

Microsoft (MSFT US)

Stronger cloud monetization supports capex returns

Microsoft delivered upbeat 1QFY27 (year-end June) results. Revenue rose 19% YoY to US\$92.3bn, 2.1%/1.8% above our forecast/Bloomberg consensus. OP rose 21% YoY to US\$45.9bn, 4.7%/4.6% above our estimates/consensus. Excluding the impact from the OpenAI investment, adjusted EPS rose 18% YoY to US\$4.89. Revenue growth of Azure came in at 48.2% YoY, ahead of previous company guidance at 44-45% on a constant currency basis, driven by Foundry and improved CPU monetization. Management noted that customer demand continues to exceed available supply for Azure, and guided for 49-50% revenue growth in constant currency in 2QFY27 despite facing delivery delays in some third-party GPU as a service contract. The mid-point of management guidance on 2QFY27 total revenue/OP was both 1% ahead of consensus. The strong cloud monetization and outlook support capex returns, in our view. We raise FY27-29E revenue/OP estimates by 1-7%/1-8% and lift our DCF-based TP by 1% to US\$641.8, translating into 32x/27x FY27/28E PE. Maintain BUY.

■ **Azure beat reflects efficiency and monetization gains.** Azure revenue rose 48.2% YoY to US\$33.2bn in 1QFY27, 2.9% above consensus. Foundry revenue more than tripled as GPU efficiencies freed capacity for customers and revenue per token exceeded expectations. Engineering improvements also enabled monetization of underutilized CPU capacity. This supported the revenue beat despite delayed third-party capacity deliveries. For 2QFY27, mgmt. guides Azure growth of 49-50% in constant currency, as further CPU/GPU efficiencies are expected to offset the impact of GPU-as-a-service deliveries deferred to 2HFY27.

■ **Capex deferred rather than demand reduced.** Capex was US\$45.2bn in 1QFY27, below prior guidance of over US\$50bn due to third-party delivery delays. About three quarters went to short-lived assets, mainly CPUs/GPUs, including higher memory and storage costs. Mgmt. expects over US\$50bn in 2QFY27 and c.US\$170bn in CY26 (previously US\$175bn), followed by acceleration in 2HFY27 as delayed capacity arrives. FY27 FCF is still expected to remain positive, with leasing and debt among potential funding options to fulfil the unfulfilled demand.

■ **M365 accelerated growth driven by ARPU.** M365 cloud revenue rose 17.2% YoY to US\$27.8bn in 1QFY27, 1.1% above consensus. Commercial cloud grew 17% reported and 18% in constant currency, or 18%/19% after adjusting the prior-year recognition benefit. With paid commercial seats up 5%, ARPU was the main driver, led by M365 Copilot, E5 and E7, plus usage-based GitHub Copilot. Stronger GitHub adoption and usage offset weaker E3 and standalone SKU sales execution. Daily users of Copilot rose nearly 50% QoQ and over 5x YoY, and user satisfaction improved nearly 20% QoQ. The number of customers with more than 50,000 Copilot seats increased over 8x YoY. For 2QFY27, management guided a further acceleration in commercial cloud revenue growth to c.19% in constant currency, primarily driven by ARPU expansion.

Earnings Summary

(YE 30 Jun)	FY25A	FY26A	FY27E	FY28E	FY29E
Revenue (US\$ mn)	281,724	331,839	395,660	478,696	572,428
YoY growth (%)	14.9	17.8	19.2	21.0	19.6
Net profit (US\$ mn)	101,832.0	133,749.0	148,067.1	178,868.8	213,220.2
YoY growth (%)	15.5	31.3	10.7	20.8	19.2
EPS (Reported) (US\$)	13.70	18.00	19.94	24.10	28.75
Consensus EPS (US\$)	13.64	17.28	19.74	23.51	28.80
P/E (x)	38.8	29.5	26.6	22.0	18.5

Source: Company data, Bloomberg, CMBIGM estimates

BUY (Maintain)

Target Price	US\$641.80
(Previous TP)	US\$634.20)
Up/Downside	20.9%
Current Price	US\$531.01

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)	3,945,744.7
Avg 3 mths t/o (US\$ mn)	3,942.6
52w High/Low (US\$)	543.45/352.83
Total Issued Shares (mn)	7430.6

