	(73)	(54)
Other income/(expenses)	2	0	11	14	18
Exceptional items	0	0	0	0	0
EBT	46	142	281	372	586
Income taxes	0	0	0	(93)	(146)
Extraordinary items	0	0	0	0	0
Min. int./Inc. from associates	0	0	0	0	0
Reported net profit	46	142	281	279	439
Adjustments	25	0	0	0	0
Adjusted net profit	71	142	281	279	439

Source: Company, BOBCAPS Research

Balance Sheet

Y/E Mar (Rs mn)	FY16	FY17	FY18E	FY19E	FY20E
Accounts payables	24	17	16	25	33
Other current liabilities	1	1	1	1	1
Provisions	4	5	5	5	5
Debt funds	1,035	0	603	605	487
Other liabilities	0	0	0	0	0
Equity capital	126	133	153	153	153
Reserves & surplus	(573)	758	1,331	1,609	2,049
Shareholders' fund	(447)	894	1,486	1,765	2,204
Total liabilities and equities	618	917	2,111	2,400	2,730
Cash and cash eq.	64	215	318	382	500
Accounts receivables	53	136	225	351	470
Inventories	75	105	143	223	299
Other current assets	17	72	83	95	110
Investments	0	1	0	0	0
Net fixed assets	409	388	1,342	1,349	1,351
CWIP	0	0	0	0	0
Intangible assets	0	0	0	0	0
Deferred tax assets, net	0	0	0	0	0
Other assets	0	0	0	0	0
Total assets	618	917	2,111	2,400	2,730

Source: Company, BOBCAPS Research

Cash Flows

Y/E Mar (Rs mn)	FY16	FY17	FY18E	FY19E	FY20E
Net income + Depreciation	103	169	327	372	537
Interest expenses	0	0	0	73	54
Non-cash adjustments	0	0	0	0	0
Changes in working capital	(15)	(174)	(140)	(209)	(201)
Other operating cash flows	(47)	0	0	0	0
Cash flow from operations	42	(4)	187	235	389
Capital expenditures	103	(6)	(1,000)	(100)	(100)
Change in investments	0	(1)	1	0	0
Other investing cash flows	0	0	0	0	0
Cash flow from investing	103	(7)	(999)	(100)	(100)
Equities issued/Others	16	7	20	0	0
Debt raised/repaid	(181)	(1,035)	603	2	(118)
Interest expenses	(0)	(0)	(0)	(73)	(54)
Dividends paid	0	0	0	0	0
Other financing cash flows	42	1,189	291	0	(0)
Cash flow from financing	(124)	163	914	(71)	(172)
Changes in cash and cash eq.	21	151	103	64	117
Closing cash and cash eq.	64	215	318	382	500

Source: Company, BOBCAPS Research

Per Share

Y/E Mar (Rs)	FY16	FY17	FY18E	FY19E	FY20E
Reported EPS	3.2	10.0	19.7	19.5	30.8
Adjusted EPS	5.0	10.0	19.7	19.5	30.8
Dividend per share	0.0	0.0	0.0	0.0	0.0
Book value per share	(31.3)	62.7	104.3	123.8	154.6

Source: Company, BOBCAPS Research

Valuations Ratios

Y/E Mar (x)	FY16	FY17	FY18E	FY19E	FY20E
EV/Sales	9.9	5.7	2.7	1.9	1.4
EV/EBITDA	80.4	34.9	15.0	10.0	7.2
P/E	65.2	32.5	16.5	16.6	10.5
P/BV	(10.4)	5.2	3.1	2.6	2.1

Source: Company, BOBCAPS Research

DuPont Analysis

Y/E Mar (%)	FY16	FY17	FY18E	FY19E	FY20E
Tax (Net profit/PBT)	155.4	100.0	100.0	75.0	75.0
Interest burden (PBT/EBIT)	103.7	99.9	103.8	86.4	94.2
EBIT margin (EBIT/Sales)	7.1	13.7	15.7	15.9	17.2
Asset turnover (Sales/Avg. total asset)	91.9	136.0	114.3	119.6	141.0
Leverage (Avg. total asset/Avg. equity)	(137.7)	343.2	127.2	138.8	129.3
ROE	(14.6)	15.9	23.6	17.1	22.1

