

# ZhongAn (6060 HK)

## 1H earnings a clear beat; ZA Bank turned profit faster than expected; raise TP to HK\$23

ZhongAn delivered strong 1H results, with net profit surging 11.04x YoY to RMB 668mn, translating to 66% of our previous full-year forecasts driven by significant profit uplifts in all three core business segments. For P&C insurance, 1H25 CoR dropped 2.3pct YoY to 95.6%, with comprehensive loss ratio down 6pct YoY to 54.7% offset by a rise of comprehensive expense ratio by 3.7pct YoY to 40.9%, which led to a more-than-doubled underwriting profit of RMB 627mn (+123%). ZA Bank turned a net profit of HK\$49mn in 1H25, ahead of the market expectation for breakeven by year-end. Technology business reduced net loss by 32.2% YoY to RMB 56mn, driven by continued digital transformation for operating efficiency. Total/net investment yields remained stable at 3.3%/2.1% in 1H25. Considering outperforming P&C insurance and ZA Bank profitability and a full-year breakeven guidance for the tech business, we revise up our FY25-27E EPS forecasts to RMB0.80/0.94/1.08 (previous: RMB 0.67/0.75/0.88), and revise up our SOTP-based TP to HK\$23 (prev. HK\$20.4), implying 1.5x FY25E P/B. Maintain BUY.

■ **P&C UWP more than doubled with improved CoR across ecosystems.** In 1H25, total premiums grew 9.3% YoY to RMB16.7bn thanks to significant uplifts of health/auto/consumer finance premiums (up by 38.3%/34.2%/23.6% YoY). Digital lifestyle GWP slid 16.3% YoY to RMB6.2bn due to sluggish e-commerce shipping return policy. Innovative business sustained strong demands with total GWP rising 40% YoY to RMB2.49bn, supported by growth of pet (+53%) and low-altitude economy premiums (+20%). P&C CoR improved 2.3pct YoY to 95.6%, given an enhanced loss ratio (down 6pct YoY to 54.7%), offset by a rising expense ratio (up 3.7pct YoY to 40.9%). To break down, the CoR of consumer finance/health/auto ecosystems was 94%/92.9%/91.2%, down 5.1pct/2.8pct/3.0pct YoY respectively. Underwriting profit surged 123% YoY to RMB627mn in 1H25, with consumer finance/health/auto rising 611%/95%/91% YoY. We revise down our FY25E CoR forecast to 96.6% (prev. 96.9%), to reflect the strengthened UW profitability across lines amid changes of premium mix.

■ **ZA Bank's breakeven faster than expected.** ZA Bank turned a net profit of HK\$49mn in 1H25, ahead of market expectation on the bank's profit turnaround by year-end. Net revenue reached HK\$457mn in 1H25, up 82.1% YoY with net interest income/non-interest income up 43%/272% YoY to HK\$297mn/160mn. Net interest margin (NIM) was 2.38%, up 0.1pct YoY, outpacing the industry average given a continuous diversification of the bank's loan products. Cost-to-income ratio was down 52pct YoY to 67% due to improved operating efficiency. With expanding wealth management business, we think the bank's revenue mix could further diversify with a higher contribution of non-interest income (1H25: 54%, up 43pct from end-FY24), which could help reduce the interest rate sensitivity to the US Fed's pivot in 2H25E, in our view. We raise our forecast on ZA Bank net profit to HK\$82mn in FY25E, given a more balanced earnings profile, enhanced wealth management balance and upside from the HK stablecoin issuer license approvals in 2H25E to further increase the bank's reserve assets.

■ **New TP raised to HK\$23.** The stock is trading at 1.28x FY25E P/B, higher than its 3-year average by 0.4STD ([Fig.4](#)). Given outperforming P&C underwriting profits and faster-than-expected ZA Bank turnaround, we raise our SOTP-derived TP to HK\$23.0 (prev. HK\$20.4), based on 1) 1.31x P/B for domestic P&C insurance by referring to a 10% discount on P/B of PICC P&C; 2) 15x P/E (unchanged) for domestic tech export, and 1.0x ARR multiple for Peak 3; and 3) 2.8x FY25E P/B for ZA Bank by benchmarking to global digital banks ([Fig.2](#)).