Source: FactSet

Shareholding Structure

Vanguard Group	10.2%
Blackrock	8.2%

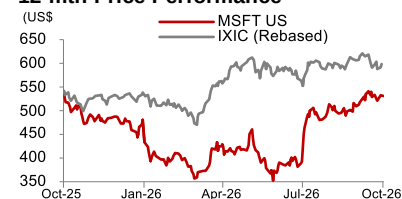
Source: Bloomberg

Share Performance

	Absolute	Relative
1-mth	4.3%	5.3%
3-mth	36.0%	25.2%
6-mth	25.1%	16.3%

Source: FactSet

12-mth Price Performance



Source: FactSet

Figure 1: Microsoft: quarterly financial results

(USDbn)	1QFY26	2QFY26	3QFY26	4QFY26	1QFY27	Bloomberg consensus	Diff (%)	CMBI estimates	Diff (%)
1. Agents and Infra revenue	61.7	64.4	67.4	74.6	76.8	75.6	1.6%		
Growth - yoy					24.5%				
As % of total revenue (%)	79.4%	79.3%	81.4%	82.9%	83.2%				
- Azure	22.4	24.1	26.0	29.4	33.2	32.2	2.9%		
Growth - yoy	39.7%	39.2%	40.3%	42.0%	48.2%				
- Microsoft 365 Cloud	23.7	24.5	25.4	26.7	27.8	27.5	1.1%		
Growth - yoy	18.4%	18.3%	21.2%	16.5%	17.2%				
2. Devices and Consumer revenue	16.0	16.8	15.4	15.4	15.5	15.0	3.0%		
Growth - yoy	5.9%	-0.2%	0.9%	-1.5%	-3.2%				
As % of total revenue (%)	20.6%	20.7%	18.6%	17.1%	16.8%				
Total revenue	77.7	81.3	82.9	90.0	92.3	90.6	1.8%	90.3	2.1%
Growth - yoy	18.4%	16.7%	18.3%	17.7%	18.8%				
Gross profit	53.6	55.3	56.1	60.5	62.6	60.9	2.7%	60.7	3.0%
Growth - yoy	17.9%	15.6%	16.4%	15.4%	16.6%				
Research and development expenses	8.1	8.5	8.9	10.0	9.0	8.9	1.2%		
Growth - yoy	8.0%	7.4%	8.7%	13.2%	11.1%				
R&D expense ratio (%)	10.5%	10.5%	10.8%	11.1%	9.8%	9.9%	0.0 ppt		
Sales and marketing expenses	5.7	6.6	6.8	7.6	5.7	6.2	-7.3%		
Growth - yoy	0.0%	2.2%	9.7%	4.3%	0.0%				
S&M expense ratio (%)	7.4%	8.1%	8.2%	8.4%	6.8%	6.8%	0.0 ppt		
General and administrative expenses	1.8	1.9	1.9	2.3	1.9	1.9	1.5%		
Growth - yoy	7.9%	6.0%	11.2%	14.9%	4.2%				
G&A expense ratio (%)	2.3%	2.4%	2.3%	2.5%	2.0%	2.0%	0.0 ppt		
Operating income	38.0	38.3	38.4	40.6	45.9	43.9	4.6%	43.8	4.7%
Growth - yoy	24.3%	20.9%	20.0%	18.3%	21.0%				
- Agents and Infra revenue	32.7	33.2	33.7	36.7	40.6				
- Devices and Consumer revenue	5.2	5.1	4.7	3.9	5.4				
Net income	27.7	38.5	31.8	35.8	36.6	35.2	4.2%	35.5	3.3%
Growth - yoy	12.5%	59.5%	23.1%	31.3%	32.0%				
GPM	69.0%	68.0%	67.6%	67.2%	67.8%	67.2%	0.6 ppt	67.2%	0.6 ppt
OPM	48.9%	47.1%	46.3%	45.1%	49.8%	48.5%	1.3 ppt	48.5%	1.2 ppt
- Agents and Infra	53.1%	51.5%	50.0%	49.3%	52.8%				
- Devices and Consumer	32.8%	30.3%	30.1%	25.1%	34.6%				
NPM	35.7%	47.3%	38.3%	39.7%	39.7%	38.8%	0.9 ppt	39.2%	0.4 ppt

