

China / Hong Kong Company Guide

FWD Group Holdings Ltd

Bloomberg: 1828 HK | Reuters: 1828.HK

Refer to important disclosures at the end of this report

DBS Group Research . Equity

10 Mar 2026

BUY (Initiating Coverage)

Last Traded Price (10 Mar 2026): HKD33.74 (HSI: 25,960)

Price Target 12-mth: HKD50.00 (48% Upside)

Analyst

Ken Keng Yu SHIH kenshih@dbs.com

Price Relative



Forecasts and Valuation

FY Dec (USDm)	2024A	2025F	2026F	2027F
Ins. service result	670	700	825	985
Net investment result	241	211	220	161
Operating profit	463	502	581	665
Operating profit Gth (%)	22.5%	8.5%	15.6%	14.5%
Net profit	24	77	202	289
EPS (USD)	(0.08)	0.06	0.16	0.23
EPS Gth (%)	n.m.	-173.3%	161.5%	43.2%
BV Per Share (HKD)	50.0	43.6	45.3	47.6
P/Book Value (x)	0.7	0.8	0.7	0.7
P/EV (x)	0.7	0.8	0.7	0.6
ROAE (%)	0.3%	1.1%	2.7%	3.7%

Consensus EPS (USD)	0.12	0.23	0.33
Other Broker Recs	B:4	S:0	H:1

Source of all data on this page: Company, DBS Bank (Hong Kong) Limited ("DBS HK"), Thomson Reuters

Positive inflection point emerges

- VNB and CSM expected to grow 18% CAGR in FY26-27F, among the fastest in the sector
- Accelerating growth ahead in operating variance, IFRS profit, and NFSG, backed by growing scale, proactive capital management, and expense discipline
- Thailand recovery, together with strong Hong Kong and Japan demand, to support robust FYF growth
- Initiate BUY with TP of HKD50; undemanding valuation at 0.6x P/(ANW+CSM) vs Pan-Asia peers at 1.1x

Investment Thesis

Growth outlook to outpace Pan-Asia insurance peers. Established in 2013 and expanded into 10 markets via M&A, FWD is a young but fast-growing Pan-Asia lifer, with Hong Kong (Macau), Thailand and Japan as its key markets contributing 53%, 27% and 9% of VNB (new business value) in 1H25. With smaller contractual service margin (CSM) base and strong new business CSM generation, we expect its CSM balance to grow at an 18% CAGR in FY26-27F, outpacing major Pan-Asia insurance peers.

Inflection point reached for profit and net free surplus generation (NFSG).

Supported by FY24 assumption changes, proactive capital management delivering USD72m annual financing cost savings, and expense discipline, FWD has started to report positive operating variance in 1H25. We expect NFSG to accelerate further, driving IFRS 17 operating profit and net profit CAGRs of 16%/93%, with embedded value (EV) projected to grow at 16% CAGR in FY26-27F.

Improving Thailand outlook with robust growth in HK and Japan.

We expect Thailand's policy rate to bottom at 1% following the BOT's latest cut at end-Feb 2026. SCB (SCB TB) has also guided for mid-to-high fee income in FY26F, supported by stronger wealth management outlook (+2.5% y/y in FY25), which bodes well for FWD's Thailand operations outlook. Underlying demand in HK and Japan is expected to remain robust, with the HNW segment and retirement planning driving new business growth in the markets, respectively.

Initiate with BUY and TP of HKD50. We initiate coverage on FWD with BUY and TP of HKD50, based on 1.0x FY26F P/EV. On a P/ [Adjusted net worth (ANW)+CSM] basis, the stock trades at 0.6x versus the Pan-Asia average of 1.1x, which appears undemanding.

Key Risks

Slower than expected GDP growth in key markets, intensifying competition, margin compression, and increased capital market volatility.

At A Glance

Issued Capital (m shrs)	1,276
Total Mkt Cap (HKDm/USDm)	44,533 / 5,693
Major Shareholders (%)	
Li (Tzar Kai Richard)	66.2
Swiss Reinsurance Company, Ltd.	5.6
Free Float (%)	28.2
3m Avg. Daily Val. (USDm)	3.5
GICS Industry: Financials/Insurance	

Table of Contents

Young but fast growing	3
Inflection point emerges	5
Prudent investment portfolio with low EV sensitivity	9
Initiate with BUY and TP of HKD50	11

FWD Group Holdings Ltd

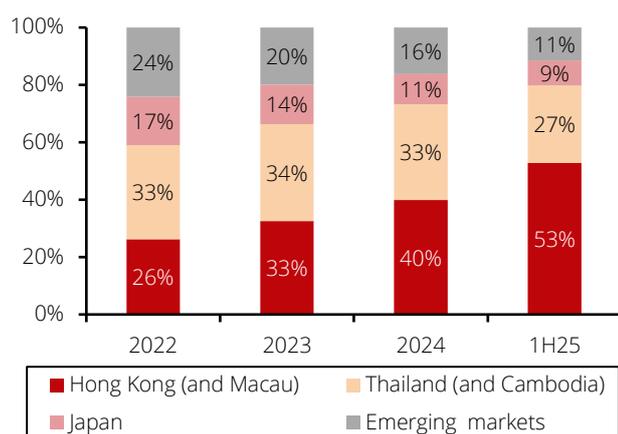
Young but fast growing

Established in 2013, FWD has expanded its footprint across 10 major Asian markets, mainly through M&A. FWD is a Pan-Asia life insurance company with businesses concentrated in Hong Kong (& Macau), Thailand (& Cambodia), Japan and other Asia markets. In 1H25, Hong Kong (& Macau), Thailand (& Cambodia) and Japan accounted for 51%, 25% and 5% of its APE (annual premium equivalent), and contributed 53%, 27% and 9% of its VNB (new business value) for the same period (figure 1). Other Asian markets, including the Philippines, Indonesia, Singapore, Vietnam and Malaysia, collectively accounted for 19% and 11% of its APE and VNB in 1H25, respectively.

Business concentrated in Hong Kong, Thailand and Japan markets

Similar to other major Pan-Asia life insurance peers, Hong Kong market typically represents the largest market for insurers, accounting for around 35-53% of insurers' VNB (figure 4). In comparison, China and Singapore markets usually contribute a relatively meaningful share of VNB for many Pan-Asia life insurance peers. FWD, however, derives higher contribution from Thailand and Japan. AIA (1299 HK) also generates relatively higher proportion of VNB from Thailand (at 17.2% as of 1H25), while Manulife's (945 HK) Asia business derives about 9% of its Asia business VNB from Japan.

Figure 1: FWD's VNB by major markets

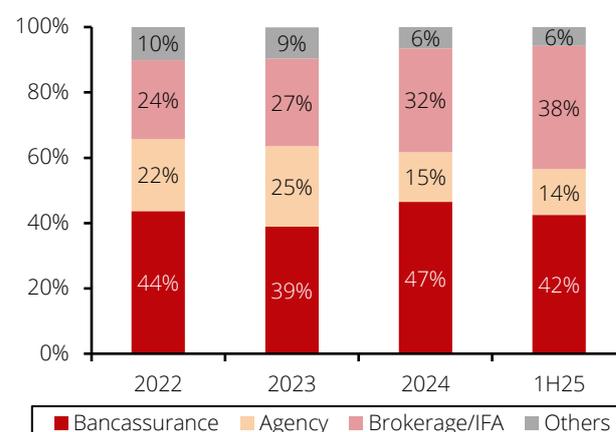


Source: Company data, DBS

Channel strategy tailored to each key market

Leveraging its legacy-light and well-established digital architecture, FWD has adopted a tech-enabled, multi-channel strategy, with a strong focus on third-party channels. As of 1H25, its bancassurance and IFA (individual financial advisory)/brokerage channel has accounted for 42% and 38% of its VNB, comprising the two major channels for FWD, followed by agency (14% of VNB) and others (6% of VNB). The insurer also adopts a customer-led approach, developing distribution capabilities tailored to each market. This strategy has supported FWD in delivering above-industry growth across its key markets.

