

# FIT Hon Teng (6088 HK)

## FY25 earnings dragged by higher effective tax; Raise guidance on strong AI server outlook

FIT Hon Teng's FY25 revenue grew 12% YoY to US\$5.0bn, largely in-line, while net profit grew 2% YoY to US\$156mn, below our/consensus by 8%/12%, mainly due to higher effective tax. During our post-results NDR call, mgmt. reiterated its positive view on cloud/datacenter momentum backed by large scale AI server upgrade and new product ramp-up in FY26-28E. Mgmt. guided 70% YoY growth for cloud/datacenter revenue in 2026E, and raised FY26-28E cloud revenue mix guidance to mid-20%/high-20%/low-30%. We largely maintain our forecasts, and our new TP of HK\$7.42 is based on same 21x FY26E P/E. Upcoming catalysts are GTC/OFC events and AI server product launches. Reiterate BUY.

■ **2025 earnings dragged by higher effective tax; Cloud/auto mobility biz as major growth drivers.** FIT's FY25 revenue growth of 12.4% YoY was largely in-line with our/market expectation, driven by 1) Cloud/datacenter (+38% YoY): strong momentum in AI connectivity solutions (power/liquid cooling) and delivery of new AI servers. 2) Auto (+94% YoY): consolidation of Auto-Kabel business. 3) Consumer interconnects (+7% YoY): stronger demand in PC for next-gen upgrades; 4) Smartphone (-13% YoY): smaller-than-expected impact from module replacement. 5) System products (-4% YoY): slower demand for accessories offset by US client's TWS. OPM came in 4.3% in FY25 (vs 3.9% in FY24), thanks to increased efficiency overseas, and net profit growth of 2% YoY was dragged by higher effective tax.

■ **Outlook: Raised cloud revenue mix guidance in FY26-28E.** For FY26E, mgmt. guided low double-digit revenue growth, GPM at low-20%, low-30% GP growth and 70-90% OP growth. By segment, mgmt. guided: **1) Cloud:** low-70% YoY revenue growth thanks to mass production of new products in 2H26E; **2) Auto:** high single digit growth backed by NEV/ADAS demand and Middle-East progress; **3) Smartphone:** flattish/low single digit decline dragged by memory cost pressure offsetting high-end model upgrade; **4) Consumer interconnects:** flattish/low single digit decline due to AI-related upgrade dragged by memory supply shortage; **5) System products:** high-single digit to low double digit growth given overseas ramp-up. Overall, mgmt. is positive on AI server upgrade in next 3 years, and raised cloud/data center revenue mix guidance to mid-20%/high-20%/low-30% in FY26-28E (vs prior low-20%/mid-20%/high-20%).

■ **Attractive valuation at 15.7x/11.5x FY26/27E; Reiterate BUY.** We largely maintain our forecasts, and our new TP of HK\$7.42 is based on same 21x FY26E P/E. Given higher AI revenue outlook and product ramp-up, we expect re-rating to continue into 2026E. Reiterate BUY.

### Earnings Summary

(YE 31 Dec)	FY23A	FY24A	FY25E	FY26E	FY27E
Revenue (US\$ mn)	4,196	4,451	5,003	5,754	6,688
YoY growth (%)	(7.4)	6.1	12.4	15.0	16.2
Net profit (US\$ mn)	129.6	154.3	156.7	315.2	432.8
YoY growth (%)	(23.8)	19.1	1.5	101.2	37.3
EPS (Reported) (US\$ cents)	1.82	2.17	2.20	4.43	6.09
Consensus EPS (US\$ cents)	na	na	2.46	4.19	5.38
P/E (x)	38.3	32.2	31.7	15.7	11.5
P/B (x)	2.0	2.0	1.8	1.6	1.4
Yield (%)	0.0	0.0	0.0	0.0	0.0
ROE (%)	5.4	6.3	6.1	11.1	13.5
Net gearing (%)	0.0	na	0.0	na	na

Source: Company data, Bloomberg, CMBIGM estimates

**BUY (Maintain)**

**Target Price** **HK\$7.42**  
 (Previous TP) **HK\$7.33**  
**Up/Downside** **35.8%**  
**Current Price** **HK\$5.46**

### China Technology

**Alex NG**  
 (852) 3900 0881  
 alexng@cmbi.com.hk

**Hanqing LI**  
 lihanqing@cmbi.com.hk

### Stock Data

Mkt Cap (HK\$ mn)	39,677.8
Avg 3 mths t/o (HK\$ mn)	272.5
52w High/Low (HK\$)	7.02/1.71
Total Issued Shares (mn)	7267.0