### Earnings Summary

| (YE 31 Dec)         | FY23A | FY24A | FY25E | FY26E | FY27E |
|---------------------|-------|-------|-------|-------|-------|
| Net profit (RMB mn) | 3,845 | 603   | 1,209 | 1,479 | 1,775 |
| EPS (Reported)(RMB) | 2.77  | 0.41  | 0.80  | 0.94  | 1.08  |
| Consensus EPS (RMB) | n.a   | n.a   | 0.68  | 0.79  | 0.98  |
| Combined ratio (%)  | 95.2  | 96.9  | 96.6  | 96.5  | 96.5  |
| P/B (x)             | 1.4   | 1.3   | 1.3   | 1.3   | 1.2   |
| ROE (%)             | 22.8  | 2.9   | 5.6   | 6.4   | 7.2   |

Source: Company data, Bloomberg, CMBIGM estimates | Note: stock price data by market close on Aug 25<sup>th</sup>, 2025.

### BUY (Maintain)

|               |            |
|---------------|------------|
| Target Price  | HK\$23.00  |
| (Previous TP) | HK\$20.40) |
| Up/Downside   | 14.3%      |
| Current Price | HK\$20.12  |

### China Insurance

#### Nika MA

(852) 3900 0805

nikama@cmbi.com.hk

### Stock Data

|                          |            |
|--------------------------|------------|
| Mkt Cap (HK\$ mn)        | 30,293.6   |
| Avg 3 mths t/o (HK\$ mn) | 1,465.7    |
| 52w High/Low (HK\$)      | 21.90/9.41 |
| Total Issued Shares (mn) | 1505.6     |

Source: FactSet

### Shareholding Structure

|                         |      |
|-------------------------|------|
| Ant Group Co., Ltd.     | 9.3% |
| Ping An Insurance Group | 9.2% |

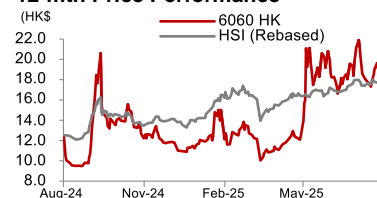
Source: HKEx

### Share Performance

|       | Absolute | Relative |
|-------|----------|----------|
| 1-mth | -4.6%    | -6.3%    |
| 3-mth | 61.7%    | 45.8%    |
| 6-mth | 65.7%    | 47.8%    |

Source: FactSet

### 12-mth Price Performance



Source: FactSet

### Auditor:

PricewaterhouseCoopers

### Related reports:

- [1. Placement may cause limited downside despite short-term volatilities](#), Jun 26, 2025
- [2. HK Stablecoins outlook opens up the headroom for valuation re-rating: uplift TP to HK\\$20.4](#), Jun 3 2025
- [3. Tech export out of the red: ZA Bank on track for breakeven](#), 24 Mar 2025
- [4. Digital lifestyle leading growth: ZA Bank and technology export breakeven on track](#), 28 Mar 2024
- [5. Strong investment and UW profits drive 1H23 earnings turnaround](#), Aug 28, 2023

## Key forecasts change

Figure 1: Forecast revisions of key operating and financial metrics

| (RMB mn, %)               | FY24   | FY25E  | Current |        | Old    |        |        | Chg (%) |         |         |
|---------------------------|--------|--------|---------|--------|--------|--------|--------|---------|---------|---------|
|                           |        |        | FY26E   | FY27E  | FY25E  | FY26E  | FY27E  | FY25E   | FY26E   | FY27E   |
| EPS                       | 0.41   | 0.80   | 0.94    | 1.08   | 0.67   | 0.75   | 0.88   | 20.0%   | 24.4%   | 21.8%   |
| <b>P&amp;C Insurance:</b> |        |        |         |        |        |        |        |         |         |         |
| GWP                       | 33,417 | 37,260 | 41,007  | 45,332 | 38,283 | 42,413 | 46,876 | -2.7%   | -3.3%   | -3.3%   |
| Insurance revenue         | 31,746 | 35,436 | 38,994  | 43,101 | 36,463 | 40,397 | 44,642 | -2.8%   | -3.5%   | -3.5%   |
| UWP                       | 899    | 1,113  | 1,259   | 1,422  | 1,007  | 1,168  | 1,353  | 10.6%   | 7.8%    | 5.1%    |
| COR                       | 96.9%  | 96.6%  | 96.5%   | 96.5%  | 96.9%  | 96.8%  | 96.7%  | -0.3pct | -0.3pct | -0.2pct |
| <b>Technology:</b>        |        |        |         |        |        |        |        |         |         |         |
| Net profit                | 78     | 126    | 183     | 254    | 141    | 194    | 259    | -10.7%  | -5.8%   | -2.0%   |
| <b>Banking:</b>           |        |        |         |        |        |        |        |         |         |         |
| Net profit                | -92    | 33     | 124     | 217    | 1      | 50     | 109    | 4193%   | 147%    | 100%    |

