

AIA Group Ltd. (1299 HK)

US\$1.7bn buyback a +VE surprise; lift TP to HK\$112

AIA delivered broadly in-line FY25 results with VONB growing 15% CER (or 17% AER) to US\$5,516mn, while the new US\$1.7bn share buyback for FY26 was a positive surprise in addition to US\$2.6bn total dividends (+10% YoY). 4Q VONB moderated to US\$1.2bn, up 9.7% YoY, slower than a 27% rise in 3Q25 (US\$1.48bn). Margin saw a broad-based expansion except in SG (-3.4pct), at 58.5% in the Group level, up 3.6pct YoY, a slight beat vs our estimate ([Table](#)), thanks to a favourable product mix in HK (+3.0pct) and TH (+11.4pct) alongside the repricing benefit from mainland China market in 3Q25 (+1.4pct). Group OPAT grew 8% CER (or 7% AER) to US\$7.14bn, translating to +12% per-share growth, tracking the 9%-11% OPAT per-share CAGR target in 2023-2026. Operating RoEV and ROE reached 15.8%/15.5% by year-end, up 0.9pct/ 0.7pct YoY, both at annual highs. USFG remained strong at US\$6.8bn, up 11% YoY on per share basis, and net FSG, the key metric for shareholder returns, stood above US\$4.4bn, up 9%/14% per share YoY. Driven by resilient organic growth and prudent capital management, the insurer delivered US\$4.7bn total shareholder return in FY25 through US\$2.4bn dividends and US\$2.3bn buyback. AIA China's VONB growth edged up above 20% YoY in Jan-Feb 2026, while we believe momentum in AIA Thailand could moderate in 1Q26E given a high base from the front-loaded sales distortion upon the introduction of medical insurance repricing in 1Q25. We lift our TP to HK\$112 (prev. HK\$89) based on appraisal value by 1) rolling forward our estimates to FY26-28E, and 2) fine-tuning key metrics OPAT and VONB growth by 3%/3% in FY26-27E ([Table](#)). Our new TP implies 1.7x FY26E P/EV. Reiterate BUY.

■ **VONB remained broadly on track.** In FY25, Group VONB rose 15% (CER) YoY to US\$5.52bn, tracking Bloomberg consensus of US\$5.54bn. 4Q VONB moderated to US\$1.2bn (+9.7%), slower than a 27% rise in 3Q, while margin peaked at 60.7%, up 2.5pct/1.8pct QoQ/YoY. The 4Q slowdown could be attributable to TH and mainland China, given 1) substantial medical insurance sales in 4Q24 prior to the co-payment rules implementation and 2) early preparation for 1Q26 jumpstart sales for AIA China. Agency (73% mix) and partnership (27% mix) VONB rose 13%/22% YoY to US\$4.3bn/1.6bn. Margin ticked up 3.6pct YoY to 58.5% in FY25, thanks to a combined benefit of shift to favourable product mix and repricing actions, for which HK and TH could be main contributors with their margin at 68.5%/110.9%.

■ **Geographic dynamics: HK remained the star VONB contributor; AIA China eased pressure of economic assumption change; TH released new Growth Strategy.** HK VONB grew 28% YoY to US\$2.26bn (39% mix) in FY25, reflecting sustained momentum into 2H with VONB up 32% YoY (1H25: +24%). Margin expanded 3pct YoY to 68.5% in FY25, thanks to the new flagship product launch. AIA TH saw 13% YoY VONB growth to US\$993mn (17% mix), with margin up 11.4pct YoY to 110.9%. AIA China VONB rose 2% YoY to US\$1.24bn in FY25 (21% mix), primarily due to the economic assumption change in 1H25 (-4% YoY), but rebounded in 2H with VONB up by 14% YoY. This strong momentum sustained in Jan-Feb 2026 with VONB up >20% YoY as reported. China Growth Strategy progressed on track with the nine new regions' VONB accelerating in 2H (+56%, vs. 1H: +36%) to US\$118mn (+45%) in FY25, above the 40% VONB CAGR target. Additionally, AIA TH Growth Strategy boosted prospects of growth in the region, where the insurer led with 24% market share by total ANP and 44% share in agency by FY25. Albeit with a positive outlook, a more specific numeric target on mid-term growth is anticipated from mgmt. guidance.