Source: FactSet

### Shareholding Structure

Foxconn Far East Ltd	71.1%
Lu Sung-Ching	5.5%

Source: HKEx

### Share Performance

	Absolute	Relative
1-mth	-0.9%	3.9%
3-mth	-2.5%	-0.5%
6-mth	18.7%	23.0%

Source: FactSet

### 12-mth Price Performance



Source: FactSet

## FY25 results review

Figure 1: FY25 review

(US\$ mn)	FY24	FY25	YoY	CMBI		Consensus	
				FY25E	Diff (%)	FY25E	Diff (%)
Revenue	4,451	5,003	12%	4,917	2%	4,859	3%
Gross profit	879	946	8%	999	-5%	967	-2%
Operating profit	327	287	-12%	277	4%	266	8%
Net profit	154	156	2%	170	-8%	178	-12%
EPS (USD cents)	2.17	2.20	1%	2.40	-8%	2.46	-11%
Gross margin	19.7%	18.9%	-0.8ppt	20.3%	-1.4ppt	19.9%	-1ppt
Operating margin	7.3%	5.7%	-1.6ppt	5.6%	0.1ppt	5.5%	0.3ppt
Net margin	3.5%	3.1%	-0.3ppt	3.5%	-0.3ppt	3.7%	-0.5ppt

Source: Company data, CMBIGM estimates

Figure 2: Revenue breakdown

US\$ 000	FY24	1H25	2H25	FY25	FY26E	FY27E
<b>Smartphones</b>	<b>942,909</b>	<b>365,123</b>	<b>459,209</b>	<b>824,332</b>	<b>824,332</b>	<b>873,792</b>
...YoY	-10%	-12%	-13%	-13%	0%	6%
<b>Networking</b>	<b>590,684</b>	<b>353,901</b>	<b>459,091</b>	<b>812,992</b>	<b>1,430,814</b>	<b>2,018,471</b>
...YoY	39%	36%	39%	38%	76%	41%
Traditional server	428,191			471,010	541,662	595,828
AI server	162,493			341,982	889,152	1,422,643
<b>Computing</b>	<b>809,512</b>	<b>432,403</b>	<b>436,521</b>	<b>868,924</b>	<b>868,924</b>	<b>955,816</b>
...YoY	5%	14%	1%	7%	0%	10%
<b>Mobility</b>	<b>480,716</b>	<b>459,755</b>	<b>472,741</b>	<b>932,496</b>	<b>1,009,551</b>	<b>1,094,366</b>
...YoY	58%	102%	87%	94%	8%	8%
EV business	116,920	-	-	122,766	135,043	149,897
Voltaira	363,796	-	-	380,577	411,023	443,904
AK Group				429,153	463,486	500,565
<b>Systems Products</b>	<b>1,416,113</b>	<b>588,516</b>	<b>766,468</b>	<b>1,354,984</b>	<b>1,400,652</b>	<b>1,508,170</b>
...YoY	0%	-12%	3%	-4%	3%	8%
AirPods	233,750			242,250	321,300	374,850
Others	1,182,363			1,112,734	1,079,352	1,133,320
<b>Others</b>	<b>211,560</b>	<b>105,264</b>	<b>103,835</b>	<b>209,099</b>	<b>219,554</b>	<b>237,118</b>
...YoY	-9%	-7%	6%	-1%	5%	8%
<b>Total</b>	<b>4,451,494</b>	<b>2,304,962</b>	<b>2,697,865</b>	<b>5,002,827</b>	<b>5,753,827</b>	<b>6,687,734</b>
...YoY	<b>6.1%</b>	<b>11.5%</b>	<b>13.1%</b>	<b>12.4%</b>	<b>15.0%</b>	<b>16.2%</b>