Source: Company, BOBCAPS Research

Ratio Analysis

Y/E Mar	FY16	FY17	FY18E	FY19E	FY20E
YoY growth (%)					
Sales	(9.6)	69.0	65.8	55.9	34.1
EBITDA	280.7	122.5	86.7	65.2	37.5
EPS	249.4	100.6	97.3	(0.9)	57.7
Profitability & Return ratios (%)					
EBITDA margin	12.3	16.3	18.3	19.4	19.9
EBIT margin	7.1	13.7	15.7	15.9	17.2
Adjusted profit margin	11.5	13.7	16.2	10.3	12.1
Adjusted ROAE	(14.6)	15.9	23.6	17.1	22.1
ROCE	6.9	19.3	18.2	14.5	18.4
Working capital days					
Receivables (days)	25	33	38	39	41
Inventory (days)	56	39	33	31	34
Payables (days)	19	9	4	3	4
Ratios (x)					
Gross asset turnover	0.6	1.0	1.1	1.3	1.7
Current ratio	0.9	1.4	1.1	1.2	1.4
Net interest coverage ratio	105.0	676.3	652.6	5.9	11.6
Adjusted debt/equity	(2.2)	(0.2)	0.2	0.1	(0.0)

Source: Company, BOBCAPS Research

Disclaimer

Recommendations and Absolute returns (%) over 12 months

BUY – Expected return >+15%

HOLD – Expected return from -5% to +15%

SELL – Expected return <-5%

NOT RATED (NR) – We have no investment opinion on the stock

Rating distribution

As of 20 September 2017, out of 58 rated stocks in the BOB Capital Markets coverage universe, 42 have BUY ratings, 10 are rated HOLD and 6 are rated SELL. None of these companies have been investment banking clients in the last 12 months.

Analyst certification

The research analyst(s) authoring this report hereby certifies that (1) all of the views expressed in this research report accurately reflect his/her personal views about the subject company or companies and its or their securities, and (2) no part of his/her compensation was, is, or will be, directly or indirectly, related to the specific recommendation(s) or view(s) in this report. Analysts are not registered as research analysts by FINRA and are not associated persons of BOBCAPS.

General disclaimers

BOBCAPS is engaged in the business of Institutional Stock Broking and Investment Banking. BOBCAPS is a member of the National Stock Exchange of India Limited and BSE Limited and is also a SEBI-registered Category I Merchant Banker. BOBCAPS is a wholly owned subsidiary of Bank of Baroda which has its various subsidiaries engaged in the businesses of stock broking, lending, asset management, life insurance, health insurance, wealth management and portfolio management, among others.

BOBCAPS's activities have neither been suspended nor has it defaulted with any stock exchange authority with whom it has been registered in the last five years. BOBCAPS has not been debarred from doing business by any stock exchange or SEBI or any other authority. No disciplinary action has been taken by any regulatory authority against BOBCAPS affecting its equity research analysis activities.

BOBCAPS has obtained registration as a Research Entity under SEBI (Research Analysts) Regulations, 2014, having registration No.: INH000000040 valid till 03 February 2020.

BOBCAPS generally prohibits its analysts, persons reporting to analysts, and members of their households from maintaining a financial interest in the securities or derivatives of any companies that the analysts cover. Additionally, BOBCAPS generally prohibits its analysts and persons reporting to analysts from serving as an officer, director, or advisory board member of any companies that the analysts cover.

Our salespeople, traders, and other professionals may provide oral or written market commentary or trading strategies to our clients that reflect opinions contrary to the opinions expressed herein, and our proprietary trading and investing businesses may make investment decisions that are inconsistent with the recommendations expressed herein. In reviewing these materials, you should be aware that any or all of the foregoing, among other things, may give rise to real or potential conflicts of interest. Additionally, other important information regarding our relationships with the company or companies that are the subject of this material is provided herein.

This material should not be construed as an offer to sell or the solicitation of an offer to buy any security in any jurisdiction where such an offer or solicitation would be illegal. We are not soliciting any action based on this material. It is for the general information of BOBCAPS's clients. It does not constitute a personal recommendation or take into account the particular investment objectives, financial situations, or needs of individual clients. Before acting on any advice or recommendation in this material, clients should consider whether it is suitable for their particular circumstances and, if necessary, seek professional advice.