■ **OPAT per share +12% modestly above Group's three-year CAGR target.** OPAT was at US\$7.1bn in FY25, up 7%/12% per share YoY, broadly aligned to the 9%-11% Group's CAGR target from 2023-2025. Insurance service results comprised 80% of operating profit before tax at US\$6.8bn in FY25, up 18% YoY, driven by robust CSM release of US\$6.2bn, up 10% YoY. Net investment results fell 5% YoY to US\$3.1bn due to a reduction in investment return on surplus assets for further share buybacks and lower interest rates in China and the US. On the CSM front, new business CSM increased 17% YoY to US\$9.1bn with the expected return on

BUY (Maintain)

Target Price **HK\$112.00**
 (Previous TP) HK\$89.00
Up/Downside **30.2%**
Current Price **HK\$86.05**

Insurance

Nika MA
 (852) 3900 0805
 nikama@cmbi.com.hk

Stock Data

Mkt Cap (HK\$ mn)	932,093.6
Avg 3 mths t/o (HK\$ mn)	2,232.9
52w High/Low (HK\$)	90.95/49.95
Total Issued Shares (mn)	10832.0

Source: FactSet

Shareholding Structure

JPMorgan Chase & Co.	8.9%
The Bank of New York Mellon Corp.	7.0%

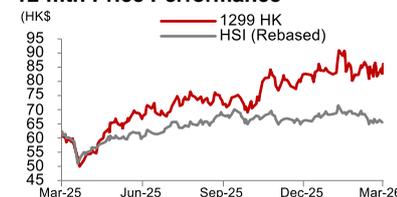
Source: HKEx

Share Performance

	Absolute	Relative
1-mth	4.6%	9.3%
3-mth	4.3%	6.0%
6-mth	19.8%	25.9%

Source: FactSet

12-mth Price Performance



Source: FactSet

Auditor: PwC

Related reports:

- [1H25 review: Resilient VONB uptrend with optimistic outlook on China Growth Strategy](#), Aug 22, 2025
- [Decent VONB growth across ex-China markets: buybacks to complete faster than expected](#), May 2, 2025
- [新业务价值增长具备韧性，新一轮回购计划提升股东回报至6%](#), Mar 18, 2025
- [Robust VONB growth in-line: new buyback of US\\$1.6bn implying 6% total S/H returns](#), Mar 18, 2025
- [FY24 preview: OPAT back to growth trajectory; resilient VNB despite modest slowdown in 2H](#), Feb 24, 2025
- [1H24 VNB beat with margin recovery; expect total >US\\$7bn cash returns to shareholders in FY24](#), Aug 26, 2024

in-force book adding up to US\$3bn. CSM balance climbed 15% YoY to US\$64.9bn in FY25 with notable add-ons of US\$2.8bn variances and exchange rate movement vs. a negative US\$1.7bn drag in FY24.