Source: Company data, CMBIGM estimates

**Figure 3: P&L forecast**

US\$ mn	FY24	1H25	2H25	FY25	FY26E	FY27E
<b>Revenue</b>	<b>4,451</b>	<b>2,305</b>	<b>2,698</b>	<b>5,003</b>	<b>5,754</b>	<b>6,688</b>
...YoY	6.1%	11.5%	13.1%	12.4%	15.0%	16.2%
Cost of sales	(3,573)	(1,876)	(2,181)	(4,057)	(4,534)	(5,207)
<b>Gross profit</b>	<b>879</b>	<b>429</b>	<b>517</b>	<b>946</b>	<b>1,219</b>	<b>1,481</b>
<b>GPM (%)</b>	<b>20%</b>	<b>19%</b>	<b>19%</b>	<b>19%</b>	<b>21%</b>	<b>22%</b>
...YoY	8.9%	1.7%	13.0%	7.6%	29.0%	21.4%
SG&A	(373)	(215)	(153)	(368)	(443)	(515)
...% of rev	-8.4%	-9.3%	-5.7%	-7.4%	-7.7%	-7.7%
R&D	(330)	(163)	(191)	(354)	(403)	(468)
...% of rev	-7.4%	-7.1%	-7.1%	-7.1%	-7.0%	-7.0%
<b>Operating profit</b>	<b>327</b>	<b>105</b>	<b>182</b>	<b>287</b>	<b>448</b>	<b>590</b>
OPM (%)	7.3%	4.6%	6.7%	5.7%	7.8%	8.8%
...YoY	24.3%	12.8%	-22.2%	-12.2%	56.2%	31.6%
<b>Net profit</b>	<b>154</b>	<b>32</b>	<b>125</b>	<b>156</b>	<b>314</b>	<b>432</b>
NPM (%)	3.5%	1.4%	4.6%	3.1%	5.5%	6.5%
...YoY	19.2%	-3.1%	2.8%	1.5%	101.4%	37.3%

Source: Company data, CMBIGM estimates

## Earnings revision

**Figure 4: CMBIGM estimates vs consensus**

(US\$ mn)	CMBI		Consensus		Diff (%)	
	FY26E	FY27E	FY26E	FY27E	FY26E	FY27E
Revenue	5,754	6,688	5,786	6,963	-1%	-4%
Gross profit	1,219	1,481	1,177	1,477	4%	0%
Operating profit	448	590	423	595	6%	-1%
Net profit	314	432	298	394	5%	9%
EPS (USD cents)	4.43	6.09	4.19	5.38	6%	13%
Gross margin	21.2%	22.1%	20.3%	21.2%	0.9 ppt	0.9 ppt
Operating margin	7.8%	8.8%	7.3%	8.5%	0.5 ppt	0.3 ppt
Net margin	5.5%	6.5%	5.2%	5.7%	0.3 ppt	0.8 ppt

Source: Bloomberg, CMBIGM estimates

**Figure 5: CMBIGM earnings revisions**

(US\$ mn)	New		Old		Change (%)	
	FY26E	FY27E	FY26E	FY27E	FY26E	FY27E
Revenue	5,754	6,688	5,620	6,696	2%	0%
Gross profit	1,219	1,481	1,200	1,485	2%	0%
Operating profit	448	590	435	587	3%	0%
Net profit	314	432	311	433	1%	0%
EPS (USD cents)	4.43	6.09	4.38	6.12	1%	0%
Gross margin	21.2%	22.1%	21.3%	22.2%	-0.2 ppt	0 ppt
Operating margin	7.8%	8.8%	7.7%	8.8%	0 ppt	0 ppt
Net margin	5.5%	6.5%	5.5%	6.5%	-0.1 ppt	0 ppt