The price and value of the investments referred to in this material and the income from them may go down as well as up, and investors may realize losses on any investments. Past performance is not a guide for future performance, future returns are not guaranteed and a loss of original capital may occur. BOBCAPS does not provide tax advice to its clients, and all investors are strongly advised to consult with their tax advisers regarding any potential investment in certain transactions — including those involving futures, options, and other derivatives as well as non-investment-grade securities — that give rise to substantial risk and are not suitable for all investors. The material is based on information that we consider reliable, but we do not represent that it is accurate or complete, and it should not be relied on as such. Opinions expressed are our current opinions as of the date appearing on this material only. We endeavour to update on a reasonable basis the information discussed in this material, but regulatory, compliance, or other reasons may prevent us from doing so.

We and our affiliates, officers, directors, and employees, including persons involved in the preparation or issuance of this material, may from time to time have “long” or “short” positions in, act as principal in, and buy or sell the securities or derivatives thereof of companies mentioned herein and may from time to time add to or dispose of any such securities (or investment). We and our affiliates may act as market makers or assume an underwriting commitment in the securities of companies discussed in this document

(or in related investments), may sell them to or buy them from customers on a principal basis, and may also perform or seek to perform investment banking or advisory services for or relating to these companies and may also be represented in the supervisory board or any other committee of these companies.

For the purpose of calculating whether BOBCAPS and its affiliates hold, beneficially own, or control, including the right to vote for directors, one per cent or more of the equity shares of the subject company, the holdings of the issuer of the research report is also included.

BOBCAPS and its non-US affiliates may, to the extent permissible under applicable laws, have acted on or used this research to the extent that it relates to non-US issuers, prior to or immediately following its publication. Foreign currency denominated 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. In addition, investors in securities such as ADRs, the value of which are influenced by foreign currencies, effectively assume currency risk. In addition, options involve risks and are not suitable for all investors. Please ensure that you have read and understood the Risk disclosure document before entering into any derivative transactions.

In the US, this material is only for Qualified Institutional Buyers as defined under rule 144(a) of the Securities Act, 1933. No part of this document may be distributed in Canada or used by private customers in the United Kingdom.

No part of this material may be (1) copied, photocopied, or duplicated in any form by any means or (2) redistributed without BOBCAPS's prior written consent.

Company-specific disclosures under SEBI (Research Analysts) Regulations, 2014

The research analyst(s) or his/her relatives do not have any material conflict of interest at the time of publication of this research report.

BOBCAPS or its research analyst(s) or his/her relatives do not have any financial interest in the subject company. BOBCAPS or its research analyst(s) or his/her relatives do not have actual/beneficial ownership of one per cent or more securities in the subject company at the end of the month immediately preceding the date of publication of this report.

The research analyst(s) has not received any compensation from the subject company in the past 12 months. Compensation of the research analyst(s) is not based on any specific merchant banking, investment banking or brokerage service transactions.

BOBCAPS or its research analyst(s) is not engaged in any market making activities for the subject company.

The research analyst(s) has not served as an officer, director or employee of the subject company.

BOBCAPS or its associates may have material conflict of interest at the time of publication of this research report.

BOBCAPS's associates may have financial interest in the subject company. BOBCAPS's associates may hold actual / beneficial ownership of one per cent or more securities in the subject company at the end of the month immediately preceding the date of publication of this report.

BOBCAPS or its associates may have managed or co-managed a public offering of securities for the subject company or may have been mandated by the subject company for any other assignment in the past 12 months.

BOBCAPS may have received compensation from the subject company in the past 12 months. BOBCAPS may from time to time solicit or perform investment banking services for the subject company. BOBCAPS or its associates may have received compensation from the subject company in the past 12 months for services in respect of managing or co-managing public offerings, corporate finance, investment banking or merchant banking, brokerage services or other advisory services in a merger or specific transaction. BOBCAPS or its associates may have received compensation for products or services other than investment banking or merchant banking or brokerage services from the subject company in the past 12 months.