

Alibaba (BABA US)

Recovery of consumption business in sight with determined long-term goal for cloud

Alibaba's 3QFY26 (March year-end) revenue was RMB284.8bn, up 1.7% YoY, and 2% below Bloomberg consensus. Adj. EBITA for the quarter was RMB23.4bn, down 57% YoY and below consensus of RMB31.4bn, mainly due to continued investments in quick commerce (QC), user experience, and technology. However, cloud business development remains a bright spot, with YoY revenue growth accelerating to 36%, 2ppts ahead of consensus. Management noted a recovery in customer management revenue (CMR), with YoY growth improving to more than the mid-single-digit range in 1Q26 QTD. Management also highlighted further sequential acceleration in cloud revenue growth and reiterated its development targets for the QC business, including a RMB1tn GMV target by FY28 and achieving profitability by FY29. Alibaba also emphasized its ambition to achieve US\$100bn in external cloud revenue within five years, implying a CAGR of over 40%, supported by strong demand for Model-as-a-Service (MaaS). We remain positive that Alibaba is one of the key beneficiaries of the AI theme within our coverage universe and suggest investors look beyond short-term earnings headwinds. We fine-tune our SOTP-based target price to US\$203.7 (previously US\$206.4) and maintain a BUY rating.

■ **YoY cloud revenue growth exceeded expectations.** Cloud Intelligence Group (CIG) delivered 36% YoY revenue growth in 3QFY26 (vs. 34.5% in 2QFY26), driven by strong public cloud performance and increasing adoption of AI-related products. Management noted that, for FY26 up to February 2026, Alibaba Cloud's cumulative external revenue has surpassed RMB100bn. Alibaba targets over US\$100bn in combined cloud and AI external revenue over the next five years, implying a CAGR of over 40%. Management also highlighted continued sequential acceleration in cloud revenue growth, supported by strong demand, and we forecast 40% YoY growth for CIG in 1Q26.

■ **Recovery of consumption business in sight.** Within Alibaba China E-commerce Group (ACEG), CMR grew 1% YoY in 3QFY26, missing consensus by 4ppts due to macro softness and a warm winter. However, management indicated growth acceleration in 4QFY26, supported by a recovery in consumption sentiment, and we forecast 6% CMR growth in 4QFY26. QC revenue reached RMB20.8bn in 3QFY26, up 56% YoY. Regarding synergies between QC and conventional e-commerce, management noted that the addition of 100mn annual active consumers for physical goods in 2025 of conventional business brought up by QC exceeded the combined total of the previous three years. Alibaba aims to further increase user purchase frequency and ARPU of these customers going forward. We estimate that operating losses from the QC business reached RMB20bn in 3QFY26 and expect further improvement in unit economics (UE) and loss reduction in 4QFY26, supported by optimization of user subsidies. Management maintained its targets of exceeding RMB1tn GMV in QC by FY28 and achieving profitability by FY29.

BUY (Maintain)

Target Price US\$203.70
(Previous TP US\$206.40)
Up/Downside 63.1%
Current Price US\$124.90

China Internet

Saiyi HE, CFA
(852) 3916 1739
hesaiyi@cmbi.com.hk

Ye TAO, CFA
(852) 3850 5226
franktao@cmbi.com.hk

Wentao LU, CFA
luwentao@cmbi.com.hk

Shuyin GUO
(852) 3916 3716
guoshuyin@cmbi.com.hk

Stock Data

Mkt Cap (US\$ mn)	298,511.0
Avg 3 mths t/o (US\$ mn)	1,604.2
52w High/Low (US\$)	189.34/99.37
Total Issued Shares (mn)	2390.0