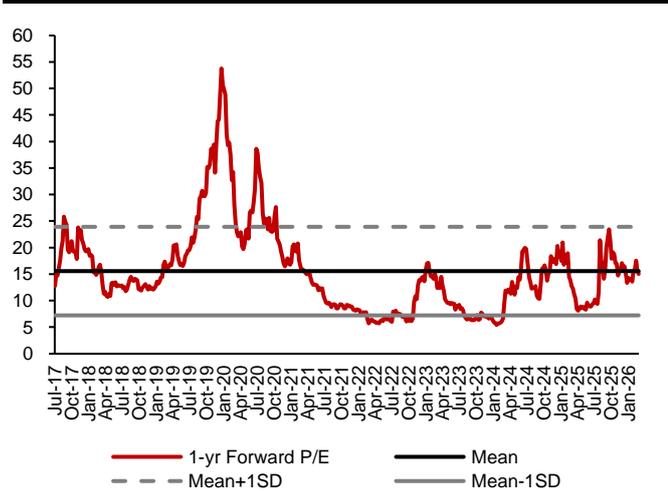
Source: Bloomberg, CMBIGM estimates

## Valuation

### Maintain BUY with new TP of HK\$7.42

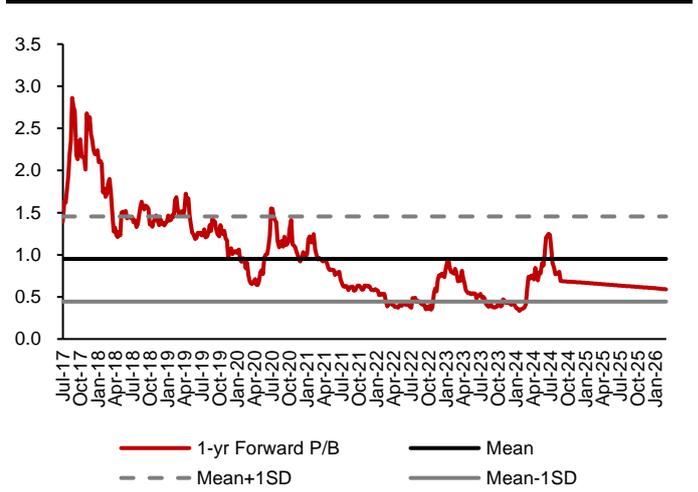
We largely maintain FY26/27E EPS, and our new TP of HK\$7.42 is based on same 21x FY26E P/E (vs prior 20x for higher AI mix and sector re-rating). We expect further re-rating on higher AI revenue contribution in FY26-27E. Maintain BUY. Upcoming catalysts include GTC 2026, OFC 2026 and AI server product launches.