Source: Company data, CMBIGM estimates

## Valuation

Figure 2: Sum-of-the-parts for ZhongAn Online to derive our new TP at HK\$23.0

|                                       | FY24  | FY25E       | FY26E       | FY27E       |
|---------------------------------------|-------|-------------|-------------|-------------|
| <b>P&amp;C Insurance</b>              |       |             |             |             |
| Book Value (RMB bn)                   | 19.6  | 20.4        | 21.2        | 22.3        |
| P/B(x)                                |       | 1.31x       | 1.31x       | 1.31x       |
| <b>Fair value (HK\$ bn)</b>           |       | <b>28.7</b> | <b>29.9</b> | <b>31.4</b> |
| <b>Technology</b>                     |       |             |             |             |
| Net profit (RMB bn)                   | 0.08  | 0.13        | 0.18        | 0.25        |
| <b>Domestic tech export (80%)</b>     |       | <b>1.6</b>  | <b>2.4</b>  | <b>3.3</b>  |
| P/E(x)                                |       | 15.0x       | 15.0x       | 15.0x       |
| <b>Overseas tech export (20%)</b>     |       | <b>0.2</b>  | <b>0.2</b>  | <b>0.3</b>  |
| ARR (HK\$ mn)                         | 0.17  | 0.20        | 0.23        | 0.27        |
| ARR multiple (x)                      |       | 1.0x        | 1.0x        | 1.0x        |
| <b>Fair value, combined (HK\$ bn)</b> |       | <b>1.8</b>  | <b>2.6</b>  | <b>3.6</b>  |
| <b>Banking</b>                        |       |             |             |             |
| Book Value (RMB mn)                   | 0.82  | 0.85        | 0.98        | 1.20        |
| P/B(x)                                |       | 2.8x        | 2.8x        | 2.8x        |
| <b>Fair value (HK\$ bn)</b>           |       | <b>2.6</b>  | <b>3.0</b>  | <b>3.7</b>  |
| <b>Others</b>                         | (0.8) | (0.5)       | (0.2)       | 0.0         |
| <b>Total valuation (HK\$ bn)</b>      |       | <b>32.7</b> | <b>35.3</b> | <b>38.6</b> |
| No. of shares outstanding (bn)        |       | 1.5         | 1.5         | 1.6         |
| <b>Price per share (HK\$)</b>         |       | <b>22.3</b> | <b>23.2</b> | <b>24.0</b> |
| <b>12mth forward TP (HK\$)</b>        |       | <b>23.0</b> |             |             |
| Implied P/E (x)                       |       | 26.5x       |             |             |
| Implied P/B (x)                       |       | 1.49x       |             |             |
| Previous TP (HK\$)                    |       | 20.4        |             |             |
| Change (%)                            |       | 12.7%       |             |             |