Source: FactSet

Shareholding Structure

JPMorgan	2.3%
Parufam Limited	0.8%

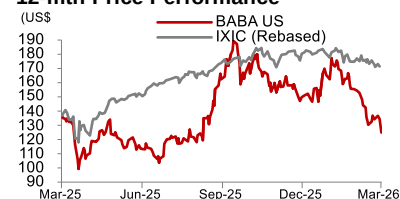
Source: HKEx

Share Performance

	Absolute	Relative
1-mth	-19.1%	-16.2%
3-mth	-16.6%	-12.0%
6-mth	-23.3%	-21.4%

Source: FactSet

12-mth Price Performance



Source: FactSet

Earnings Summary

(YE 31 Mar)	FY24A	FY25A	FY26E	FY27E	FY28E
Revenue (RMB mn)	941,168	996,347	1,031,241	1,137,593	1,262,767
YoY growth (%)	8.3	5.9	3.5	10.3	11.0
Net profit (RMB mn)	79,741.0	129,470.0	96,078.3	79,626.9	133,537.6
Adjusted net profit (RMB mn)	158,359.0	157,940.0	83,068.9	99,193.5	153,994.5
YoY growth (%)	10.0	(0.3)	(47.4)	19.4	55.2
EPS (Adjusted) (RMB)	62.77	67.24	35.82	43.20	67.74
Consensus EPS (RMB)	na	65.41	40.97	59.93	69.73
P/E (x)	27.3	15.6	20.8	24.9	14.7

Source: Company data, Bloomberg, CMBIGM estimates

Key business segment updates

ACEG (51.5% of 3QFY26 revenue)

In 3QFY26, revenue generated from ACEG was RMB159.3bn, up 5.8% YoY. Within the segment, E-commerce/QC/China Commerce saw revenue growth of 0.8%/56.0%/5.3% YoY respectively. Within the E-commerce sub-segment, CMR/direct sales, logistics & others delivered revenue growth of 0.8%/0.3%, respectively.

On CMR, management indicated growth acceleration in 4QFY26, supported by a recovery in consumption sentiment, and we forecast 6% CMR growth in 4QFY26.

On QC, management reiterated its commitment to sustained investment over the next two years, while highlighting simultaneous progress in market share gains and UE. We expect UE to improve further over the coming quarters, driven by better logistics efficiency, stronger monetization, and order mix optimization. Management maintained its FY28 GMV target of over RMB1tn, with positive cash flow expected at scale and overall segment profitability targeted in FY29.

Adjusted EBITA for the segment was RMB34.6bn in 3QFY26, down 43% YoY, primarily due to the investment in quick commerce, user experiences, and technology.

AIDC (12.7% of 3QFY26 revenue)

In 3QFY26, revenue generated from Alibaba International Digital Commerce Group (AIDC) was RMB39.2bn, up 3.8% YoY, among which international commerce retail revenue was up 2.5% YoY, driven by the increase in revenue contributed by AliExpress and other international businesses, and international commerce wholesale revenue was up 10.4% YoY, due to an increase in revenue generated by cross-border related value-added services.

Adjusted EBITA for AIDC was a loss of RMB2.0bn in 3QFY26, improving from RMB5.0bn in loss in 3QFY25, thanks to significant improvement in AliExpress' operating efficiency, and enhanced efficiency across various businesses. We are expecting an improvement trend for profitability for AIDC in 4QFY26, as peak promotion season has passed and Alibaba still focuses on driving for profitability improvement of this segment.

CIG (14.0% of 3QFY26 revenue)

Revenue of CIG came in at RMB43.3bn in 3QFY26, up 36% YoY, primarily driven by public cloud revenue growth, including the increasing adoption of AI-related products. Overall revenue excluding Alibaba-consolidated subsidiaries increased by 35% YoY.

Management remains constructive on CIG, citing re-accelerating external cloud revenue growth and ten consecutive quarters of triple-digit AI-related revenue growth, while continuing to invest in AI cloud infrastructure and innovation.

Adjusted EBITA for CIG was RMB3.9bn in 3QFY26, up 25% YoY, due to revenue growth and improving operating efficiency, and adjusted EBITA margin came in at 9.0% (3QFY25: 9.9%).