**Figure 6: 12M forward P/E band**



Source: Company data, Bloomberg, CMBIGM estimates

**Figure 7: 12M forward P/B band**



Source: Company data, Bloomberg, CMBIGM estimates

## Financial Summary

INCOME STATEMENT	2022A	2023A	2024A	2025E	2026E	2027E
YE 31 Dec (US\$ mn)						
<b>Revenue</b>	<b>4,531</b>	<b>4,196</b>	<b>4,451</b>	<b>5,003</b>	<b>5,754</b>	<b>6,688</b>
Cost of goods sold	(3,763)	(3,388)	(3,573)	(4,057)	(4,534)	(5,207)
<b>Gross profit</b>	<b>768</b>	<b>807</b>	<b>879</b>	<b>946</b>	<b>1,219</b>	<b>1,481</b>
Selling expense	(93)	(105)	(131)	(128)	(161)	(187)
Admin expense	(130)	(191)	(242)	(240)	(282)	(328)
R&D expense	(296)	(308)	(330)	(354)	(403)	(468)
Others	58	61	152	70	78	94
<b>Operating profit</b>	<b>307</b>	<b>263</b>	<b>327</b>	<b>287</b>	<b>448</b>	<b>590</b>
Share of (losses)/profits of associates/JV	(46)	(50)	(58)	(1)	(1)	(1)
Interest expense	(14)	(33)	(48)	(48)	(41)	(34)
<b>Pre-tax profit</b>	<b>248</b>	<b>179</b>	<b>221</b>	<b>238</b>	<b>407</b>	<b>555</b>
Income tax	(78)	(50)	(66)	(82)	(92)	(122)
Minority interest	1	1	1	1	1	1
<b>Net profit</b>	<b>170</b>	<b>130</b>	<b>154</b>	<b>157</b>	<b>315</b>	<b>433</b>
<b>BALANCE SHEET</b>						
YE 31 Dec (US\$ mn)						
<b>Current assets</b>	<b>2,764</b>	<b>3,112</b>	<b>3,160</b>	<b>3,446</b>	<b>4,320</b>	<b>5,172</b>
Cash & equivalents	914	1,316	1,113	1,067	1,537	2,098
Account receivables	720	807	910	939	1,187	1,284
Inventories	967	802	904	1,042	1,198	1,392
ST bank deposits	66	4	42	150	150	150
<b>Non-current assets</b>	<b>1,783</b>	<b>1,982</b>	<b>2,311</b>	<b>2,484</b>	<b>2,228</b>	<b>1,927</b>
PP&E	753	900	1,191	1,382	1,126	825
Deferred income tax	131	126	132	152	152	152
Investment in JVs & assos	123	73	15	11	11	11
Intangibles	601	700	728	699	699	699
Other non-current assets	175	182	244	240	240	240
<b>Total assets</b>	<b>4,547</b>	<b>5,094</b>	<b>5,470</b>	<b>5,930</b>	<b>6,549</b>	<b>7,099</b>
<b>Current liabilities</b>	<b>1,539</b>	<b>2,563</b>	<b>2,241</b>	<b>2,518</b>	<b>2,821</b>	<b>2,938</b>
Short-term borrowings	453	1,383	904	1,186	1,186	1,186
Account payables	971	1,095	1,271	1,266	1,569	1,687
Tax payable	98	70	51	44	44	44
Other current liabilities	18	17	15	21	21	21
<b>Non-current liabilities</b>	<b>661</b>	<b>93</b>	<b>746</b>	<b>726</b>	<b>726</b>	<b>726</b>
Long-term borrowings	575	0	634	608	608	608
Obligations under finance leases	43	41	53	66	66	66
Other non-current liabilities	43	52	59	51	51	51
<b>Total liabilities</b>	<b>2,200</b>	<b>2,656</b>	<b>2,987</b>	<b>3,244</b>	<b>3,547</b>	<b>3,665</b>
Share capital	142	142	142	143	143	143
Other reserves	2,295	2,384	2,422	2,617	2,933	3,366
<b>Total shareholders equity</b>	<b>2,347</b>	<b>2,437</b>	<b>2,483</b>	<b>2,686</b>	<b>3,002</b>	<b>3,434</b>
Minority interest	2	3	10	11	11	11
<b>Total equity and liabilities</b>	<b>4,547</b>	<b>5,094</b>	<b>5,470</b>	<b>5,930</b>	<b>6,549</b>	<b>7,099</b>

<b>CASH FLOW</b>	<b>2022A</b>	<b>2023A</b>	<b>2024A</b>	<b>2025E</b>	<b>2026E</b>	<b>2027E</b>
<b>YE 31 Dec (US\$ mn)</b>						
<b>Operating</b>						
<b>Profit before taxation</b>	<b>248</b>	<b>179</b>	<b>221</b>	<b>238</b>	<b>407</b>	<b>555</b>
Depreciation & amortization	232	220	509	611	656	701
Tax paid	(79)	(75)	(66)	(82)	(92)	(122)
Change in working capital	93	146	(29)	(171)	(102)	(173)
Others	63	103	(382)	(330)	0	0
<b>Net cash from operations</b>	<b>556</b>	<b>574</b>	<b>253</b>	<b>267</b>	<b>869</b>	<b>961</b>
<b>Investing</b>						
Capital expenditure	(113)	(243)	(800)	(900)	(400)	(400)
Acquisition of subsidiaries/ investments	0	0	0	0	0	0
Others	47	(167)	325	417	0	0
<b>Net cash from investing</b>	<b>(66)</b>	<b>(410)</b>	<b>(475)</b>	<b>(483)</b>	<b>(400)</b>	<b>(400)</b>
<b>Financing</b>						
Dividend paid	0	0	0	0	0	0
Net borrowings	0	0	0	0	0	0
Proceeds from share issues	0	0	0	0	0	0
Share repurchases	(2)	(1)	0	0	0	0
Others	(268)	250	59	109	0	0
<b>Net cash from financing</b>	<b>(270)</b>	<b>249</b>	<b>59</b>	<b>109</b>	<b>0</b>	<b>0</b>
<b>Net change in cash</b>						
Cash at the beginning of the year	769	914	1,316	1,113	1,067	1,537
Exchange difference	(75)	(10)	0	0	0	0
<b>Cash at the end of the year</b>	<b>914</b>	<b>1,316</b>	<b>1,113</b>	<b>1,067</b>	<b>1,537</b>	<b>2,098</b>
<b>GROWTH</b>	<b>2022A</b>	<b>2023A</b>	<b>2024A</b>	<b>2025E</b>	<b>2026E</b>	<b>2027E</b>
<b>YE 31 Dec</b>						
Revenue	0.9%	(7.4%)	6.1%	12.4%	15.0%	16.2%
Gross profit	14.1%	5.1%	8.9%	7.6%	29.0%	21.4%
Operating profit	74.0%	(14.4%)	24.3%	(12.2%)	56.2%	31.6%
Net profit	24.5%	(23.8%)	19.1%	1.5%	101.2%	37.3%
<b>PROFITABILITY</b>	<b>2022A</b>	<b>2023A</b>	<b>2024A</b>	<b>2025E</b>	<b>2026E</b>	<b>2027E</b>
<b>YE 31 Dec</b>						
Gross profit margin	16.9%	19.2%	19.7%	18.9%	21.2%	22.1%
Operating margin	6.8%	6.3%	7.3%	5.7%	7.8%	8.8%
Return on equity (ROE)	7.2%	5.4%	6.3%	6.1%	11.1%	13.5%
<b>GEARING/LIQUIDITY/ACTIVITIES</b>	<b>2022A</b>	<b>2023A</b>	<b>2024A</b>	<b>2025E</b>	<b>2026E</b>	<b>2027E</b>
<b>YE 31 Dec</b>						
Net debt to equity (x)	na	0.0	na	0.0	na	na
Current ratio (x)	1.8	1.2	1.4	1.4	1.5	1.8
Receivable turnover days	0.0	0.0	0.0	0.0	0.0	0.0
Inventory turnover days	0.0	0.0	0.0	0.0	0.0	0.0
Payable turnover days	0.0	0.0	0.0	0.0	0.0	0.0
<b>VALUATION</b>	<b>2022A</b>	<b>2023A</b>	<b>2024A</b>	<b>2025E</b>	<b>2026E</b>	<b>2027E</b>
<b>YE 31 Dec</b>						
P/E	28.8	38.3	32.2	31.7	15.7	11.5
P/B	2.1	2.0	2.0	1.8	1.6	1.4
Div yield (%)	0.0	0.0	0.0	0.0	0.0	0.0