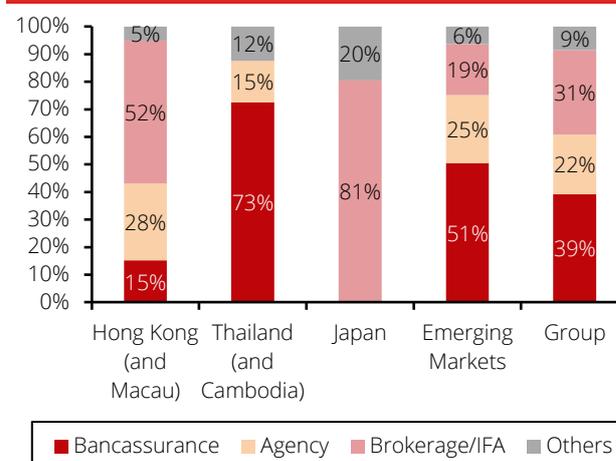
Figure 2: FWD's VNB by channel



Source: Company data, DBS

In Thailand, the successful acquisition of SCB Life in 2019 has significantly expanded its operating scale and secured a 15-year exclusive bancassurance partnership with SCB (SCB TB), a leading D-SIB (domestic systematically important bank) in Thailand with a strong consumer banking franchise. The partnership was further extended by another 2 years in 2023, now running until 2036. This arrangement has enabled FWD to grow strongly through the bancassurance channel in Thailand, which contributed 73% and 82% of its Thailand APE and VNB in 2024, respectively (figure 3). In Japan, following regulatory changes affecting COLI (Corporate Owned Life Insurance) towards corporate-owned life insurance in 2019, FWD has pivoted away from COLI towards individual protection products distributed through third-party brokerage/IFA channels. These channels accounted for 81% of Japan's APE in 2024, with individual protection products contributing 97% of VNB in Japan for the year.

Figure 3: FWD's APE channel mix by key markets - 2024



Source: Company data, DBS

Figure 4: Pan-Asia insurers - VNB breakdown by market and margin

Ticker Insurer/ Unit: USD m	1299 HK AIA			2378 HK Prudential			945 HK Manulife Asia*			1828 HK FWD		
	2023	2024	1H25	2023	2024	1H25	2023	2024	2025	2023	2024	1H25
VNB/NBP by market												
Hong Kong	1,430	1,764	1,063	1,411	1,438	540	538	772	966	323	333	267
China	1,037	1,217	743	222	111	156	111	183	185			
Thailand	713	816	522							335	278	137
Singapore	394	454	259	484	557	184	207	278	342			
Malaysia	319	349	192	167	160	44						
Indonesia				142	145	51						
Japan							117	194	165	136	88	44
Other markets	406	467	249	699	667	316	233	185	174	197	136	58
<i>Sub-total</i>	4,299	5,067	3,028	3,125	3,078	1,291	1,206	1,612	1,832	991	834	506
VNB/NBP margin (%) by market												
Hong Kong	59.4%	67.6%	66.1%	71.8%	69.7%	49.8%	59.5%	47.5%	49.2%	63.1%	41.5%	41.7%
China	51.3%	56.1%	58.6%	41.6%	23.9%	43.5%	15.0%	20.4%	15.7%			
Thailand	93.2%	99.4%	115.5%							54.1%	48.1%	44.1%
Singapore	67.2%	50.6%	47.3%	61.5%	64.0%	43.3%	25.3%	29.1%	30.6%			
Malaysia	67.4%	67.5%	69.1%	43.5%	39.4%	23.2%						
Indonesia				51.3%	55.3%	40.8%						
Japan							44.7%	49.6%	35.9%	108.8%	74.6%	69.8%
Other markets	29.1%	29.3%	31.6%	36.3%	31.2%	28.6%	39.4%	33.0%	33.0%	50.5%	32.3%	25.0%
<i>Sub-total</i>	56.2%	58.9%	61.3%	53.2%	49.6%	39.3%	36.4%	36.4%	34.9%	60.2%	43.5%	40.6%
% of VNB/NBP by market												
Hong Kong	33.3%	34.8%	35.1%	45.2%	46.7%	41.8%	44.6%	47.9%	52.7%	32.6%	39.9%	52.8%
China	24.1%	24.0%	24.5%	7.1%	3.6%	12.1%	9.2%	11.4%	10.1%			
Thailand	16.6%	16.1%	17.2%							33.8%	33.3%	27.1%
Singapore	9.2%	9.0%	8.6%	15.5%	18.1%	14.3%	17.2%	17.2%	18.7%			
Malaysia	7.4%	6.9%	6.3%	5.3%	5.2%	3.4%						
Indonesia				4.5%	4.7%	4.0%						
Japan							9.7%	12.0%	9.0%	13.7%	10.5%	8.7%
Other markets	9.4%	9.2%	8.2%	22.4%	21.7%	24.5%	19.3%	11.5%	9.5%	19.9%	16.3%	11.5%

Note: * Manulife's FY25 based on full year figure. Others based on 1H25 figure.

**AIA's other markets include Australia, Cambodia, India (49% owned), Indonesia, Myanmar, New Zealand, the Philippines, South Korea, Sri Lanka, Taiwan and Vietnam

***Prudential's Thailand, Vietnam, the Philippines, Cambodia, Laos, Myanmar, India, Taiwan and Africa

****Manulife Asia's other market include International High Net Worth, Vietnam, Indonesia, the Philippines, Malaysia, Thailand, Cambodia and Myanmar

*****FWD's other markets include Indonesia, Malaysia, the Philippines, Singapore and Vietnam

Source: Company data, DBS HK

In Hong Kong, demand for participating products remains strong, supported by structural opportunities from MCV (Mainland Chinese Visitors), the HNW (High Net Worth) segment and retirement planning. Distribution is more diversified across Brokerage/IFA, agency and bancassurance channels, which accounted for 52%, 28% and 15% of APE in 2024.

Resilient VNB margin outlook despite higher third-party channel concentration

Although FWD has a relatively high reliance on third-party channels (including bancassurance and brokerage/IFA), its VNB margin remains resilient. Blended VNB margin stood at 40.6% in 1H25 (figure 4), which is moderately higher than some Pan-Asia peers such as Prudential (2378 HK) and Manulife (945 HK).

AIA (1299 HK), on the other hand, has consistently delivered an above peers VNB margin profile given its higher concentration in protection products with earlier product repricing progress in the past few years, following rising medical inflation across the region. Despite the general perception that third-party channels generate lower VNB margins, we believe FWD's margin profile remains robust and resilient, mainly backed by high margin profile from Japan's individual protection business, and decent margin from Thailand and Hong Kong market, in our view.

FWD Group Holdings Ltd

Inflection point emerges

As a relatively young Pan-Asia life insurer that has expanded across 10 major Asian markets mainly through M&As, FWD required time to build operating scale and accumulate underwriting book. M&As have also led to higher expenses and leverage, as FWD financed inorganic growth. As a result, despite strong operating metrics such as VNB growth, CSM (contractual service margin) accumulation and improving operating profit, FWD reported negative IFRS 17 net profit and negative operating variance in earlier years due to higher financing costs.

However, the operating profile has begun to shift as FWD reaches greater scale. With improved expense discipline and proactive capital management including refinancing and debt retirement following its IPO in July 2025, FWD is reaching a clear inflection point.

Expect VNB and CSM balance to grow at 18% CAGR during FY26-27

Backed by robust underlying drivers - including demand from the MCV segment, participating products and the growing HNW segment in Hong Kong, as well as retirement demand in Japan supporting both protection and saving products - and with macro headwinds in Thailand gradually turning to tailwinds, we forecast FWD's VNB growth to grow at an 18% CAGR during FY26-27. This growth will be driven mainly by a 26% CAGR from HK market, while Thailand and Japan are expected to deliver mid-to-high single digit y/y growth over the next 2 years.

This should transform into a similar growth trajectory for new business CSM. As new business CSM accounts for 23% of FWD's total CSM balance, higher than Pan-Asia peers, and given its relatively smaller CSM base, we expect FWD's CSM balance grow faster than peers. We forecast CSM balance to grow at an 18% CAGR during FY26-27, compared with peers' average growth of 10%-12% y/y during the same period (figure 5).

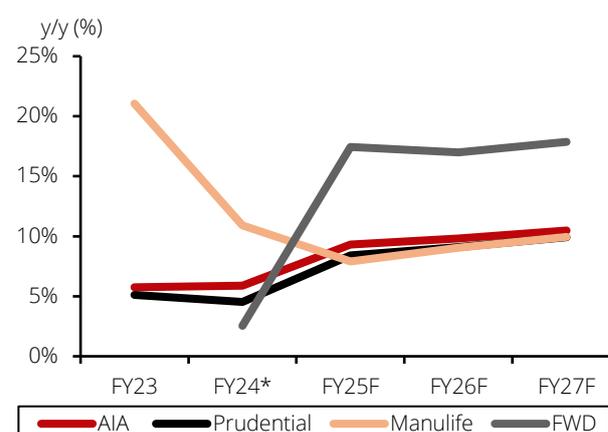
Positive operating variance and further financing cost reduction to also help drive growth

In addition, benefits from increasing operating scale have begun to emerge. Together with continued expense discipline, FWD's operating variance has turned positive for the first time in 1H25. This also helped further CSM accumulations, which should ultimately drive higher insurance service results (P&L item), embedded value (EV) growth as well as net free surplus generation (NFSG). With the impact of operating assumption changes mostly reflected in FY24 and operating scale continuing to improve, we expect further acceleration in operating variance in FY26-27F.