- **Robust capital to support est. 4.0% TSR in 2026E.** UFSG grew 6% or 11% per share YoY to US\$6.8bn, underpinned by higher expected distributable earnings from the in-force book (+7% YoY) and favourable operating variances that reversed a prior-year negative of US\$127mn. Net FSG stood at US\$4.45bn, up 9%/14% per share YoY, boosted by UFSG expansion and reduced new business investment of US\$1.4bn (-6% YoY), which implied a deliberate shift to capital-light products notably in AIA China. The insurer returned US\$4.7bn to shareholders in FY25 through US\$2.4bn dividends and US\$2.3bn buybacks. For 2026E, a new US\$1.7bn buyback program was announced, comprising US\$0.7bn to meet 75% payout target under the net FSG and an additional US\$1bn after a regular capital position review. Including US\$2.6bn total dividends, TSR could land at ~4.0% (CMBI est) in FY26E.
- **Lift TP to HK\$112; Reiterate BUY.** We raise our price target to HK\$112 (vs prev. HK\$89) based on appraisal value approach by rolling forward forecasts to FY28E, and fine-tuning estimates for metrics with FY26-27E VONB raised by +3%/+3% and Group OPAT by +3%/+3%, as shown in [Table](#). Key assumptions incl. 1) 2% terminal growth rate (unchanged); and 2) 9.4x VNB multiplier derived from varied RDR and long-term investment return across markets based on year-end data. Our new TP implies 1.7x FY26E P/EV vs. the stock now trading at 1.3x FY26E P/EV. Reiterate BUY. We are positive on the insurer's growth trajectory across pan-Asian markets and consistent capital return to shareholders driven by accumulated distributable earnings.
- **Key risks:** 1) slower-than-expected new business sales across markets; 2) margin deterioration due to increasing medical inflation or negative economic shocks; 3) lower-than-expected transfer of distributable earnings from in-force to free surplus; 4) prolonged low yield environment and/or intensified equity market volatilities, etc.

Earnings Summary

(YE 31 Dec)	FY24A	FY25A	FY26E	FY27E	FY28E
OPAT (US\$ mn)	6,605	7,136	7,972	8,718	9,549
EPS (Reported)(US\$)	0.60	0.68	0.77	0.86	0.95
Consensus EPS (US\$)	n.a	n.a	0.75	0.83	0.92
P/B (x)	2.9	2.7	2.5	2.3	2.1
P/Embedded value (x)	1.7	1.5	1.3	1.2	1.0
Dividend yield (%)	2.0	2.3	2.5	2.7	3.0
ROE (%)	14.8	15.5	16.3	16.9	17.5

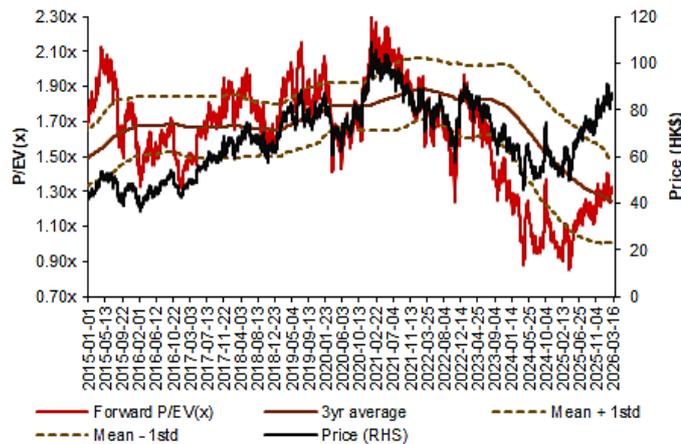
Source: Company data, Bloomberg, CMBIGM estimates