Source: Company data, CMBIGM estimates. Note: The calculation of net cash includes financial assets.

# Disclosures & Disclaimers

## Analyst Certification

The research analyst who is primary responsible for the content of this research report, in whole or in part, certifies that with respect to the securities or issuer that the analyst covered in this report: (1) all of the views expressed accurately reflect his or her personal views about the subject securities or issuer; and (2) no part of his or her compensation was, is, or will be, directly or indirectly, related to the specific views expressed by that analyst in this report. Besides, the analyst confirms that neither the analyst nor his/her associates (as defined in the code of conduct issued by The Hong Kong Securities and Futures Commission) (1) have dealt in or traded in the stock(s) covered in this research report within 30 calendar days prior to the date of issue of this report; (2) will deal in or trade in the stock(s) covered in this research report 3 business days after the date of issue of this report; (3) serve as an officer of any of the Hong Kong listed companies covered in this report; and (4) have any financial interests in the Hong Kong listed companies covered in this report.

## CMBIGM Ratings

**BUY** : Stock with potential return of over 15% over next 12 months  
**HOLD** : Stock with potential return of +15% to -10% over next 12 months  
**SELL** : Stock with potential loss of over 10% over next 12 months  
**NOT RATED** : Stock is not rated by CMBIGM

**OUTPERFORM** : Industry expected to outperform the relevant broad market benchmark over next 12 months  
**MARKET-PERFORM** : Industry expected to perform in-line with the relevant broad market benchmark over next 12 months  
**UNDERPERFORM** : Industry expected to underperform the relevant broad market benchmark over next 12 months

## CMB International Global Markets Limited

**Address:** 45/F, Champion Tower, 3 Garden Road, Hong Kong, Tel: (852) 3900 0888 Fax: (852) 3900 0800

**CMB International Global Markets Limited ("CMBIGM") is a wholly owned subsidiary of CMB International Capital Corporation Limited (a wholly owned subsidiary of China Merchants Bank)**

## Important Disclosures

There are risks involved in transacting in any securities. The information contained in this report may not be suitable for the purposes of all investors. CMBIGM does not provide individually tailored investment advice. This report has been prepared without regard to the individual investment objectives, financial position or special requirements. Past performance has no indication of future performance, and actual events may differ materially from that which is contained in the report. The value of, and returns from, any investments are uncertain and are not guaranteed and may fluctuate as a result of their dependence on the performance of underlying assets or other variable market factors. CMBIGM recommends that investors should independently evaluate particular investments and strategies, and encourages investors to consult with a professional financial advisor in order to make their own investment decisions.

