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FWD Group Limited

*(incorporated with limited liability under the laws of the Cayman Islands)
(the “**Issuer**”)*

Invitation by PCCW Wealth Limited (the “Offeror”) to the Qualifying Holders of the U.S.\$900,000,000 5.75 per cent. Subordinated Notes due 2024, comprising the U.S.\$550,000,000 5.75 per cent. Subordinated Notes due 2024, the U.S.\$250,000,000 5.75 per cent. Subordinated Notes due 2024 and the U.S.\$100,000,000 5.75 per cent. Subordinated Notes due 2024, consolidated to form one single series (ISIN: XS2022434364) (collectively, the “Notes”) issued by the Issuer (Stock Code: 4403)

The Issuer, as issuer of the Notes, hereby notifies holders of the Notes that the Offeror has announced today an invitation to Qualifying Holders of the Notes to tender their Notes held by such Qualifying Holders for purchase by the Offeror for cash up to the Maximum Tender Consideration (the “**Tender Offer**”).

The Tender Offer by the Offeror is made on the terms and subject to the conditions contained in the Tender Offer Memorandum prepared by the Offeror dated 25 November 2022 (the “**Tender Offer Memorandum**”) and should be read in conjunction with the Tender Offer Memorandum. Capitalised terms used but not

otherwise defined in this announcement shall have the meaning given to them in the Tender Offer Memorandum.

The Issuer is aware of, and has no objection to, the Offeror making the invitation described in the Tender Offer Memorandum, but takes no responsibility for and makes no representation or warranty, express or implied as to the accuracy, completeness or sufficiency of the information contained in the Tender Offer Memorandum. Any details of the terms of the Tender Offer (including in relation to the intentions and proposed actions of the Offeror) and information with respect to the Offeror contained herein have been included on the basis of the contents of the Tender Offer Memorandum, and have not been independently verified by the Issuer.

Description	ISIN / Common Code	Outstanding Principal Amount[#]	Tender Offer Price	Maximum Tender Consideration
U.S.\$900,000,000 5.75 per cent. Subordinated Notes due 2024, comprising the U.S.\$550,000,000 5.75 per cent. Subordinated Notes due 2024, the U.S.\$250,000,000 5.75 per cent. Subordinated Notes due 2024 and the U.S.\$100,000,000 5.75 per cent. Subordinated Notes due 2024, consolidated to form one single series	XS2022434364 / 202243436	U.S.\$900,000,000	94.0 per cent. of the principal amount of the Notes ⁽¹⁾	U.S.\$30,000,000, or such higher amount as announced by the Offeror on or around the date of the announcement of the results of the Tender Offer ⁽²⁾

[#] ***Outstanding Principal Amount as at 25 November 2022. The Offeror has informed the Issuer that as at the date of the Tender Offer Memorandum, the Offeror, together with any other entities directly or indirectly wholly controlled by the Shareholder, do not hold any Notes.***

Note: (1) In addition to the Tender Offer Price, the Offeror will also pay Qualifying Holders (whose Notes are accepted for purchase by the Offeror) on the Settlement Date an Accrued Interest Amount.

(2) The Offeror will only accept for purchase Notes up to an amount that will result in the aggregate Tender Consideration being no greater than the Maximum Tender Consideration pursuant to the Tender Offer. The Tender Consideration will be an amount in United States dollars equal to the sum of (i) the product of (x) the Tender Offer Price and (y) the principal amount of the relevant Notes; and (ii) the Accrued Interest Amount in respect of such Notes, rounded, if necessary, to the nearest U.S.\$0.01, with half a cent being rounded upwards.

Tender Offer

The Tender Offer will commence on 25 November 2022 and will expire at 16:00 (London time) on 9 December 2022 (such period being the "**Tender Offer Period**") subject to the right of the Offeror to extend, re-open, amend and/or terminate at the sole discretion of the Offeror, in which case an announcement to that effect will be made by or on behalf of the Offeror and the Issuer.

Qualifying Holders are invited to Offer to Sell their Notes during the Tender Offer Period.

The Offeror intends to purchase an aggregate principal amount of Notes validly Offered for Sale up to an amount that will result in the aggregate Tender Consideration being no greater than the Maximum Tender Consideration, subject to the right of the Offeror to accept or reject valid Offers to Sell in its sole and absolute discretion.