FY25 Key Metrics Snapshot & CMBI Forecast Change

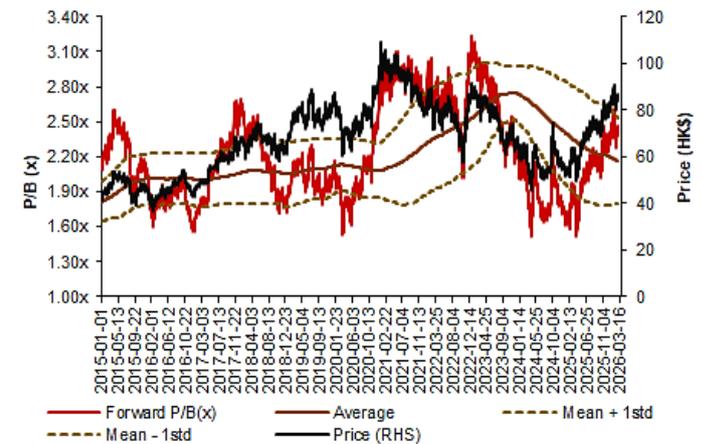
(US\$ mn, %)	FY25 Actual vs CMBI estimates			Current		Old		Chg. (% , pct)	
	Actual	CMBI est	Diff.	FY26E	FY27E	FY26E	FY27E	FY26E	FY27E
Group VONB, consolidated	5,516	5,394	2%	6,244	7,124	6,080	6,899	3%	3%
VONB margin	58.5%	57.1%	1pct	59.2%	60.2%	57.9%	58.9%	1.3pct	1.3pct
ANP	9,484	9,461	0%	10,602	11,899	10,509	11,724	1%	1%
OPAT to shareholders	7,136	7,086	1%	7,972	8,718	7,736	8,459	3%	3%
Basic OPAT per share (US\$)	0.68	0.66	3%	0.77	0.85	0.73	0.81	5%	5%
Operating ROE	15.5%	15.3%	0pct	16.3%	16.9%	15.3%	15.3%	1.0pct	1.5pct
Group EV	76,811	75,461	2%	85,376	95,123	106,281	84,122	94,184	1%
Group EV Equity	79,678	78,217	2%	88,301	98,106	109,324	86,933	97,051	2%
EV operating profit	10,887	10,712	2%	11,940	13,378	15,014	11,759	13,030	2%
Basic EV operating profit per share (US\$)	7.31	7.18	2%	8.26	9.34	10.57	8.18	9.34	1%
Operating ROEV	15.8%	15.5%	0pct	15.5%	15.7%	15.8%	15.5%	15.6%	0.0pct
Underlying free surplus generation (UFSG)	6,765	6,549	3%	7,206	7,746	8,418	7,017	7,575	3%
Basic UFSG per share (US\$)	0.64	0.62	3%	0.70	0.76	0.84	0.68	0.75	3%
Net free surplus generation	4,451	4,162	7%	4,727	5,071	5,545	4,455	4,808	6%
DPS (US\$)	0.248	0.248	0%	0.27	0.30	0.27	0.30	0%	0%
Payout (as a % of OPAT)	36.6%	36.9%	0pct	35.4%	35.0%	36.5%	36.0%	-1.1pct	-0.9pct
Dividend yield (%)	2.3%	2.3%	0pct	2.6%	2.8%	2.6%	2.8%	0.0pct	0.0pct

Source: Company data, CMBIGM estimates

Focus Charts

Fig. 1: AIA P/EV Valuation Band


Source: Bloomberg, CMBIGM estimates

Fig. 2: AIA P/B Valuation Band


Source: Bloomberg, CMBIGM estimates

Fig. 3: Risk discount rate (RDR) by operating market

RDR	FY21	FY22	FY23	FY24	FY25
AIA Australia	6.41	7.43	7.93	7.92	7.43
AIA China	9.72	9.69	9.16	8.36	8.30
AIA Hong Kong	6.98	7.46	7.97	7.95	7.95
AIA Indonesia	12.98	13.09	13.17	12.08	11.53
AIA Korea	8.1	8.91	8.81	8.55	8.34
AIA Malaysia	8.56	8.92	8.80	8.20	7.83
AIA New Zealand	6.53	7.43	7.85	7.54	7.04
AIA Philippines	11.8	12.10	12.10	11.10	11.10
AIA Singapore	6.59	7.27	7.38	7.34	7.29
AIA Sri Lanka	14.7	21.00	14.70	14.70	14.70
AIA Taiwan	7.25	7.67	7.62	7.62	7.61
AIA Thailand	7.69	8.09	7.81	7.42	6.94
AIA Vietnam	9.16	9.57	9.54	9.86	9.88
Average	8.96	9.89	9.45	9.13	8.92
<i>Average chg. (bps)</i>		<i>93.5bps</i>	<i>-44.5bps</i>	<i>-32.3bps</i>	<i>-20.8bps</i>