This report or any information contained herein, have been prepared by the CMBIGM, solely for the purpose of supplying information to the clients of CMBIGM or its affiliate(s) to whom it is distributed. This report is not and should not be construed as an offer or solicitation to buy or sell any security or any interest in securities or enter into any transaction. Neither CMBIGM nor any of its affiliates, shareholders, agents, consultants, directors, officers or employees shall be liable for any loss, damage or expense whatsoever, whether direct or consequential, incurred in relying on the information contained in this report. Anyone making use of the information contained in this report does so entirely at their own risk.

The information and contents contained in this report are based on the analyses and interpretations of information believed to be publicly available and reliable. CMBIGM has exerted every effort in its capacity to ensure, but not to guarantee, their accuracy, completeness, timeliness or correctness. CMBIGM provides the information, advices and forecasts on an "AS IS" basis. The information and contents are subject to change without notice. CMBIGM may issue other publications having information and/ or conclusions different from this report. These publications reflect different assumption, point-of-view and analytical methods when compiling. CMBIGM may make investment decisions or take proprietary positions that are inconsistent with the recommendations or views in this report.

CMBIGM may have a position, make markets or act as principal or engage in transactions in securities of companies referred to in this report for itself and/or on behalf of its clients from time to time. Investors should assume that CMBIGM does or seeks to have investment banking or other business relationships with the companies in this report. As a result, recipients should be aware that CMBIGM may have a conflict of interest that could affect the objectivity of this report and CMBIGM will not assume any responsibility in respect thereof. This report is for the use of intended recipients only and this publication, may not be reproduced, reprinted, sold, redistributed or published in whole or in part for any purpose without prior written consent of CMBIGM. Additional information on recommended securities is available upon request.

For recipients of this document in the United Kingdom

This report has been provided only to persons (I) falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended from time to time) ("The Order") or (II) are persons falling within Article 49(2) (a) to (d) ("High Net Worth Companies, Unincorporated Associations, etc.") of the Order, and may not be provided to any other person without the prior written consent of CMBIGM.

For recipients of this document in the United States

CMBIGM is not a registered broker-dealer in the United States. As a result, CMBIGM is not subject to U.S. rules regarding the preparation of research reports and the independence of research analysts. The research analyst who is primary responsible for the content of this research report is not registered or qualified as a research analyst with the Financial Industry Regulatory Authority ("FINRA"). The analyst is not subject to applicable restrictions under FINRA Rules intended to ensure that the analyst is not affected by potential conflicts of interest that could bear upon the reliability of the research report. This report is intended for distribution in the United States solely to "major US institutional investors", as defined in Rule 15a-6 under the US, Securities Exchange Act of 1934, as amended, and may not be furnished to any other person in the United States. Each major US institutional investor that receives a copy of this report by its acceptance hereof represents and agrees that it shall not distribute or provide this report to any other person. Any U.S. recipient of this report wishing to effect any transaction to buy or sell securities based on the information provided in this report should do so only through a U.S.-registered broker-dealer.

For recipients of this document in Singapore

This report is distributed in Singapore by CMBI (Singapore) Pte. Limited (CMBISG) (Company Regn. No. 201731928D), an Exempt Financial Adviser as defined in the Financial Advisers Act (Cap. 110) of Singapore and regulated by the Monetary Authority of Singapore. CMBISG may distribute reports produced by its respective foreign entities, affiliates or other foreign research houses pursuant to an arrangement under Regulation 32C of the Financial Advisers Regulations. Where the report is distributed in Singapore to a person who is not an Accredited Investor, Expert Investor or an Institutional Investor, as defined in the Securities and Futures Act (Cap. 289) of Singapore, CMBISG accepts legal responsibility for the contents of the report to such persons only to the extent required by law. Singapore recipients should contact CMBISG at +65 6350 4400 for matters arising from, or in connection with the report.