All others (21.8% of 3QFY26 revenue)

Revenue from All others segment was RMB67.3bn in 3QFY26, down 25% YoY, primarily due to the decrease in revenue as a result of the disposal of Sun Art and Intime businesses, as well as the decrease in revenue from Cainiao, partly offset by the increase in revenue from Freshippo and Alibaba Health.

Adjusted EBITA from All others segment in 3QFY26 was a loss of RMB9.8bn (3QFY25: loss of RMB3.2bn), primarily due to the increased investment in technology businesses, partly offset by the improved results of Cainiao, Hujing Digital Media and Entertainment Group and other businesses. We expect the adjusted loss of all others segment to widen further in 4QFY26E, as Alibaba is increasing its investment to support the business expansion of Qwen App.

Revision of forecast and valuation

We lower FY26-28E revenue by 0.5-2.1%, mainly to account for the cut in revenue forecast of CMR and international commerce retail business, while this was partly offset by the increase in revenue forecast of CIG and All Others. We lower FY26-28E non-GAAP net profit by 20-34% to factor in: 1) wider-than-expected loss generated from QC business; 2) greater-than-expected investment in E-commerce business to enhance user experience; and 3) greater-than-expected investment to support the development of AI apps such as Qwen.

Figure 1: Alibaba: forecast revision

RMB bn	Current			Previous			Change (%)		
	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E
Revenue	1,031.2	1,137.6	1,262.8	1,036.7	1,162.4	1,287.6	-0.5%	-2.1%	-1.9%
Gross profit	420.7	464.1	515.2	433.3	489.4	542.1	-2.9%	-5.2%	-5.0%
Non-GAAP net profit	83.1	99.2	154.0	106.4	150.5	192.4	-22.0%	-34.1%	-20.0%
Gross margin	40.8%	40.8%	40.8%	41.8%	42.1%	42.1%	-1.0 ppt	-1.3 ppt	-1.3 ppt
Non-GAAP net margin	8.1%	8.7%	12.2%	10.3%	12.9%	14.9%	-2.2 ppt	-4.2 ppt	-2.8 ppt

Source: CMBIGM estimates

Figure 2: Alibaba: CMBI forecast vs Bloomberg consensus

RMB bn	CMBI			Consensus			Diff (%)		
	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E
Revenue	1,031.2	1,137.6	1,262.8	1034.7	1143.8	1260.1	-0.3%	-0.5%	0.2%
Gross profit	420.7	464.1	515.2	420.4	466.6	522.6	0.1%	-0.5%	-1.4%
Non-GAAP net profit	83.1	99.2	154.0	99.3	139.3	174.0	-16.4%	-28.8%	-11.5%
Gross margin	40.8%	40.8%	40.8%	40.6%	40.8%	41.5%	0.2 ppt	0.0 ppt	-0.7 ppt
Non-GAAP net margin	8.1%	8.7%	12.2%	9.6%	12.2%	13.8%	-1.5 ppt	-3.5 ppt	-1.6 ppt

Source: Bloomberg, CMBIGM estimates

Valuation: target price of US\$203.7 per ADS

Our SOTP valuation is trimmed to US\$203.7 per ADS from US\$206.4, which comprises:

- 1) US\$77.2 for ACEG, based on a 12.0x FY28E EV/adj. EBITA and discounted back to FY26 at WACC of 11.0% (was US\$86.7 based on 12.0x FY28E EV/adj. EBITA); the change in target valuation per ADS was mainly due to reduction in earnings forecast driven by a more mild pace of turning to profit forecast for QC business;
- 2) US\$12.5 for AIDC (was US\$12.9), based on an unchanged 1.5x EV/revenue multiple on FY26E revenue forecast; the change in target valuation per ADS was mainly due to reduction in revenue forecast;
- 3) US\$88.5 for the Cloud Intelligence Group (was US\$81.5), based on an unchanged 7.5x EV/revenue multiple on FY27E revenue and discounted back to FY26E at WACC of 11.0%; the increase in target valuation per ADS was mainly due to the increase in revenue forecast;
- 4) US\$14.8 for All Others (was US\$14.6), based on an unchanged 1.0x FY26E EV/revenue multiple; the change in target valuation per ADS was mainly due to increase in revenue forecast driven by better than feared revenue growth outlook;
- 5) US\$10.7 per ADS (unchanged) for strategic investments with a 30% holding discount.