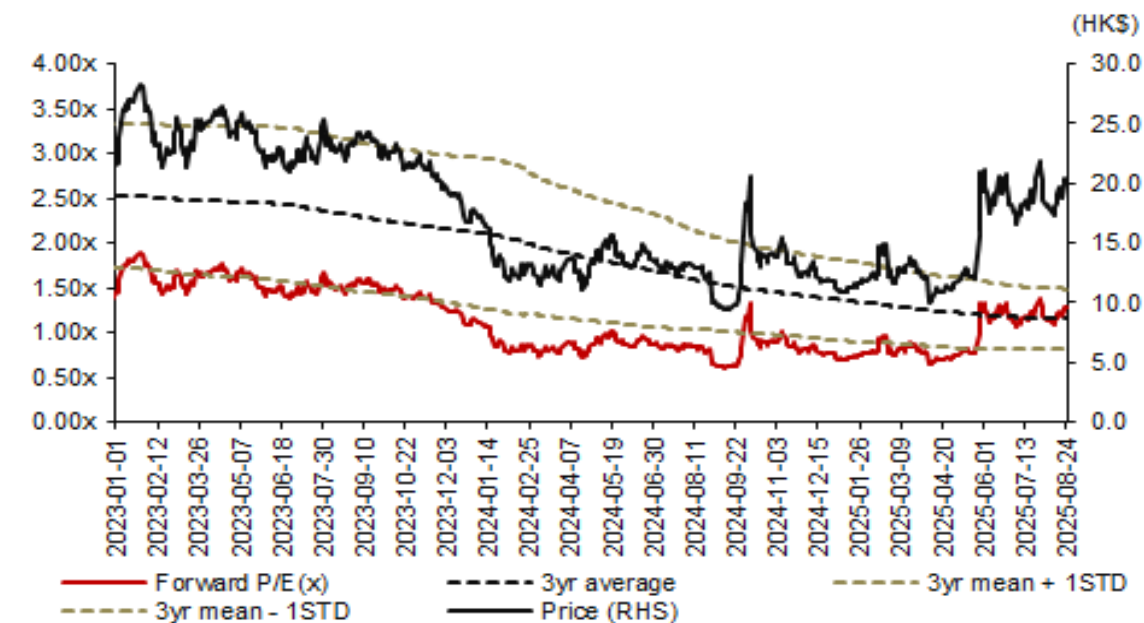
## Peers comparable

Figure 3: Global listed digital banks and 12mth forward P/B(x) valuation

| Company                        | Ticker           | PX_LAST<br>(LC) | Market Cap<br>(LC) | FY25E EPS | FY25E P/B   | FY26E P/B   | FY27E P/B   |
|--------------------------------|------------------|-----------------|--------------------|-----------|-------------|-------------|-------------|
| <b>US companies:</b>           |                  |                 |                    |           |             |             |             |
| Upstart Holdings Inc           | UPST US Equity   | 68.85           | 6.6                | 1.65      | 8.7x        | 7.0x        | 5.6x        |
| NU Holdings Ltd/Cayman Islands | NU US Equity     | 13.94           | 67.4               | 0.58      | 6.3x        | 4.7x        | 3.6x        |
| SLM Corp                       | SLM US Equity    | 31.73           | 6.6                | 3.10      | 2.9x        | 2.5x        | 2.1x        |
| Credit Acceptance Corp         | CACC US Equity   | 506.49          | 5.7                | 39.40     | 3.3x        | 2.3x        | 1.8x        |
| SoFi Technologies Inc          | SOFI US Equity   | 25.02           | 30.0               | 0.31      | 3.6x        | 3.4x        | 3.1x        |
| Enova International Inc        | ENVA US Equity   | 113.98          | 2.9                | 12.11     | 2.2x        | 1.7x        |             |
| OneMain Holdings Inc           | OMF US Equity    | 60.17           | 7.2                | 6.40      | 2.1x        | 1.9x        | 1.6x        |
| Synchrony Financial            | SYF US Equity    | 73.20           | 27.2               | 8.53      | 1.8x        | 1.6x        | 1.4x        |
| Nelnet Inc                     | NNI US Equity    | 130.27          | 4.7                | 7.10      | 1.3x        | 1.2x        |             |
| Inter & Co Inc                 | INTR US Equity   | 8.08            | 3.6                | 3.15      | 0.4x        | 0.3x        | 0.3x        |
| <b>JP companies:</b>           |                  |                 |                    |           |             |             |             |
| SBI Sumishin Net Bank Ltd      | 7163 JP Equity   | 4875            | 735.1              | 253.62    | 3.6x        | 3.0x        | 2.6x        |
| Rakuten Group Inc              | 4755 JP Equity   | 893             | 1,934.2            | (51.72)   | 2.4x        | 2.4x        | 2.4x        |
| Seven Bank Ltd                 | 8410 JP Equity   | 289             | 340.7              | 16.28     | 1.2x        | 1.2x        | 1.1x        |
| <b>South Korea company:</b>    |                  |                 |                    |           |             |             |             |
| KakaoBank Corp                 | 323410 KS Equity | 25,250          | 12,044             | 1,210.00  | 1.7x        | 1.6x        |             |
| <b>Australia company:</b>      |                  |                 |                    |           |             |             |             |
| Judo Capital Holdings Ltd      | JDO AU Equity    | 1.79            | 2.0                | 0.11      | 1.1x        | 1.0x        | 0.9x        |
| <b>Average</b>                 |                  |                 |                    |           | <b>2.8x</b> | <b>2.4x</b> | <b>2.2x</b> |