Along with the IPO proceeds of USD466m received after listing in July 2025, FWD has made effort to further optimize its capital structure by retiring a higher-cost USD900m note and USD700m perpetual securities in September and October 2025, respectively. FWD subsequently issued a USD575m dual-tranche 5-year and 10-year subordinated securities in September 2025 (figure 6). The

refinancing has reduced financing costs by USD72m annually, which we estimate represents about 15% of its OPAT in FY25F. With management targeting to lower its overall **leverage ratio to the 15% to 20% range**, from 21.8%, based on 1H25 pro forma post refinancing, we believe continued capital optimisation should further lower financing costs, supporting stronger profitability and NFSG.

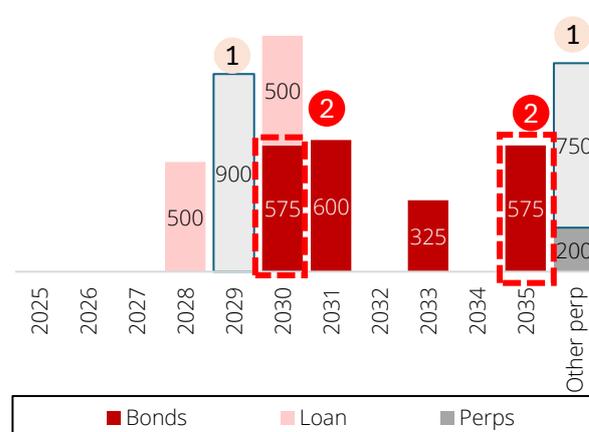
Figure 5: Major Pan-Asia lifers - CSM balance y/y growth



Note: FY24 figure based on post operating/economic assumption changes. Growth rate under like-for-like basis should be higher than above demonstrated

Source: Company data, DBS

Figure 6: Capital optimization and debt maturity profile



Note: (1) USD900m note and USD75m perps retired

(2) USD575m dual-tranche 5-year and 10-year subordinated securities issued

Source: Company data, DBS

FWD Group Holdings Ltd

OPAT and EV growth to reach 16% CAGR in FY26-27F

The combined effect of CSM growth and improving operating variance should support robust OPAT growth. We expect OPAT growth to reach 16% CAGR in FY26-27F, outpacing its Pan-Asia peers, whose OPAT growth is expected to range between 9% to 12% y/y over the same period. This stronger growth reflects FWD's higher OPAT contribution from net insurance service results (i.e. CSM amortization).

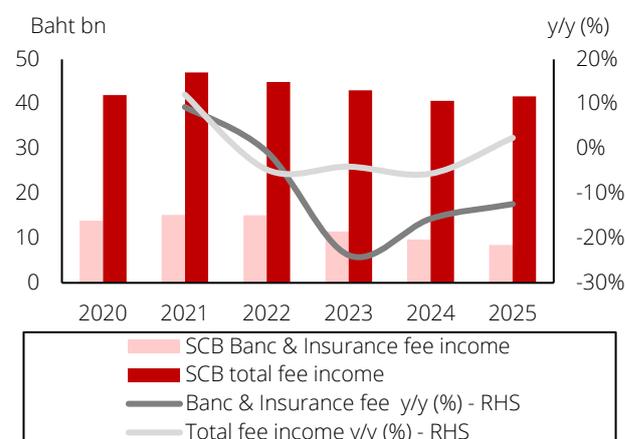
With the benefit of further financing cost reductions, we also expect the insurer to deliver robust Embedded Value (EV) growth of 16% CAGR over the same period, outpacing its peers.

Thailand: Growth turning from macro-headwind to tailwind

The Bank of Thailand (BOT) announced on 26 February 2026 a further 25bps policy rate cut to 1%. We believe this round of interest rate cuts is nearing its end. DBS Econs team is forecasting Thailand policy rate to remain at 1% through the end of FY27F. In response to this rate cut cycle in Thailand, which began in October 2024 with total rate cut of 150bps, FWD revised its economic assumptions for FWD Thailand during the period. This has moderately impacted its EV calculations, VNB and new business CSM from its Thailand portfolio. Nonetheless, as Thailand's interest rate cut cycle is coming to an end, we expect the previous macro-headwinds from Thailand market to gradually turn into tailwinds going forward.

Furthermore, DBS Thailand Banking Analyst, Thaninee Satirareungchai, suggests the business outlook for SCB is improving, with senior management guiding for mid-to-high digit growth in total fee income in FY26F (Report link: [SCB – Positioned for portfolio expansion](#)), compared with 2.5% y/y growth in FY25 (figure 7). As SCB's wealth business is likely to reaccelerate, we believe this also bodes well for SCB's bancassurance & insurance fee income outlook.

Figure 7: SCB's fee income and banc fee income growth

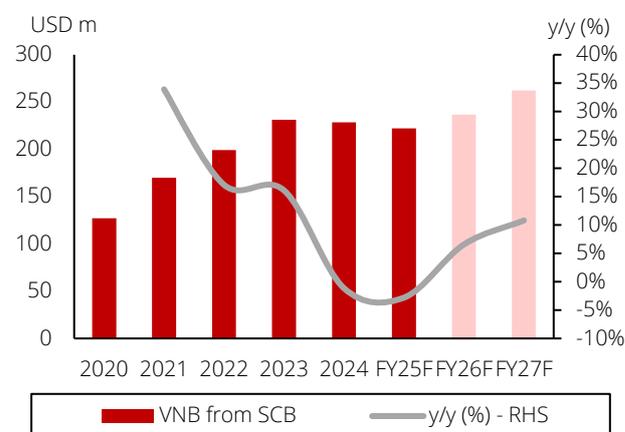


Note: above do not reflect the like-for-like changes due to operating or economic assumption changes

Source: Company data, DBS

According to DBS Thailand Banking Analyst, the higher SCB bancassurance and insurance fee income during 2020 to 2022 was mainly due to upfront fees and performance-linked fees received from FWD Life Insurance under its 15-year exclusive bancassurance agreement. Excluding these front-loaded fees, the growth trajectory of SCB's banc fee income should be broadly in line with SCB's overall income growth.

Figure 8: FWD's VNB generated from SCB



Note: above do not reflect the like-for-like changes due to operating or economic assumption changes

Source: Company data, DBS

FWD Group Holdings Ltd

Positive VNB growth outlook for FWD Thailand

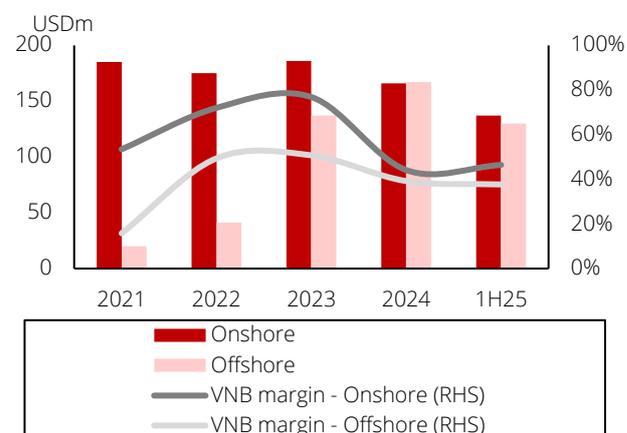
With the impact of lower interest rates largely behind us and positive fee income growth guidance from SCB, we believe this points to a reaccelerating VNB growth outlook for FWD's Thailand business. Overall, we expect VNB generated from SCB to grow by 9% y/y and 13% y/y over the next 2 years, compared with decline of 3% y/y in FY25F, based on our estimate (figure 8). Given FWD's sizable presence in Thailand, we believe the improving Thai macro backdrop and SCB outlook will serve as key catalysts to drive FWD's growth.

Hong Kong: Balance portfolio with HNW segment driving strong growth

FWD adopts a multi-channel strategy in Hong Kong with a more balance mix ranging from brokerage/IFA (52% of APE), agency (28%), bancassurance (15%). This allows the insurer to tap into multiple customer segments including MCV, the Hong Kong domestic market, and more recently, the High Net Worth (HNW) segment. For bancassurance, FWD partners with major China and Hong Kong incorporated banks, enabling the insurer to capture MCV demand both in Hong Kong and Greater Bay Area (GBA). The brokerage/IFA channel has also allowed the insurer to capture opportunities from both the MCV, and the fast-growing HNW segment, where it established FWD Private in 2023 to expand its presence in the fast-growing HNW segment.

Growth from FWD's Hong Kong (& Macau) offshore segment has served as a key driver of its Hong Kong (& Macau) VNB growth since 2023, and we expect this trend to continue. While the change in economic assumptions (application of a higher risk discount rate) suppressed its growth and VNB margin in 2024, we believe the impact is now largely behind us and margins should stabilise. Benefitting from Hong Kong's participating product illustration rate regulatory change, which took effect from July 2025 onward, strong growth was observed in 1H25 (ahead of the policy change). We expect growth momentum to normalise in 2H25F, with maintaining a robust outlook going forward.