Our new SOTP-based target price translates into 22x FY28E PE (non-GAAP).

Figure 3: Alibaba: SOTP valuation

#	Segment (USDmn)	Valuation method	Rev (USDmn)	Adj. EBITA post tax (USDmn)	P/E (x)	EV/S (x)	Val. Rmb mn	Val. US\$m	\$/share	Value split
1	Alibaba China E-commerce Group	12x FY28E EV/EBITA; assume 20% tax rate on adjusted EBITA; discount back with 11% WACC		18,941	12.0		1,328,221	184,475	77.2	38%
2	International Digital Commerce Group	1.5x FY26E EV/S	19,954			1.5	215,506	29,931	12.5	6%
3	Cloud Intelligence Group	7.5x FY27E EV/S on revenue before intersegment elimination; discount back with 11% WACC	31,296			7.5	1,522,507	211,459	88.5	43%
4	All others	1.0x FY26E EV/S	35,425			1.0	255,061	35,425	14.8	7%
Total Alibaba business							3,321,295	461,291	193.0	
INVESTMENTS										
1	Ant Group	Last round share buy back valuation; 33% share holding					187,143	25,992	10.9	
2	Others	Market valuation					75,592	10,499	4.4	
Total investment (with 30% holding discount)									10.7	5%
Total (US\$m)									203.7	
#s of diluted ADS (mn)									2,390	

Source: CMBIGM estimates

Risks

- 1) Investments for driving business growth pose a more severe impact on margin than we expect;
- 2) Consumption recovery takes longer than we expect.

Financial Summary

INCOME STATEMENT	2023A	2024A	2025A	2026E	2027E	2028E
YE 31 Mar (RMB mn)						
Revenue	868,687	941,168	996,347	1,031,241	1,137,593	1,262,767
Cost of goods sold	(549,695)	(586,323)	(598,285)	(610,494)	(673,455)	(747,558)
Gross profit	318,992	354,845	398,062	420,746	464,138	515,209
Operating expenses	(218,641)	(241,495)	(257,157)	(361,342)	(384,620)	(365,066)
SG&A expense	(145,679)	(157,126)	(188,260)	(286,685)	(299,187)	(271,495)
R&D expense	(56,744)	(52,256)	(57,151)	(63,937)	(71,668)	(78,292)
Others	(16,218)	(32,113)	(11,746)	(10,720)	(13,765)	(15,279)
Operating profit	100,351	113,350	140,905	59,404	79,518	150,143
Interest income	(11,071)	(9,964)	20,759	68,062	26,165	28,791
Interest expense	(5,918)	(7,947)	(9,596)	(10,106)	(10,580)	(11,744)
Other income/expense	5,823	6,157	3,387	1,031	1,138	1,263
Pre-tax profit	89,185	101,596	155,455	118,391	96,240	168,453
Income tax	(15,549)	(22,529)	(35,445)	(29,598)	(23,098)	(42,113)
Others	(8,063)	(7,735)	5,966	4,125	5,688	6,314
After tax profit	65,573	71,332	125,976	92,918	78,831	132,654
Minority interest	7,210	8,677	4,133	722	796	884
Others	(274)	(268)	(639)	2,438	0	0
Net profit	72,509	79,741	129,470	96,078	79,627	133,538
Adjusted net profit	143,991	158,359	157,940	83,069	99,194	153,994
BALANCE SHEET	2023A	2024A	2025A	2026E	2027E	2028E
YE 31 Mar (RMB mn)						
Current assets	697,966	752,864	674,049	756,213	757,469	826,561
Cash & equivalents	193,086	248,125	145,487	275,140	261,580	313,284
Restricted cash	36,424	38,299	43,781	43,781	43,781	43,781
Prepayment	137,072	143,536	202,175	154,686	169,501	186,890
Financial assets at FVTPL	331,384	322,904	282,606	282,606	282,606	282,606
Non-current assets	1,055,078	1,011,965	1,130,178	1,340,642	1,478,166	1,630,805
PP&E	176,031	185,161	203,348	430,097	558,058	701,040
Investment in JVs & assos	207,380	203,131	210,169	221,332	234,058	247,410
Intangibles	46,913	26,950	20,911	17,083	10,026	1,846
Goodwill	268,091	259,679	255,501	255,501	255,501	255,501
Financial assets at FVTPL	245,737	220,942	356,818	356,818	356,818	356,818
Other non-current assets	110,926	116,102	83,431	59,812	63,705	68,189
Total assets	1,753,044	1,764,829	1,804,227	2,096,855	2,235,635	2,457,366
Current liabilities	385,351	421,507	435,346	400,893	433,711	493,185
Short-term borrowings	7,466	12,749	22,562	23,022	25,397	28,191
Tax payable	12,543	9,068	11,638	24,270	18,247	32,006
Other current liabilities	89,392	101,807	68,609	70,009	77,229	85,727
Accrued expenses	275,950	297,883	332,537	283,591	312,838	347,261
Non-current liabilities	244,772	230,723	278,775	280,948	292,152	305,339
Long-term borrowings	52,023	55,686	49,909	49,909	49,909	49,909
Deferred income	3,560	4,069	4,536	4,629	5,106	5,668
Other non-current liabilities	189,189	170,968	224,330	226,410	237,137	249,762
Total liabilities	630,123	652,230	714,121	681,841	725,863	798,524
Share capital	1	1	1	1	1	1
Capital surplus	416,880	397,999	381,379	399,842	415,769	432,185
Retained earnings	599,028	597,897	645,478	902,786	982,413	1,115,951
Other reserves	(16,394)	1,375	(5,287)	2,511	2,511	2,511
Total shareholders equity	999,515	997,272	1,021,571	1,305,141	1,400,694	1,550,647
Minority interest	123,406	115,327	68,535	109,874	109,078	108,194
Total equity and liabilities	1,753,044	1,764,829	1,804,227	2,096,855	2,235,635	2,457,366