Source: Bloomberg, company data, CMBIGM estimates

**Figure 4: ZhongAn's trading P/B(x) is 0.4std higher than its 3-year average P/B at 1.15x**



## Financial Summary

| INCOME STATEMENT   | 2022A    | 2023A    | 2024A    | 2025E    | 2026E    | 2027E    |
|--|----------|----------|----------|----------|----------|----------|
| YE 31 Dec (RMB mn)                                       |          |          |          |          |          |          |
| Insurance revenue  | 22,189   | 27,535   | 31,744   | 35,434   | 38,993   | 43,099   |
| Insurance service expenses                               | (20,673) | (26,089) | (30,690) | (34,154) | (37,558) | (41,493) |
| Net expenses from reinsurance contracts held             | (99)     | (109)    | (14)     | (17)     | (19)     | (21)     |
| Insurance service results                                | 1,417    | 1,337    | 1,040    | 1,264    | 1,416    | 1,585    |
| Net finance (expenses)/income from insurance contracts   | (145)    | (52)     | (52)     | (57)     | (63)     | (70)     |
| Net finance (expenses)/income from reinsurance contracts | (10)     | 8        | 2        | 0        | 0        | 0        |
| Net investment income                                    | 1,688    | 4,136    | 437      | 1,345    | 1,455    | 1,575    |
| Other gains/(losses) from changes in fair value          | (1,803)  | 768      | 1,024    | 172      | 181      | 191      |
| Net investment results                                   | (115)    | 4,904    | 1,460    | 1,516    | 1,636    | 1,766    |
| Other income   | 1,129    | 1,135    | 1,032    | 1,186    | 1,353    | 1,545    |
| Other expenses   | (2,966)  | (2,670)  | (1,952)  | (2,047)  | (2,206)  | (2,390)  |
| Foreign exchange gains/losses                            | (549)    | (95)     | (99)     | (99)     | (99)     | (99)     |
| Other results  | (2,814)  | (2,094)  | (1,466)  | (1,384)  | (1,355)  | (1,326)  |
| Profit before tax  | (1,683)  | 4,010    | 854      | 1,354    | 1,649    | 1,972    |
| Income taxes   | 298      | (165)    | (251)    | (145)    | (170)    | (197)    |
| Net profit   | (1,384)  | 3,845    | 603      | 1,209    | 1,479    | 1,775    |
| Net profit attributable to shareholders                  | (1,112)  | 4,078    | 603      | 1,209    | 1,479    | 1,775    |