Figure 9: FWD Hong Kong VNB breakdown by segment



Note: above do not reflect the like-for-like changes due to operating or economic assumption changes

Source: Company data, DBS

Manageable impact from brokerage referral fee cap

Hong Kong Insurance Authority (IA) announced a 50% referral fee cap on licensed insurance brokers, with new rule taking effect from October 2025. According to Manulife (945 HK), the new rule may have a temporary impact on growth from the MCV brokerage channel, though the impact is expected to normalize from 1Q26 onward as the industry adjusts to the new rule. Although the brokerage/IFA channel accounts for 52% of its APE and is sizeable, we believe the impact on FWD should be manageable. Based on quarterly data released by HKIA, as of 9M25, FWD's average ticket size from the brokerage channel was around USD19k, compared with USD5k to USD10k from its Pan-Asia peers. This suggests that a sizeable portion of FWD's brokerage channel is related to HNW segment rather than MCV. As HNW business typically leverages international brokerage channels that are more exclusive and less reliant on third-party referrals, we believe the HNW segment should face limited impact from the new rule.

Japan: Pivoting to individual protection business

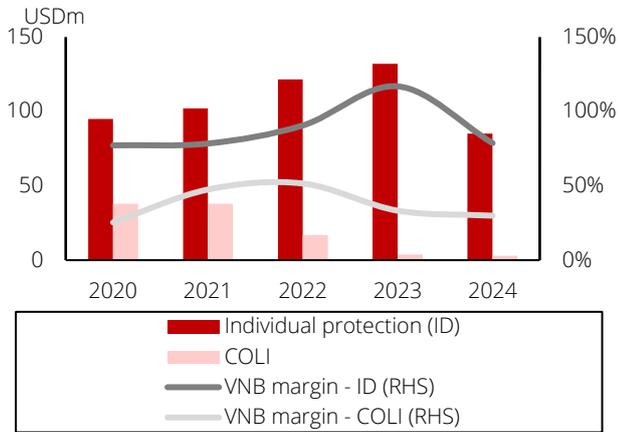
In response to regulatory changes affecting COLI products in Japan, and similar to other industry players, FWD has pivoted away from COLI and expanded into individual protection products. Demand for these products is expected to remain supported by increasing retirement planning needs and Japan's ageing population. The insurer also leverages on IFA channel to drive sales of individual protection products, with the IFA channel accounting for a sizeable 81% of its APE in 2024. Growth in individual protection products has helped mitigate the impact from the decline in the COLI segment, and in particular, contributed to the noticeable uplift in VNB margin. The slowdown in FY24 was mainly due to operating assumption changes implemented at the

FWD Group Holdings Ltd

end of 2023. On a like-for-like basis, however, FWD delivered 12% y/y VNB growth for the year (figure 10).

With further expansion of its product offering into savings and retirement solutions, we expect the business to continue delivering mid-to-high single digit growth in the coming years.

Figure 10: FWD Japan VNB breakdown by segment



Note: above do not reflect the like-for-like changes due to operating or economic assumption changes
 Source: Company data, DBS

FWD Group Holdings Ltd

Prudent investment portfolio with low EV sensitivity

While FWD outsources a portion of its investment portfolio to external investment managers, including PineBridge, SCB Asset Management and Apollo, and manages a portion of the portfolio for policyholders and shareholder investments, it continues to oversee all investment activities and risk through its Group-level ALMCO (asset-liability management committee), ensuring prudent asset-liability matching and overall investment discipline. From

major asset class perspective, FWD's investment portfolio appears conservative. Around 83% and 13% of its total investment book (including both participating and non-participating funds) are allocated to fixed income (mainly government & government agency and corporate bond) and equity/investment funds, respectively (figure 11). Looking specifically at its non-participating business, which is connected with its shareholder returns, asset allocation to fixed income and equity portfolio stands at 86% and 8% of its non-participating portfolio, which is broadly in line with its Pan-Asia peers. Overall, we view FWD's investment portfolio as prudent.

Figure 11: Investment portfolio allocation of major Pan-Asia life insurers as of 1H25

AIA Investment portfolio				Prudential Investment portfolio					FWD Investment portfolio			
USD bn	Par business	Non-Par business	Total	USD bn	Par business	Unit-linked	Non-Par business	Total	USD bn	Par business	Non-Par business	Total
Gov't & Gov't Agency Bond	30	81	111	Gov't & Gov't Agency Bond	30	2	8	40	Gov't & Gov't Agency Bond	3	18	21
Corporate Bonds	40	28	68	Corporate Bond	37	3	5	45	Corporate Bond	6	5	12
Structured Securities	0	3	4	Asset-backed Securities	0	0	0	0	Structured securities	3	2	5
Loans and Deposit	1	4	5	Loans and Deposits	4	1	4	8	Loans and Deposits	0	1	1
Fixed income	71	117	188	Fixed income	71	6	16	93	Fixed income	13	25	39
Equities	51	16	67	Equities	59	23	2	84	Equities/investment funds	4	2	6
Real Estate	4	5	8	Real Estate	-	-	0	0	Real Estate	-	0	0
Others	4	6	11	Others	1	0	0	1	Others	0	1	1
Total Invested Assets	130	143	273	Total Invested Assets	131	29	18	178	Total Invested Assets	17	29	47
% of total				% of total					% of total			
Gov't & Gov't Agency Bond	23%	56%	41%	Gov't & Gov't Agency Bond	23%	8%	44%	23%	Gov't & Gov't Agency Bond	20%	60%	45%
Corporate Bonds	31%	20%	25%	Corporate Bond	28%	9%	25%	25%	Corporate Bond	37%	17%	25%
Structured Securities	0%	2%	1%	Asset-backed Securities	0%	0%	0%	0%	Structured securities	20%	6%	11%
Loans and Deposit	1%	3%	2%	Loans and Deposits	3%	3%	19%	5%	Loans and Deposits	0%	3%	2%
Fixed income	55%	81%	69%	Fixed income	54%	20%	89%	52%	Fixed income	78%	86%	83%
Equities	39%	11%	24%	Equities	45%	80%	10%	47%	Equities/investment funds	21%	8%	13%
Real Estate	3%	3%	3%	Real Estate	0%	0%	0%	0%	Real Estate	0%	2%	1%
Others	3%	4%	4%	Others	1%	0%	2%	1%	Others	1%	4%	3%

Source: Company data, DBS

Figure 12: EV sensitivity of major Pan-Asia life insurers to interest rates and equity markets

Regional insurers	Sensitivity to embedded value (EV)	FY24	1H25
AIA	50 bps increase in interest rate	-0.8%	-1.1%
	50 bps decrease in interest rate	0.7%	0.9%
	10% increase in equity price	3.2%	3.2%
	10% decrease in equity price	-3.3%	-3.3%
Prudential	100 bps increase in interest rate	-5.1%	-6.0%
	50 bps decrease in interest rate	2.9%	3.4%
	10% increase in equity/property market value	n.a.	n.a.
	20% decrease in equity/property market value	-5.1%	-5.3%
FWD	+50 bps shift in yield curve	-1.2%	-1.3%
	-50 bps shift in yield curve	1.0%	1.2%
	10% increase in equity price	3.4%	2.9%
	10% decrease in equity price	-3.3%	-3.0%

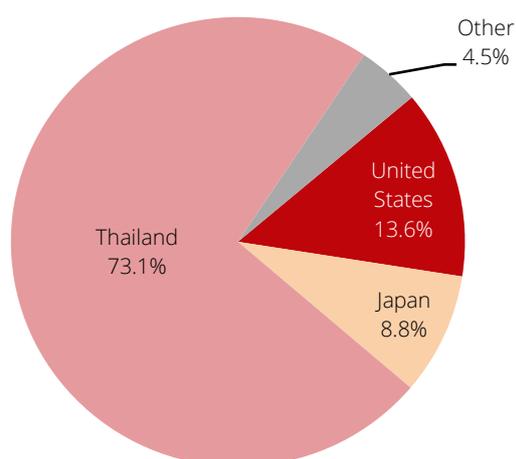
Source: Company data, DBS

FWD Group Holdings Ltd

Low EV sensitivity to yield changes

Based on major Pan-Asia lifer insurers' Embedded value disclosures, FWD exhibits relatively low EV sensitivity towards yield curve movements. A 50bps shift in the yield curve results in only 1.2% to 1.3% change in EV, broadly similar to AIA (figure 12). This suggests sound asset-liability management, with asset-liability durations relatively well matched.