Source: Company data, CMBIGM

Fig. 4: Local equity investment return by market

Local equity investment return	FY21	FY22	FY23	FY24	FY25
AIA Australia	6.60	7.60	8.10	8.10	7.60
AIA China	9.30	9.30	8.80	8.00	8.00
AIA Hong Kong	7.00	7.50	8.00	8.00	8.00
AIA Indonesia	12.00	12.00	12.00	11.00	10.50
AIA Korea	6.50	7.30	7.30	7.30	7.30
AIA Malaysia	8.60	9.10	9.10	8.60	8.30
AIA New Zealand	6.80	7.80	8.30	8.00	7.50
AIA Philippines	10.50	10.80	10.80	9.80	9.80
AIA Singapore	6.70	7.40	7.60	7.60	7.60
AIA Sri Lanka	11.00	12.00	12.00	12.00	12.00
AIA Taiwan	5.60	6.10	6.10	6.10	6.10
AIA Thailand	7.70	8.20	8.10	7.80	7.40
AIA Vietnam	8.80	9.30	9.30	9.60	9.60
Average	8.24	8.80	8.88	8.61	8.44
<i>Average chg. (bps)</i>		<i>-11.5bps</i>	<i>56.2bps</i>	<i>8.5bps</i>	<i>-27.7bps</i>

Source: Company data, CMBIGM

Financial Summary

INCOME STATEMENT	2023A	2024A	2025A	2026E	2027E	2028E
YE 31 Dec (US\$ mn)						
Insurance revenue	17,514	19,314	21,618	23,753	26,009	28,573
Contracts not measured under PAA:	15,107	16,361	17,824	19,200	20,546	22,017
Contracts measured under PAA	2,407	2,953	3,794	4,553	5,463	6,556
Insurance service expenses	(12,104)	(13,205)	(14,455)	(15,849)	(17,347)	(19,063)
Contracts not measured under PAA:	(9,775)	(10,256)	(10,699)	(11,596)	(12,244)	(12,939)
Contracts measured under PAA	(2,329)	(2,949)	(3,756)	(4,253)	(5,103)	(6,124)
Net expenses from reinsurance contracts held	(286)	(418)	(391)	(431)	(471)	(518)
Insurance service results	5,124	5,691	6,772	7,474	8,191	8,992
Net finance (expenses)/income from insurance contracts	(10,512)	(6,743)	(15,467)	(17,698)	(19,247)	(21,006)
Net investment results	3,581	3,528	3,342	3,676	3,887	4,115
Other expenses	(1,451)	(1,439)	(1,488)	(1,533)	(1,579)	(1,626)
Other results	(1,472)	(1,455)	(1,560)	(1,607)	(1,655)	(1,705)
Operating profit before tax	7,235	7,751	8,552	9,540	10,421	11,400
Income taxes	(1,007)	(1,119)	(1,381)	(1,530)	(1,660)	(1,804)
Operating profit after tax	6,228	6,632	7,171	8,011	8,761	9,596
Operating profit attributable to shareholders	6,213	6,605	7,136	7,972	8,718	9,549
Net profit	3,781	6,853	6,267	6,622	7,304	8,068
Net profit attributable to shareholders	3,764	6,836	6,234	6,588	7,266	8,026