The Offeror will pay, for the Notes validly Offered for Sale and accepted for purchase, a cash Tender Offer Price equal to 94.0 per cent. of the principal amount of the Notes. The Offeror will also pay Accrued Interest in respect of Notes accepted for purchase pursuant to the Tender Offer.

The Offeror has informed the Issuer that as at the date of the Tender Offer Memorandum, the Offeror, together with any other entities directly or indirectly wholly controlled by the Shareholder, do not hold any Notes.

Rationale for the Tender Offer

The Offeror and its advisors believe that investment in the Notes offers promising prospects for attractive returns at current market prices, and in particular, that the expected returns and associated risks as assessed by the Offeror and its advisors fit well with the principal investment criteria of the Offeror.

Relationship between the Offeror, the Issuer and the Shareholder

The Offeror is a direct wholly owned subsidiary of PCCW Limited (Stock Code: 0008), a company incorporated in Hong Kong with limited liability whose shares are listed on The Stock Exchange of Hong Kong Limited. The Issuer is a connected person of the Offeror under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) by virtue of being an associate (as defined under the Listing Rules) of a connected person of PCCW Limited.

The Shareholder is deemed to be interested in approximately 30.89% of the equity interest in PCCW Limited. The Issuer is indirectly majority owned and controlled by the Shareholder.

The Issuer is aware of, and has no objection to, the Offeror making the invitation described in the Tender Offer Memorandum, but takes no responsibility for and makes no representation or warranty, express or implied as to the accuracy, completeness or sufficiency of the information contained in the Tender Offer Memorandum. Any details of the terms of the Tender Offer (including in relation to the intentions and proposed actions of the Offeror) and information with respect to the Offeror contained herein have been included on the basis of the contents of the Tender Offer Memorandum, and have not been independently verified by the Issuer.

Maximum Tender Consideration and Pro Rata Acceptance

Although the Offeror is under no obligation to accept for purchase any Notes Offered for Sale, it proposes to accept for purchase Notes validly Offered for Sale up to an amount that will result in the aggregate Tender Consideration being no more than the Maximum Tender Consideration. The Maximum Tender Consideration may be subject to increase or decrease by the Offeror in its sole and absolute discretion.

If the Offeror decides to accept for purchase Notes validly Offered for Sale and the aggregate consideration payable for Notes validly Offered for Sale is greater than the Maximum Tender Consideration, it will accept those Notes validly Offered for Sale subject to scaling such that the aggregate consideration payable of Notes accepted for purchase is no greater than the Maximum Tender Consideration. For the purpose of such acceptance, the aggregate principal amount of Notes validly Offered for Sale per Electronic Instruction will be scaled by multiplying the aggregate principal amount of such Notes, by a factor equal to: (i) the Maximum Tender Consideration divided by (ii) the aggregate consideration payable of Notes that are validly Offered for

Sale in accordance with the instructions contained in the Tender Offer Memorandum; in each case rounded to 6 decimal places and subject to adjustment to allow for the aggregate consideration payable of Notes accepted for purchase, following the rounding of tenders of Notes, to be in an amount no greater than the Maximum Tender Consideration. Each Note Offered for Sale that is scaled in this manner will be rounded down to the nearest U.S.\$1,000. Notes may only be Offered for Sale in Specified Denominations of U.S.\$200,000 and integral multiples of U.S.\$1,000 in excess thereof.

If, after such scaling and rounding, any Qualifying Holder would be left with an aggregate principal amount of less than the Specified Denomination of U.S.\$200,000 either (a) validly Offered for Sale and accepted; or (b) returned to a Qualifying Holder as a result of proration, the Offeror may, in its sole discretion, either accept or reject all of the Notes the subject of such Qualifying Holder's relevant Electronic Instruction. If the Offeror accepts valid Offers to Sell Notes on a pro rata basis, Qualifying Holders will only receive the Tender Consideration in respect of those Notes validly Offered for Sale and accepted for purchase by the Offeror. All notes not accepted as a result of scaling will be unblocked on the Settlement Date.

If proration of the Offered for Sale Notes is required, the Offeror will determine the final proration factor as soon as reasonably practicable following the Expiration Time.