Figure 13: FWD government bonds portfolio by market



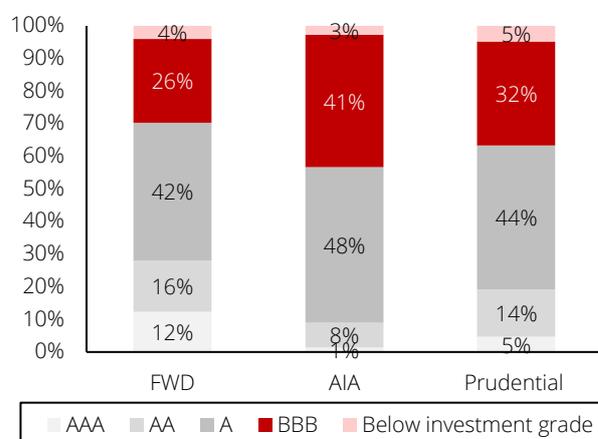
Source: Company data, DBS

Bond investment portfolio credit rating in line with peers

Looking at FWD's bond investment portfolio across both participating and non-participating businesses, 73.1% of its government bond portfolio is derived from Thailand, market, followed by 13.6% from US government bonds (supporting its HK and USD-dominated underwriting book), and 8.8% from Japanese government bonds, based on 1H25 data (figure 13). The portfolio is relatively concentrated in Thailand government bonds, which we believe reflects the legacy portfolio from the SCB Life acquisition in 2019 (a sizeable acquisition of USD3bn).

In terms of credit ratings of its corporate bond and structured securities portfolio, 26% of the portfolio is BBB rated and 4% is below investment grade (figure 14). The share of BBB and sub-investment grade exposure is broadly in line with major Pan-Asia peers, given that FWD's portfolio includes both participating and non-participating businesses. While AIA shows higher BBB exposure at 41%, this largely reflects its sizeable participating portfolio at 59%, while other Pan-Asia insurers have smaller participating businesses.

Figure 14: Major insurer's corporate bond portfolio rating



Note: Above includes corporate bond and structured security portfolio credit rating

Source: Company data, DBS

FWD Group Holdings Ltd

Initiate with BUY and TP of HKD50

We initiate coverage on FWD (1828 HK) with a BUY rating and a target price of HKD50, based on 1.0x FY26F P/EV. We view this target multiple as reasonable, given that our fair value range for peers is 1.3x to 1.8x, while we believe FWD should trade at a discount to peers.

The discount reflects: 1) FWD remains at an earlier stage of accumulating net free surplus generation and expanding its underwriting book; and 2) management prioritizes the use of cash for a) reducing leverage to the 15% to 20% target range, b) supporting organic growth, and c) dividend distribution. We expect the insurers will only distribute dividends in the medium term, given its relatively short operating track record.

Nonetheless, with the shares currently trading at 0.7x FY26F P/EV, or 0.6x FY26F P/[ANW+CSM], valuation appears undemanding. We see 48% potential share price upside to our target price.

Undemanding valuation - trading at only 0.6x FY26F P/[ANW+CSM]

Using our alternative valuation metric of P/[ANW+CSM], which we believe better reflect insurer valuation under IFRS 17, FWD is currently trading at only 0.6x P/[ANW+CSM], versus its Pan-Asia life insurer peers trading at around 1.1x (figure 15). It is also worth noting that FWD is trading at a discount to some major Chinese

insurers, including China Life (2628 HK) and CPIC (2601 HK), trading at 0.7x and 0.6x P/[ANW+CSM], respectively.

MSCI Global Small Cap Index inclusion should improve turnover

We believe another reason FWD trades at a deep discount to its major peers is its low average daily turnover (ADT), which has averaged USD2-3m since listing. While its free-float is currently at 34%, we estimate the adjusted free-float may be closer to 16%, as some anchor investors are long-term holders. However, the low ADT situation may gradually improve following FWD's inclusion in the MSCI Global Small Cap Index, which became effective 27 February 2026 (market close) and onward. This inclusion should prompt passive funds to gradually increase holdings in FWD, which may in turn help improve trading liquidity.

Key risks

We highlight the following key risks to our analysis: a) significant economic slowdown in key operating markets, b) intensifying market competition, c) significant equity market correction, and d) pressure on product margins.

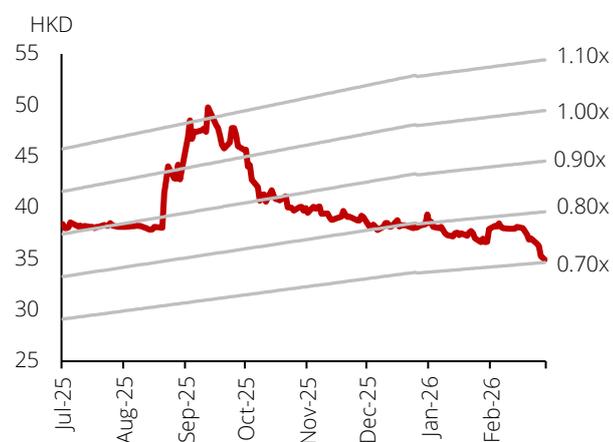
Figure 15: P/[ANW+CSM] valuation of major Pan-Asia and Chinese life insurers

Unit: USD bn Ticker Insurer	Regional insurers				Chinese insurers				
	1299 HK AIA	2378 HK Prudential	945 HK Manulife	1828 HK FWD*	2318 HK Ping An	2628 HK China Life	2601 HK CPIC	1339 HK PICC Group	966 HK China Taiping
Current market cap	115	37	58	6	196	155	57	51	10
Exclude listed subsidiaries	n.a.	n.a.	n.a.	n.a.	18	n.a.	n.a.	36	n.a.
Exclude non-listed subsidiaries	n.a.	n.a.	n.a.	n.a.	26	n.a.	6	n.a.	1
Adjusted life business market cap	115	37	58	6	151	155	51	16	9
1H25 Embedded value	71	34	n.a.	6	127	208	63	23	22
1H25 ANW+Net CSM	80	33	44	8	144	232	68	31	32
1H25 EV/(ANW+Net CSM) (x)	0.88	1.01	n.a.	0.73	0.88	0.90	0.93	0.76	0.67
FY26F Embedded value	77	38	n.a.	8	142	226	71	29	25
FY26F ANW+Net CSM	92	37	55	10	188	233	81	38	39
FY26F P/EV (x)	1.49	0.98	n.a.	0.74	1.06	0.68	0.72	0.53	0.37
FY26F P/(ANW+Net CSM) (x)	1.26	0.99	1.04	0.59	0.81	0.66	0.63	0.41	0.24

Source: Company data, DBS

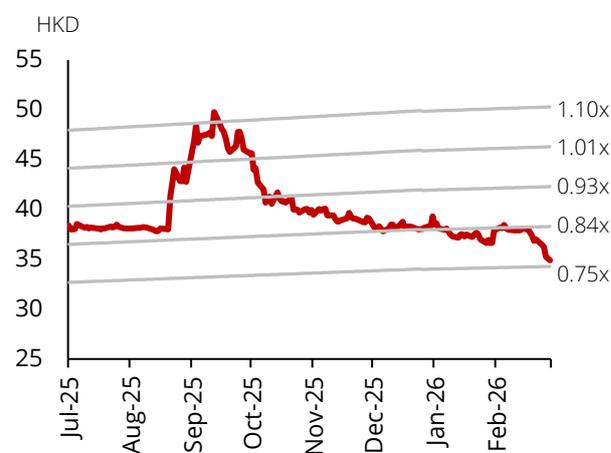
FWD Group Holdings Ltd

Figure 16: FWD's PEV trading band since IPO



Source: Company data, DBS

Figure 17: FWD's PB trading band since IPO



Source: Company data, DBS

Figure 18: FWD's past merger and acquisition history

Year	Target / Business Unit	Country	Value / Stake
2013	ING Group (HK, Macau, Thailand)	Multiple	US\$2.1 Billion
2015	PT Finansial Wiramitra Danadyaksa	Indonesia	50.1% Stake
2016	Shenton Insurance	Singapore	90% Stake
2016	Great Eastern Life (Vietnam)	Vietnam	US\$35 Million
2017	AIG (Fuji Life Insurance Co.)	Japan	Not Disclosed
2018	HSBC Amanah Takaful	Malaysia	49% Stake
2018	PT Commonwealth Life	Indonesia	US\$300 Million
2019	MetLife (Hong Kong)	Hong Kong	<US\$400 Million
2019	SCB Life Assurance (Siam Commercial Bank)	Thailand	US\$3 Billion
2019	Siam City Insurance	Thailand	n.a.
2020	Vietcombank-Cardif Life Insurance	Vietnam	US\$400 Million
2021	BRI Life (Bank Rakyat Indonesia)	Indonesia	29.9% Initial Stake
2023	Gibraltar BSN	Malaysia	n.a.
2024	FWD Takaful (Additional Stake)	Malaysia	To 70% Total
2024	BRI Life (Additional Stake)	Indonesia	To 44% Total