| BALANCE SHEET                                | 2022A   | 2023A  | 2024A  | 2025E  | 2026E  | 2027E  |
|--|---------|--------|--------|--------|--------|--------|
| YE 31 Dec (RMB mn)                           |         |        |        |        |        |        |
| ASSETS                                       |         |        |        |        |        |        |
| Intangible assets                            | 662     | 527    | 619    | 619    | 619    | 619    |
| Investments in associates and joint ventures | 554     | 5,297  | 5,591  | 5,591  | 5,591  | 5,591  |
| Property                                     | 434     | 377    | 798    | 798    | 798    | 798    |
| Reinsurance contract assets                  | 595     | 762    | 710    | 726    | 756    | 800    |
| At amortized cost:                           | 1,431   | 1,452  | 1,051  | 1,105  | 1,162  | 1,222  |
| At fair value through profit or loss:        | 21,863  | 22,252 | 20,706 | 21,930 | 23,224 | 24,593 |
| Loans and advances to customers              | 4,367   | 0      | 0      | 0      | 0      | 0      |
| Other assets                                 | 1,702   | 2,104  | 2,692  | 2,720  | 2,749  | 2,780  |
| Cash and cash equivalents                    | 3,526   | 1,576  | 1,467  | 2,970  | 4,834  | 7,399  |
| Total assets                                 | 47,649  | 42,864 | 45,285 | 47,072 | 48,961 | 50,957 |
| LIABILITIES                                  |         |        |        |        |        |        |
| Insurance contract liabilities               | 4,029   | 3,335  | 5,000  | 5,500  | 6,050  | 6,655  |
| Borrowings                                   | 6,805   | 6,900  | 6,993  | 7,133  | 7,275  | 7,421  |
| Obligations under repurchase agreements      | 6,992   | 8,491  | 7,931  | 8,724  | 9,597  | 10,557 |
| Current tax liabilities                      | 0       | 27     | 18     | 18     | 18     | 18     |
| Lease liabilities                            | 374     | 287    | 123    | 135    | 149    | 164    |
| Other liabilities                            | 11,819  | 3,750  | 4,024  | 3,355  | 2,115  | 539    |
| Total liabilities                            | 30,034  | 22,790 | 24,358 | 24,865 | 25,203 | 25,352 |
| EQUITIES                                     |         |        |        |        |        |        |
| Share capital                                | 1,470   | 1,470  | 1,470  | 1,541  | 1,613  | 1,685  |
| Reserves                                     | 16,473  | 16,732 | 16,996 | 16,996 | 16,996 | 16,996 |
| Retained profits                             | (2,176) | 1,871  | 2,461  | 3,670  | 5,149  | 6,924  |
| Total shareholders' equity                   | 15,766  | 20,073 | 20,926 | 22,207 | 23,758 | 25,605 |
| Non-controlling interests                    | 1,849   | 0      | 0      | 0      | 0      | 0      |
| Total equity                                 | 17,615  | 20,073 | 20,926 | 22,207 | 23,758 | 25,605 |
| Total liabilities & equity                   | 47,649  | 42,864 | 45,285 | 47,072 | 48,961 | 50,957 |

| PER SHARE DATA         | 2022A  | 2023A | 2024A | 2025E | 2026E | 2027E |
|------------------------|--------|-------|-------|-------|-------|-------|
| <b>YE 31 Dec</b>       |        |       |       |       |       |       |
| EPS (Reported)         | (0.76) | 2.77  | 0.41  | 0.80  | 0.94  | 1.08  |
| Consensus EPS          | n.a    | n.a   | n.a   | 0.68  | 0.79  | 0.98  |
| No. of shares basic    | 1,470  | 1,470 | 1,470 | 1,541 | 1,613 | 1,685 |
| PROFITABILITY          | 2022A  | 2023A | 2024A | 2025E | 2026E | 2027E |
| <b>YE 31 Dec</b>       |        |       |       |       |       |       |
| Return on equity (ROE) | n.a    | 22.8% | 2.9%  | 5.6%  | 6.4%  | 7.2%  |
| Combined ratio         | 94.2%  | 95.2% | 96.9% | 96.6% | 96.5% | 96.5% |
| Loss ratio             | 56.2%  | 56.8% | 58.3% | 57.2% | 57.2% | 57.1% |
| Expense ratio          | 37.9%  | 38.4% | 38.6% | 39.4% | 39.3% | 39.4% |
| VALUATION              | 2022A  | 2023A | 2024A | 2025E | 2026E | 2027E |
| <b>YE 31 Dec</b>       |        |       |       |       |       |       |
| P/B (x)                | 1.7    | 1.4   | 1.3   | 1.3   | 1.3   | 1.2   |

Source: Company data, CMBIGM estimates. Note: The calculation of net cash includes financial assets. | Note: The stock price data is quoted by market close on Aug 25<sup>th</sup>, 2025 (Mon).

# 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.