Source: Company data, Bloomberg, CMBIGM estimates

Changes in forecast and valuation

Figure 2: Microsoft forecast revision

USD bn	Current			Previous			Change (%)		
	FY27E	FY28E	FY29E	FY27E	FY28E	FY29E	FY27E	FY28E	FY29E
Revenue	395.7	478.7	572.4	392.8	456.7	533.6	0.7%	4.8%	7.3%
Gross profit	262.3	311.2	369.8	261.2	301.5	349.5	0.4%	3.2%	5.8%
Operating profit	184.8	222.6	266.0	182.6	211.7	247.1	1.2%	5.2%	7.6%
Net profit	148.1	178.9	213.2	147.7	170.8	198.9	0.3%	4.7%	7.2%
GPM	66.3%	65.0%	64.6%	66.5%	66.0%	65.5%	-0.2 ppt	-1.0 ppt	-0.9 ppt
OPM	46.7%	46.5%	46.5%	46.5%	46.3%	46.3%	0.2 ppt	0.2 ppt	0.2 ppt
NPM	37.4%	37.4%	37.2%	37.6%	37.4%	37.3%	-0.2 ppt	0.0 ppt	0.0 ppt

Source: CMBIGM estimates

Figure 3: Microsoft: CMBI forecast vs consensus

USD bn	Current			Consensus			Diff (%)		
	FY27E	FY28E	FY29E	FY27E	FY28E	FY29E	FY27E	FY28E	FY29E
Revenue	395.7	478.7	572.4	390.6	467.0	568.8	1.3%	2.5%	0.6%
Gross profit	262.3	311.2	369.8	258.5	303.5	364.4	1.5%	2.5%	1.5%
Operating profit	184.8	222.6	266.0	182.9	217.4	265.8	1.0%	2.4%	0.1%
Net profit	148.1	178.9	213.2	146.9	175.1	212.7	0.8%	2.2%	0.2%
GPM	66.3%	65.0%	64.6%	66.2%	65.0%	64.1%	0.1 ppt	0.0 ppt	0.5 ppt
OPM	46.7%	46.5%	46.5%	46.8%	46.5%	46.7%	-0.1 ppt	0.0 ppt	-0.3 ppt
NPM	37.4%	37.4%	37.2%	37.6%	37.5%	37.4%	-0.2 ppt	-0.1 ppt	-0.1 ppt

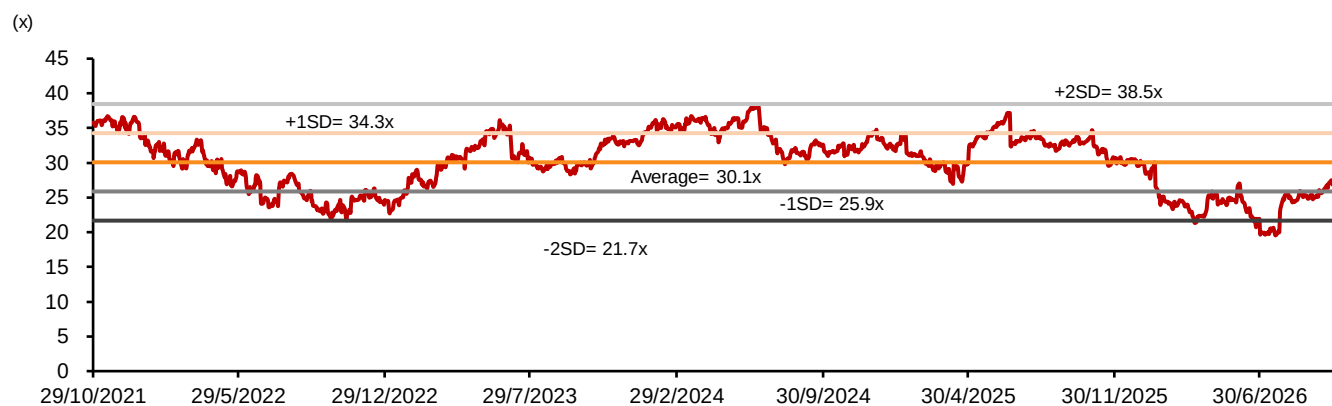
Source: CMBIGM estimates

Figure 4: Microsoft: DCF valuation (WACC of 7.9%; terminal growth of 3%; both unchanged)

(USDbn)	FY27E	FY28E	FY29E	FY30E	FY31E	FY32E	FY33E	FY34E	FY35E	FY36E
Total revenue	395.7	478.7	572.4	659.0	733.1	793.0	837.1	869.2	892.0	912.0
NPV of FCF	1,255									
Discounted terminal value	3,495									
Total equity valuation	4,769									
No. of shares (diluted, mn)	7,431									
Valuation per share (USD)	641.8									
TP per share (USD)	641.8									

Source: CMBIGM estimates

Note: our target price is based on FY27E target price.