CASH FLOW	2023A	2024A	2025A	2026E	2027E	2028E
YE 31 Mar (RMB mn)						
Operating						
Profit before taxation	89,185	101,596	155,455	118,391	96,240	168,453
Depreciation & amortization	46,938	44,504	42,459	11,850	12,190	12,591
Tax paid	(15,549)	(22,529)	(35,445)	(29,598)	(23,098)	(42,113)
Change in working capital	13,482	(13,749)	(23,988)	95,817	17,312	41,371
Others	65,696	72,771	25,028	25,738	31,679	34,278
Net cash from operations	199,752	182,593	163,509	222,199	134,323	214,579
Investing						
Capital expenditure	(34,330)	(32,087)	(85,972)	(123,749)	(136,511)	(151,532)
Acquisition of subsidiaries/ investments	(22)	(842)	0	(6,000)	(6,708)	(7,100)
Net proceeds from disposal of short-term investments	(61,086)	71,426	23,395	0	0	0
Others	(40,068)	(60,321)	(122,838)	(7,038)	(7,038)	(7,038)
Net cash from investing	(135,506)	(21,824)	(185,415)	(136,787)	(150,257)	(165,670)
Financing						
Net borrowings	0	0	0	0	0	0
Proceeds from share issues	11	843	10	0	0	0
Share repurchases	(74,746)	(88,745)	(86,662)	0	0	0
Others	9,116	(20,342)	10,437	460	2,374	2,795
Net cash from financing	(65,619)	(108,244)	(76,215)	460	2,374	2,795
Net change in cash						
Cash at the beginning of the year	227,353	229,510	286,424	189,268	275,140	261,580
Exchange difference	3,530	4,389	965	0	0	0
Cash at the end of the year	229,510	286,424	189,268	275,140	261,580	313,284

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.