BALANCE SHEET	2023A	2024A	2025A	2026E	2027E	2028E
YE 31 Dec (US\$ mn)						
ASSETS						
Intangible assets	3,615	3,478	3,680	3,754	3,829	3,906
Investments in associates and joint ventures	1,331	1,710	2,062	2,145	2,232	2,322
Property	4,058	4,447	4,700	4,794	4,891	4,989
Investment property	4,504	4,570	4,508	4,690	4,880	5,077
Insurance contract assets	1,457	972	866	909	955	1,003
Reinsurance contract assets	6,047	5,730	7,893	8,288	8,702	9,137
Financial investments:	248,958	272,151	307,259	332,517	359,844	389,408
At amortized cost:	5,888	6,169	6,973	7,546	8,166	8,837
At fair value through other comprehensive income:	88,612	98,289	106,281	115,018	124,470	134,696
At fair value through profit or loss:	154,458	167,693	194,005	209,953	227,207	245,874
Deferred tax assets	301	549	525	536	546	557
Current tax recoverable	207	219	219	223	228	232
Other assets	4,316	3,527	4,102	4,184	4,269	4,354
Cash and cash equivalents	11,525	8,101	9,609	10,393	11,241	12,158
Assets in disposal group held for sale	0	0	0	0	0	0
Total assets	286,319	305,454	345,423	372,434	401,616	433,145
LIABILITIES						
Insurance contract liabilities	203,271	221,412	256,480	286,500	319,149	354,755
Investment contract liabilities	9,170	6,967	7,560	8,335	9,189	10,131
Borrowings	11,800	13,329	14,245	15,705	17,315	19,090
Obligations under repurchase agreements	3,461	4,616	5,910	6,149	6,397	6,656
Derivative financial instruments	8,035	8,615	5,664	5,893	6,131	6,379
Provisions	174	202	235	244	254	265
Deferred tax liabilities	3,204	4,116	4,647	4,835	5,030	5,233
Current tax liabilities	387	220	404	420	437	455
Other liabilities	4,887	4,909	6,328	(2,322)	(12,326)	(23,772)
Liabilities in disposal group held for sale	0	0	0	0	0	0
Total liabilities	244,725	264,641	301,815	326,142	352,003	379,664
EQUITIES						
Share capital	14,176	14,183	14,218	14,272	14,331	14,396
Retained profits	44,333	44,691	46,223	48,428	51,240	54,569
Total shareholders' equity	41,111	40,490	43,245	45,888	49,164	52,982
Non-controlling interests	483	323	363	404	450	499
Total equity	41,594	40,813	43,608	46,293	49,614	53,481
Total liabilities & equity	286,319	305,454	345,423	372,434	401,616	433,145

PER SHARE DATA	2023A	2024A	2025A	2026E	2027E	2028E
YE 31 Dec						
DPS (US\$)	0.21	0.22	0.25	0.27	0.30	0.33
Operating EPS, basic (US\$)	0.54	0.60	0.68	0.77	0.86	0.95
Operating EPS, diluted (US\$)	0.54	0.60	0.68	0.77	0.85	0.95
Consensus EPS	n.a	n.a	n.a	0.75	0.83	0.92
Group embedded value/share (US\$)	5.92	6.37	7.31	8.26	9.34	10.57
VNB/share (US\$)	0.36	0.44	0.53	0.61	0.70	0.81
No. of shares basic (mn)	11,399	10,832	10,507	10,330	10,185	10,056
PROFITABILITY	2023A	2024A	2025A	2026E	2027E	2028E
YE 31 Dec						
Operating ROE	14.5%	14.8%	15.5%	16.3%	16.9%	17.5%
Operating RoEV (%)	13.0%	14.9%	15.8%	15.5%	15.7%	15.8%
VNB margin (ANP basis)	52.6%	54.5%	58.5%	59.2%	60.2%	61.0%
VALUATION	2023A	2024A	2025A	2026E	2027E	2028E
YE 31 Dec						
P/Embedded value (x)	1.9	1.7	1.5	1.3	1.2	1.0
P/B (x)	3.0	2.9	2.7	2.5	2.3	2.1
Dividend yield (%)	1.9	2.0	2.3	2.5	2.7	3.0
Dividend payout (%)	38.4	37.7	36.6	35.4	35.0	34.7

Source: Company data, CMBIGM estimates. Note: The calculation of net cash includes financial assets. | Note: Stock price data quoted by market close on Mar 20, 2026 (Fri).

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.