Source: Company data, DBS

FWD Group Holdings Ltd

Figure 19: Peer comparison table

Coverage	Ticker	Price (LC)	Mkt Cap (US\$ m)	PBV (x)		PEV* (x)		Div Yield (%)		ROE (%)	
				FY25F	FY26F	FY25F	FY26F	FY25F	FY26F	FY25F	FY26F
H-share Insurers											
AIA	1299 HK	83.90	107,132	2.7	2.5	1.6	1.5	2.7%	2.8%	17.4%	18.1%
China Life - H	2628 HK	28.62	155,692	1.3	1.3	0.5	0.5	3.2%	3.3%	24.8%	19.6%
China Taiping	966 HK	21.98	10,100	0.9	0.9	0.3	0.3	1.7%	1.9%	10.5%	11.3%
CPIC - H	2601 HK	33.60	50,891	0.9	0.8	0.7	0.6	3.9%	4.1%	17.0%	14.8%
PICC Group - H	1339 HK	6.33	50,367	0.8	0.6	1.6	1.4	4.9%	5.0%	12.9%	10.8%
PICC P&C	2328 HK	15.59	44,336	1.1	1.0	n.a.	n.a.	5.1%	5.8%	16.4%	15.5%
Ping An Ins - H	2318 HK	64.05	156,757	1.1	1.0	1.2	1.1	4.6%	5.1%	14.2%	14.7%
ZhongAn	6060 HK	13.63	2,936	0.8	0.8	n.a.	n.a.	0.0%	0.0%	7.7%	4.8%
Prudential	2378 HK	113.70	36,837	2.2	2.1	n.a.	1.1	1.8%	2.0%	14.4%	14.6%
FWD Group Holdings	1828 HK	35.10	5,726	0.8	0.7	0.8	0.7	0.0%	0.0%	2.4%	4.1%
Average				1.6	1.5	1.0	0.9	3.1%	3.3%	13.6%	12.4%
A-share Insurers											
China Life - A	601628 CH	42.63	155,665	2.1	2.1	0.8	0.7	2.0%	2.0%	24.8%	19.6%
CPIC - A	601601 CH	39.34	50,883	1.1	1.0	0.8	0.8	3.0%	3.3%	17.0%	14.8%
Ping An Ins - A	601318 CH	62.08	156,731	1.1	1.0	1.2	1.2	4.4%	4.9%	0.2%	0.0%
PICC Group - A	601319 CH	8.43	50,359	1.1	0.9	2.1	1.8	3.4%	3.4%	12.9%	10.8%
Average				1.4	1.2	1.2	1.1	3.2%	3.4%	13.7%	11.3%
Regional Insurers											
Sun Life Financial	SLF CN	89.53	36,304	2.2	2.1	n.a.	n.a.	3.9%	4.1%	15.2%	18.6%
Great-West Lifeco	GWO CN	63.25	41,859	2.1	2.1	n.a.	n.a.	3.9%	4.2%	14.7%	18.2%
Legal & General Gp	LGEN LN	2.58	19,639	5.2	5.7	n.a.	n.a.	8.5%	8.6%	26.8%	54.7%
Aviva PLC	AV/ LN	6.46	26,384	2.1	1.9	n.a.	n.a.	6.1%	6.5%	8.3%	17.7%
Average				2.6	2.6	n.a.	n.a.	5.5%	5.8%	16.7%	24.0%
Japan & Korea Insurers											
Samsung Life	032830 KS	213,500	28,170	0.6	0.6	n.a.	n.a.	2.5%	2.8%	4.7%	4.6%
Hanwha Life	088350 KS	4,680	2,770	0.3	0.2	n.a.	n.a.	0.0%	2.8%	n.a.	n.a.
Japan Post Insurance	7181 JP	4,764	11,086	0.4	0.5	n.a.	n.a.	2.2%	2.6%	4.1%	5.4%
Dai-ichi Life Holdings	8750 JP	1,524	35,589	1.4	1.5	n.a.	n.a.	2.2%	3.3%	11.2%	12.2%
Average				0.7	0.7	n.a.	n.a.	0.0	0.0	0.1	0.1
Other Asian Insurers											
Cathay FHC	2882 TT	73.60	33,577	1.2	1.2	n.a.	n.a.	4.8%	4.4%	8.8%	12.1%
Fubon FHC	2881 TT	90.50	39,461	1.3	1.3	n.a.	n.a.	4.6%	4.3%	12.6%	12.2%
BAO Viet Holdings	BVH VN	76,000	2,154	2.3	2.1	n.a.	n.a.	1.4%	1.9%	12.6%	13.6%
Average				1.6	1.5	n.a.	n.a.	2.1%	n.a.	8.5%	9.4%

Source: Bloomberg, DBS

Company background

FWD (1828.HK) is a leading pan-Asian life and health insurance provider that serves approximately 34 million customers across 10 markets. Established in 2013 as the insurance arm of Richard Li's Pacific Century Group, the company has rapidly expanded through strategic acquisitions and a tech-enabled, customer-led approach to simplify the insurance experience. Its diverse portfolio includes life, medical, and general insurance, as well as employee benefits and Shariah-compliant takaful products in markets such as Hong Kong, Japan, Singapore, and Thailand. Headquartered in Hong Kong and listed on the HKEX, FWD aims to differentiate itself by leveraging digital technology to offer innovative propositions and "change the way people feel about insurance".

Figure 20: FWD's major shareholders

Major shareholders	% owned
Mr. Li Tzar Kai, Richard	66.19%
Swiss Re	5.64%
Mr. Fang Fenglei (HOPU)	9.95%
GIC	5.34%

Note: Based on 1H25 financial statement

Source: Company data, DBS

Key Assumptions

Key assumptions	2023A	2024A	2025F	2026F	2027F
VNB y/y growth	20.6%	-15.7%	15.0%	15.8%	18.8%
VNB margin (%)	50.5%	32.4%	30.0%	30.0%	30.0%
New business CSM (USDm)	1,742	1,171	1,423	1,626	1,931
CSM closing balance (USDm)	5,046	5,174	6,077	7,110	8,380
Net investment return (%)	2.8%	2.8%	2.8%	2.7%	2.6%
Total investment return (%)	0.9%	3.0%	2.5%	2.9%	3.0%
EV y/y growth	-6.3%	-2.0%	21.3%	15.5%	17.6%
Solvency ratio	292.1%	260.1%	237.2%	235.6%	234.0%

Source: Company, DBS HK

Income Statement

FY Dec (USDm)	2023A	2024A	2025F	2026F	2027F
Insurance revenue	2,756	2,724	3,091	3,506	4,015
Insurance service expenses	(1,989)	(2,012)	(2,350)	(2,634)	(2,976)
Net expenses from reinsurance contracts held	(88)	(42)	(41)	(47)	(54)
Insurance service result	679	670	700	825	985
Investment return	1,159	1,185	1,301	1,438	1,580
Net finance expenses from insurance contracts and reinsurance contracts held	(995)	(1,020)	(971)	(1,293)	(1,625)
Other movements	(796)	76	(120)	75	206
Net investment result	(632)	241	211	220	161
Other revenues	64	36	38	44	50
Other expenses	(905)	(799)	(808)	(709)	(682)
Share of profit of associated and JVs	(20)	36	36	36	36
Profit before tax	(814)	184	178	416	549
Income tax expense	97	(174)	(116)	(229)	(274)
Net profit	(717)	10	62	187	274
Minority interest	(1)	(14)	(15)	(15)	(15)
Net income attributable to shareholders	(716)	24	77	202	289

Source: Company, DBS HK

FWD Group Holdings Ltd
Balance Sheet

FY Dec (USDm)	2023A	2024A	2025F	2026F	2027F
Total investment	41,938	44,107	49,734	54,879	61,640
Property, plant and equipment	745	605	683	760	863
Other assets	9,991	9,000	10,147	11,190	12,560
Total assets	52,674	53,712	60,565	66,830	75,063
Insurance contract liabilities	40,073	41,646	47,655	53,592	61,458
- Life insurance contract liabilities	40,073	41,646	47,655	53,592	61,458
Investment contract liabilities	-	-	-	-	-
Other Liabilities	4,969	5,252	5,513	5,559	5,557
Total liabilities	45,042	46,898	53,168	59,151	67,015
Shareholder's equity	7,582	6,753	7,335	7,617	7,987
Minority interest	50	61	61	61	61
Total equity	7,632	6,814	7,396	7,678	8,048

Source: Company, DBS HK

FWD Group Holdings Ltd

DBS Group Research recommendations are based on an Absolute Total Return* Rating system, defined as follows:

STRONG BUY (>20% total return over the next 3 months, with identifiable share price catalysts within this time frame)

BUY (>15% total return over the next 12 months for small caps, >10% for large caps)

HOLD (-10% to +15% total return over the next 12 months for small caps, -10% to +10% for large caps)

FULLY VALUED (negative total return, i.e., > -10% over the next 12 months)

SELL (negative total return of > -20% over the next 3 months, with identifiable share price catalysts within this time frame)

*Share price appreciation + dividends

Completed Date: 10 Mar 2026 10:29:38 (HKT)

Dissemination Date: 10 Mar 2026 17:56:28 (HKT)

Sources for all charts and tables are DBS HK unless otherwise specified.