Figure 5: Microsoft: one-year forward PE band over the past five years


Source: CMBIGM estimates

Note: our target price is based on FY27E target price.

Risks

1. Slower-than-expected margin expansion;
2. Slower-than-expected ramp-up in revenue contribution from AI related service.

Financial Summary

INCOME STATEMENT	2024A	2025A	2026A	2027E	2028E	2029E
YE 30 Jun (US\$ mn)						
Revenue	245,122	281,724	331,839	395,660	478,696	572,428
Cost of goods sold	(74,114)	(87,831)	(106,374)	(133,337)	(167,543)	(202,640)
Gross profit	171,008	193,893	225,465	262,323	311,152	369,789
Operating expenses	(61,575)	(65,365)	(70,228)	(77,519)	(88,524)	(103,836)
Selling expense	(24,456)	(25,654)	(26,710)	(29,556)	(33,987)	(40,070)
SG&A expense	(7,609)	(7,223)	(7,956)	(8,199)	(9,539)	(10,530)
R&D expense	(29,510)	(32,488)	(35,562)	(39,764)	(44,997)	(53,236)
Others	0	0	0	0	0	0
Operating profit	109,433	128,528	155,237	184,804	222,629	265,953
Other income/expense	(1,646)	(4,901)	10,697	396	957	572
Others	0	0	0	0	0	0
Pre-tax profit	107,787	123,627	165,934	185,200	223,586	266,525
Income tax	(19,651)	(21,795)	(32,185)	(37,133)	(44,717)	(53,305)
Others	0	0	0	0	0	0
After tax profit	88,136	101,832	133,749	148,067	178,869	213,220
Net profit	88,136	101,832	133,749	148,067	178,869	213,220

BALANCE SHEET	2024A	2025A	2026A	2027E	2028E	2029E
YE 30 Jun (US\$ mn)						
Current assets	159,734	191,131	207,710	243,473	243,623	283,711
Cash & equivalents	18,315	30,242	20,935	44,090	26,814	56,526
Account receivables	56,924	69,905	80,876	93,484	110,911	121,285
Inventories	1,246	938	1,397	1,397	1,397	1,397
Other current assets	83,249	90,046	104,502	104,502	104,502	104,502
Non-current assets	352,429	427,872	550,666	681,399	843,398	985,633
PP&E	135,591	204,966	313,076	443,809	605,808	748,043
Right-of-use assets	18,961	24,823	24,177	24,177	24,177	24,177
Investment in JVs & assos	14,600	15,405	36,348	36,348	36,348	36,348
Intangibles	27,597	22,604	18,609	18,609	18,609	18,609
Goodwill	119,220	119,509	119,651	119,651	119,651	119,651
Other non-current assets	36,460	40,565	38,805	38,805	38,805	38,805
Total assets	512,163	619,003	758,376	924,872	1,087,022	1,269,343
Current liabilities	125,286	141,218	168,825	187,970	223,967	245,784
Short-term borrowings	8,942	2,999	9,227	9,227	9,227	9,227
Account payables	21,996	27,724	42,416	45,503	64,971	68,644
Other current liabilities	94,348	110,495	117,182	133,240	149,769	167,913
Non-current liabilities	118,400	134,306	147,164	197,164	197,164	197,164
Long-term borrowings	42,688	40,152	31,067	81,067	81,067	81,067
Obligations under finance leases	15,497	17,437	16,532	16,532	16,532	16,532
Other non-current liabilities	60,215	76,717	99,565	99,565	99,565	99,565
Total liabilities	243,686	275,524	315,989	385,134	421,131	442,948
Share capital	100,923	109,095	117,406	117,406	117,406	117,406
Retained earnings	173,144	237,731	328,265	425,616	551,769	712,273
Other reserves	(5,590)	(3,347)	(3,284)	(3,284)	(3,284)	(3,284)
Total shareholders equity	268,477	343,479	442,387	539,738	665,891	826,395
Total equity and liabilities	512,163	619,003	758,376	924,872	1,087,022	1,269,343