GENERAL DISCLOSURE/DISCLAIMER

This report is prepared by DBS Bank (Hong Kong) Limited ("DBS HK"). This report is solely intended for the clients of DBS Bank Ltd., DBS Vickers Securities (Singapore) Pte Ltd. ("DBSVS"), its respective connected and associated corporations and affiliates only and no part of this document may be (i) copied, photocopied or duplicated in any form or by any means or (ii) redistributed without the prior written consent of DBS HK.

The research set out in this report is based on information obtained from sources believed to be reliable, but we (which collectively refers to DBS Bank Ltd., DBSVS, its respective connected and associated corporations, affiliates and their respective directors, officers, employees and agents (collectively, the "DBS Group") have not conducted due diligence on any of the companies, verified any information or sources or taken into account any other factors which we may consider to be relevant or appropriate in preparing the research. Accordingly, we do not make any representation or warranty as to the accuracy, completeness or correctness of the research set out in this report. Opinions expressed are subject to change without notice. This research is prepared for general circulation. Any recommendation contained in this document does not have regard to the specific investment objectives, financial situation and the particular needs of any specific addressee. This document is for the information of addressees only and is not to be taken in substitution for the exercise of judgement by addressees, who should obtain separate independent legal or financial advice. The DBS Group accepts no liability whatsoever for any direct, indirect and/or consequential loss (including any claims for loss of profit) arising from any use of and/or reliance upon this document and/or further communication given in relation to this document. This document is not to be construed as an offer or a solicitation of an offer to buy or sell any securities. The DBS Group, along with its affiliates and/or persons associated with any of them may from time to time have interests in the securities mentioned in this document. The DBS Group, may have positions in, and may effect transactions in securities mentioned herein and may also perform or seek to perform broking, investment banking and other banking services for these companies.

Any valuations, opinions, estimates, forecasts, ratings or risk assessments herein constitutes a judgment as of the date of this report, and there can be no assurance that future results or events will be consistent with any such valuations, opinions, estimates, forecasts, ratings or risk assessments. The information in this document is subject to change without notice, its accuracy is not guaranteed, it may be incomplete or condensed, it may not contain all material information concerning the company (or companies) referred to in this report and the DBS Group is under no obligation to update the information in this report.

This publication has not been reviewed or authorized by any regulatory authority in Singapore, Hong Kong or elsewhere. There is no planned schedule or frequency for updating research publication relating to any issuer.

The valuations, opinions, estimates, forecasts, ratings or risk assessments described in this report were based upon a number of estimates and assumptions and are inherently subject to significant uncertainties and contingencies. It can be expected that one or more of the estimates on which the valuations, opinions, estimates, forecasts, ratings or risk assessments were based will not materialize or will vary significantly from actual results. Therefore, the inclusion of the valuations, opinions, estimates, forecasts, ratings or risk assessments described herein IS NOT TO BE RELIED UPON as a representation and/or warranty by the DBS Group (and/or any persons associated with the aforesaid entities), that:

- (a) such valuations, opinions, estimates, forecasts, ratings or risk assessments or their underlying assumptions will be achieved, and
- (b) there is any assurance that future results or events will be consistent with any such valuations, opinions, estimates, forecasts, ratings or risk assessments stated therein.

Please contact the primary analyst for valuation methodologies and assumptions associated with the covered companies or price targets. Any assumptions made in this report that refers to commodities, are for the purposes of making forecasts for the company (or companies) mentioned herein. They are not to be construed as recommendations to trade in the physical commodity or in the futures contract relating to the commodity referred to in this report.

DBS Vickers Securities (USA) Inc ("DBSVUSA"), a US-registered broker-dealer, does not have its own investment banking or research department, has not participated in any public offering of securities as a manager or co-manager or in any other investment banking transaction in the past twelve months and does not engage in market-making.

FWD Group Holdings Ltd

ANALYST CERTIFICATION

The research analyst(s) primarily responsible for the content of this research report, in part or in whole, certifies that the views about the companies and their securities expressed in this report accurately reflect his/her personal views. The analyst(s) also certifies that no part of his/her compensation was, is, or will be, directly or indirectly, related to specific recommendations or views expressed in the report. The research analyst (s) primarily responsible for the content of this research report, in part or in whole, certifies that he or his associate¹ does not serve as an officer of the issuer or the new listing applicant (which includes in the case of a real estate investment trust, an officer of the management company of the real estate investment trust; and in the case of any other entity, an officer or its equivalent counterparty of the entity who is responsible for the management of the issuer or the new listing applicant) and the research analyst(s) primarily responsible for the content of this research report or his associate does not have financial interests² in relation to an issuer or a new listing applicant that the analyst reviews. DBS Group has procedures in place to eliminate, avoid and manage any potential conflicts of interests that may arise in connection with the production of research reports. The research analyst(s) responsible for this report operates as part of a separate and independent team to the investment banking function of the DBS Group and procedures are in place to ensure that confidential information held by either the research or investment banking function is handled appropriately. There is no direct link of DBS Group's compensation to any specific investment banking function of the DBS Group.

COMPANY-SPECIFIC / REGULATORY DISCLOSURES

1. DBS Bank Ltd, DBS HK, DBSVS, DBSVUSA, or their subsidiaries and/or other affiliates have proprietary positions in AIA Group Ltd (1299 HK), China Life Insurance Co Ltd (2628 HK), China Taiping Insurance Holdings Co Ltd (966 HK), China Pacific Insurance Group Co Ltd (2601 HK), People's Insurance Co Group of China Ltd/The (1339 HK), PICC Property & Casualty Co Ltd (2328 HK), Ping An Insurance Group Co of China Ltd (2318 HK) and ZhongAn Online P&C Insurance Co Ltd (6060 HK) recommended in this report as of 04 Mar 2026.

DBS Bank Ltd, DBS HK, DBSVS, DBSVUSA, or their subsidiaries and/or other affiliates have a proprietary position in Legal & General Group PLC (LGEN LN) and Dai-ichi Life Holdings Inc (8750 JP) recommended in this report as of 28 Feb 2026.

2. **Compensation for investment banking services:**

DBS Bank Ltd, DBS HK, DBSVS, their subsidiaries and/or other affiliates of DBSVUSA have received compensation, within the past 12 months for investment banking services from FWD Group Holdings Ltd (1828 HK), AIA Group Ltd (1299 HK) and Bank Rakyat Indonesia Persero Tbk PT (BBRI IJ) as of 31 Jan 2026.

3. DBS Bank Ltd, DBS HK, DBSVS, their subsidiaries and/or other affiliates of DBSVUSA have managed or co-managed a public offering of securities for FWD Group Holdings Ltd (1828 HK), AIA Group Ltd (1299 HK) and Bank Rakyat Indonesia Persero Tbk PT (BBRI IJ) in the past 12 months, as of 31 Jan 2026.

DBSVUSA does not have its own investment banking or research department, nor has it participated in any public offering of securities as a manager or co-manager or in any other investment banking transaction in the past twelve months. Any US persons wishing to obtain further information, including any clarification on disclosures in this disclaimer, or to effect a transaction in any security discussed in this document should contact DBSVUSA exclusively.

4. David Hing-Yuen HO, a member of DBS Group Holdings Board of Directors, is a Director of Sun Life Financial, Inc. as of 31 Dec 2025.

5. **Disclosure of previous investment recommendation produced:**

DBS Bank Ltd, DBS HK, DBSVS, DBSVUSA, or their subsidiaries and/or other affiliates may have published other investment recommendations in respect of the same securities / instruments recommended in this research report during the preceding 12 months. Please contact the primary analyst listed on page 1 of this report to view previous investment recommendations published by DBS Bank Ltd, DBS HK, DBSVS, DBSVUSA, or their subsidiaries and/or other affiliates in the preceding 12 months.

RESTRICTIONS ON DISTRIBUTION

¹ An associate is defined as (i) the spouse, or any minor child (natural or adopted) or minor step-child, of the analyst; (ii) the trustee of a trust of which the analyst, his spouse, minor child (natural or adopted) or minor step-child, is a beneficiary or discretionary object; or (iii) another person accustomed or obliged to act in accordance with the directions or instructions of the analyst.

² Financial interest is defined as interests that are commonly known financial interest, such as investment in the securities in respect of an issuer or a new listing applicant, or financial accommodation arrangement between the issuer or the new listing applicant and the firm or analysis. This term does not include commercial lending conducted at arm's length, or investments in any collective investment scheme other than an issuer or new listing applicant notwithstanding the fact that the scheme has investments in securities in respect of an issuer or a new listing applicant.

FWD Group Holdings Ltd

General	This report is not directed to, or intended for distribution to or use by, any person or entity who is a citizen or resident of or located in any locality, state, country or other jurisdiction where such distribution, publication, availability or use would be contrary to law or regulation.
Australia	<p>This report is being distributed in Australia by DBS Bank Ltd, DBSVS or DBS Vickers (Hong Kong) Limited ("DBSV HK"). DBS Bank Ltd holds Australian Financial Services Licence no. 475946.</p> <p>DBS Bank Ltd, DBSVS and DBSV HK are exempted from the requirement to hold an Australian Financial Services Licence under the Corporation Act 2001 ("CA") in respect of financial services provided to the recipients. Both DBS Bank Ltd and DBSVS are regulated by the Monetary Authority of Singapore under the laws of Singapore, and DBSV HK is regulated by the Hong Kong Securities and Futures Commission under the laws of Hong Kong, which differ from Australian laws.</p> <p>Distribution of this report is intended only for "wholesale investors" within the meaning of the CA.</p>
Hong Kong	<p>This report is being distributed in Hong Kong by DBS Bank Ltd, DBS Bank (Hong Kong) Limited and DBS Vickers (Hong Kong) Limited, all of which are registered with or licensed by the Hong Kong Securities and Futures Commission to carry out the regulated activity of advising on securities. DBS Bank Ltd., Hong Kong Branch is a limited liability company incorporated in Singapore.</p> <p>For any query regarding the materials herein, please contact Dennis Lam (Reg No. AH 8290) at dbsvhk@dbs.com.</p>
Indonesia	This report is being distributed in Indonesia by PT DBS Vickers Sekuritas Indonesia.
Malaysia	<p>This report is distributed in Malaysia by AllianceDBS Research Sdn Bhd ("ADBSR"). Recipients of this report, received from ADBSR are to contact the undersigned at 603-2604 3333 in respect of any matters arising from or in connection with this report. In addition to the General Disclosure/Disclaimer found at the preceding page, recipients of this report are advised that ADBSR (the preparer of this report), its holding company Alliance Investment Bank Berhad, their respective connected and associated corporations, affiliates, their directors, officers, employees, agents and parties related or associated with any of them may have positions in, and may effect transactions in the securities mentioned herein and may also perform or seek to perform broking, investment banking/corporate advisory and other services for the subject companies. They may also have received compensation and/or seek to obtain compensation for broking, investment banking/corporate advisory and other services from the subject companies.</p> <p style="text-align: right;"> Wong Ming Tek, Executive Director, ADBSR</p>
Singapore	This report is distributed in Singapore by DBS Bank Ltd (Company Regn. No. 196800306E) or DBSVS (Company Regn No. 198600294G), both of which are Exempt Financial Advisers as defined in the Financial Advisers Act and regulated by the Monetary Authority of Singapore. DBS Bank Ltd and/or DBSVS, 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, DBS Bank Ltd accepts legal responsibility for the contents of the report to such persons only to the extent required by law. Singapore recipients should contact DBS Bank Ltd at 6878 8888 for matters arising from, or in connection with the report.
Thailand	<p>This report is being distributed in Thailand by DBS Vickers Securities (Thailand) Co Ltd.</p> <p>For any query regarding the materials herein, please contact [Chanpen Sirithanarattanakul] at [DBSVTresearch@dbs.com]</p>
United Kingdom	<p>This report is produced by DBS HK which is regulated by the Hong Kong Monetary Authority</p> <p>This report is disseminated in the United Kingdom by DBS Bank Ltd, London Branch ("DBS UK"). DBS UK is authorised by the Prudential Regulation Authority and is subject to regulation by the Financial Conduct Authority and limited regulation by the Prudential Regulation Authority. Details about the extent of our regulation by the Prudential Regulation Authority are available from us on request.</p> <p>In respect of the United Kingdom, this report is solely intended for the clients of DBS UK, its respective connected and associated corporations and affiliates only and no part of this document may be (i) copied, photocopied or duplicated in any form or by any means or (ii) redistributed without the prior written consent of DBS UK. This communication is directed at persons having professional experience in matters relating to investments. Any investment activity following from this communication will only be engaged in with such persons. Persons who do not have professional experience in matters relating to investments should not rely on this communication.</p>

Dubai International Financial Centre	<p>This communication is provided to you as a Professional Client or Market Counterparty as defined in the DFSA Rulebook Conduct of Business Module (the "COB Module"), and should not be relied upon or acted on by any person which does not meet the criteria to be classified as a Professional Client or Market Counterparty under the DFSA rules.</p> <p>This communication is from the branch of DBS Bank Ltd operating in the Dubai International Financial Centre (the "DIFC") under the trading name "DBS Bank Ltd. (DIFC Branch)" ("DBS DIFC"), registered with the DIFC Registrar of Companies under number 156 and having its registered office at units 608 - 610, 6th Floor, Gate Precinct Building 5, PO Box 506538, DIFC, Dubai, United Arab Emirates.</p> <p>DBS DIFC is regulated by the Dubai Financial Services Authority (the "DFSA") with a DFSA reference number F000164. For more information on DBS DIFC and its affiliates, please see http://www.dbs.com/ae/our-network/default.page.</p> <p>Where this communication contains a research report, this research report is prepared by the entity referred to therein, which may be DBS Bank Ltd or a third party, and is provided to you by DBS DIFC. The research report has not been reviewed or authorised by the DFSA. Such research report is distributed on the express understanding that, whilst the information contained within is believed to be reliable, the information has not been independently verified by DBS DIFC.</p> <p>Unless otherwise indicated, this communication does not constitute an "Offer of Securities to the Public" as defined under Article 12 of the Markets Law (DIFC Law No.1 of 2012) or an "Offer of a Unit of a Fund" as defined under Article 19(2) of the Collective Investment Law (DIFC Law No.2 of 2010).</p> <p>The DFSA has no responsibility for reviewing or verifying this communication or any associated documents in connection with this investment and it is not subject to any form of regulation or approval by the DFSA. Accordingly, the DFSA has not approved this communication or any other associated documents in connection with this investment nor taken any steps to verify the information set out in this communication or any associated documents, and has no responsibility for them. The DFSA has not assessed the suitability of any investments to which the communication relates and, in respect of any Islamic investments (or other investments identified to be Shari'a compliant), neither we nor the DFSA has determined whether they are Shari'a compliant in any way.</p> <p>Any investments which this communication relates to may be illiquid and/or subject to restrictions on their resale. Prospective purchasers should conduct their own due diligence on any investments. If you do not understand the contents of this document you should consult an authorised financial adviser.</p>
United States	<p>This report was prepared by DBS HK. DBSVUSA did not participate in its preparation. The research analyst(s) named on this report are not registered as research analysts with FINRA and are not associated persons of DBSVUSA. The research analyst(s) are not subject to FINRA Rule 2241 restrictions on analyst compensation, communications with a subject company, public appearances and trading securities held by a research analyst. This report is being distributed in the United States by DBSVUSA, which accepts responsibility for its contents. This report may only be distributed to Major U.S. Institutional Investors (as defined in SEC Rule 15a-6) and to such other institutional investors and qualified persons as DBSVUSA may authorize. Any U.S. person receiving this report who wishes to effect transactions in any securities referred to herein should contact DBSVUSA directly and not its affiliate.</p>
Other jurisdictions	<p>In any other jurisdictions, except if otherwise restricted by laws or regulations, this report is intended only for qualified, professional, institutional or sophisticated investors as defined in the laws and regulations of such jurisdictions.</p>

DBS Bank (Hong Kong) Limited

13th Floor One Island East, 18 Westlands Road, Quarry Bay, Hong Kong

Tel: (852) 3668-4181, Fax: (852) 2521-1812

FWD Group Holdings Ltd

DBS Regional Research Offices

HONG KONG

DBS Bank (Hong Kong) Ltd

Contact: Dennis Lam

13th Floor One Island East,
18 Westlands Road, Quarry Bay, Hong Kong

Tel: 852 3668 4181

Fax: 852 2521 1812

e-mail: dbsvhk@dbs.com

SINGAPORE

DBS Bank Ltd

Contact: Andy Sim

12 Marina Boulevard,
Marina Bay Financial Centre Tower 3

Singapore 018982

Tel: 65 6878 8888

e-mail: groupresearch@dbs.com

Company Regn. No. 196800306E

INDONESIA

PT DBS Vickers Sekuritas (Indonesia)

Contact: William Simadiputra

DBS Bank Tower

Ciputra World 1, 32/F

Jl. Prof. Dr. Satrio Kav. 3-5

Jakarta 12940, Indonesia

Tel: 62 21 3003 4900

Fax: 6221 3003 4943

e-mail: indonesiaresearch@dbs.com

THAILAND

DBS Vickers Securities (Thailand) Co Ltd

Contact: Chanpen Sirithanarattanakul

989 Siam Pivat Tower Building,

14th-15th Floor

Rama 1 Road, Pathumwan,

Bangkok Thailand 10330

Tel. 66 2 857 7831

Fax: 66 2 658 1269

e-mail: DBSVTresearch@dbs.com

Company Regn. No 0105539127012

Securities and Exchange Commission, Thailand