CASH FLOW	2024A	2025A	2026A	2027E	2028E	2029E
YE 30 Jun (US\$ mn)						
Operating						
Profit before taxation	107,787	123,627	165,934	185,200	223,586	266,525
Depreciation & amortization	22,287	29,433	38,534	45,336	48,627	63,840
Tax paid	(19,651)	(21,795)	(32,185)	(37,133)	(44,717)	(53,305)
Change in working capital	1,824	(5,350)	(4,895)	6,537	18,570	11,443
Others	6,301	10,247	15,547	0	0	0
Net cash from operations	118,548	136,162	182,935	199,940	246,065	288,503
Investing						
Capital expenditure	(44,477)	(64,551)	(115,948)	(176,069)	(210,626)	(206,074)
Acquisition of subsidiaries/ investments	(17,732)	(29,775)	(58,351)	0	0	0
Net proceeds from disposal of short-term investments	24,775	16,079	34,605	0	0	0
Others	(59,536)	5,648	194	0	0	0
Net cash from investing	(96,970)	(72,599)	(139,500)	(176,069)	(210,626)	(206,074)
Financing						
Dividend paid	(21,771)	(24,082)	(26,445)	(28,445)	(30,445)	(30,445)
Net borrowings	24,395	0	0	0	0	0
Share repurchases	(17,254)	(18,420)	(22,271)	(22,271)	(22,271)	(22,271)
Others	(23,127)	(9,197)	(3,830)	50,000	0	0
Net cash from financing	(37,757)	(51,699)	(52,546)	(716)	(52,716)	(52,716)
Net change in cash						
Cash at the beginning of the year	34,704	18,315	30,242	20,935	44,090	26,814
Exchange difference	(210)	63	(196)	0	0	0
Cash at the end of the year	18,315	30,242	20,935	44,090	26,814	56,526
GROWTH	2024A	2025A	2026A	2027E	2028E	2029E
YE 30 Jun						
Revenue	15.7%	14.9%	17.8%	19.2%	21.0%	19.6%
Gross profit	17.1%	13.4%	16.3%	16.3%	18.6%	18.8%
Operating profit	23.6%	17.4%	20.8%	19.0%	20.5%	19.5%
Net profit	21.8%	15.5%	31.3%	10.7%	20.8%	19.2%
PROFITABILITY	2024A	2025A	2026A	2027E	2028E	2029E
YE 30 Jun						
Gross profit margin	69.8%	68.8%	67.9%	66.3%	65.0%	64.6%
Operating margin	44.6%	45.6%	46.8%	46.7%	46.5%	46.5%
Return on equity (ROE)	37.1%	33.3%	34.0%	30.2%	29.7%	28.6%
GEARING/LIQUIDITY/ACTIVITIES	2024A	2025A	2026A	2027E	2028E	2029E
YE 30 Jun						
Current ratio (x)	1.3	1.4	1.2	1.3	1.1	1.2
Receivable turnover days	78.6	82.2	82.9	80.4	77.9	74.0
Inventory turnover days	0.0	0.0	0.0	0.0	0.0	0.0
Payable turnover days	98.7	103.3	120.3	120.3	120.3	120.3
VALUATION	2024A	2025A	2026A	2027E	2028E	2029E
YE 30 Jun						
P/E	44.8	38.8	29.5	26.6	22.0	18.5
P/E (diluted)	45.0	38.9	29.6	26.6	22.0	18.4
P/B	14.8	11.5	8.9	7.3	5.9	4.7
P/CFPS	53.5	55.4	59.1	165.3	111.0	47.6

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, has been prepared and distributed in Hong Kong by CMBIGM under its regulatory framework for the regulated activities licensed and regulated by the Securities and Futures Commission of Hong Kong. The report is 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, directly or indirectly, to any other person, published in whole or in part for any purpose without prior written consent of CMBIGM.

Additional information on recommended securities is available upon request. If there is any inconsistency between the Chinese and English versions of this Important Disclosure, the English version shall prevail.

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.