Please also refer to the risk factor in the Tender Offer Memorandum entitled "*Risk Factors and Other Considerations - Offers to Sell Notes may be accepted on a pro rata basis*" for further details.

Procedures for participating in the Tender Offer

Any Qualifying Holder who wishes to tender Notes must submit, or arrange for the submission on its behalf of, a valid Electronic Instruction through the Clearing Systems, to be received by the Tender and Information Agent not later than the Expiration Time. Qualifying Holders are urged to deliver valid Electronic Instructions through the Clearing Systems in accordance with the procedures of, and within the time limit specified by, the Clearing Systems for receipt by the Tender and Information Agent no later than the Expiration Time.

A separate Electronic Instruction needs to be submitted per each beneficial owner of the Notes held through the relevant Clearing System due to potential proration.

The submission of a valid Electronic Instruction will be irrevocable except in the limited circumstances in which the revocation of an Electronic Instruction is specifically permitted in accordance with the terms of the Tender Offer as set out in the Tender Offer Memorandum.

Notes may only be Offered for Sale in the denomination of U.S.\$200,000 and integral multiples of U.S.\$1,000 in excess thereof.

Expected Timetable

This is an indicative timetable and is subject to the right of the Offeror to extend, re-open, amend and/or terminate the Tender Offer (subject to applicable law and as provided in the Tender Offer Memorandum).

Events/Dates

Launch Date

Tender Offer announced by the Offeror.

Beginning of Tender Offer Period.

Expiration Time

Deadline for receipt by the Tender and Information Agent of Electronic Instructions. End of Tender Offer Period.

Times and Dates

25 November 2022.

16:00 (London time)
on 9 December 2022

Qualifying Holders should note that Electronic Instructions must be submitted in accordance with the deadlines of the relevant Clearing System, which will be before the Expiration Time.

Announcement by the Issuer of the results of the Tender Offer and the Maximum Tender Consideration

Announcement by the Issuer of whether the Offeror will accept any Notes pursuant to the Tender Offer, and, if so accepted, (i) the aggregate principal amount of Notes accepted for purchase and the proration factor (if any); (ii) the Maximum Tender Consideration; and (iii) the Settlement Date.

As soon as reasonably practicable following the Expiration Time

Settlement Date

Settlement of the Tender Offer.

Payment of Tender Consideration in respect of Notes accepted for purchase.

Expected to be on or about 15 December 2022

The Offeror has reserved the right to extend, re-open, amend and/or terminate the terms and conditions of the Tender Offer at any time following the announcement of the Tender Offer and prior to the announcement of the result of the Tender Offer, as described in the Tender Offer Memorandum. The Offeror will ensure an announcement is made of any such extension, amendment, termination or re-opening as soon as is reasonably practicable after the relevant decision is made.

Significant delays may be experienced where notices are delivered through the Clearing Systems and Qualifying Holders are urged to contact the Tender and Information Agent for the relevant announcements during the Tender Offer Period.

Qualifying Holders are advised to check with any Intermediary through which they hold their Notes as to the deadlines by which such Intermediary would require receipt of instructions from Qualifying Holders to participate in, or to withdraw their instructions to participate in, the Tender Offer in accordance with the terms and conditions of the Tender Offer as described in the Tender Offer Memorandum in order to meet the relevant deadlines (which will be earlier than the deadlines set out above) and the corresponding deadlines set by the Clearing Systems.

Qualifying Holders are advised to read carefully the Tender Offer Memorandum for full details of, and information on the procedures for participating in, the Tender Offer.

Announcements and notices to be given to Qualifying Holders in connection with the Tender Offer will be made by the Issuer (i) by publication on the websites of The Stock Exchange of Hong Kong Limited and the Issuer; and (ii) by the delivery of notices to the Clearing Systems for communication to Participants. Copies of any announcements, press releases and notices in connection with the Tender Offer can be obtained upon request from the Tender and Information Agent and will be available via the Offer Website: <https://projects.morrrowsodali.com/pccw>.

J.P. Morgan Securities plc is acting as the sole Dealer Manager for the Tender Offer and Morrow Sodali Limited is acting as Tender and Information Agent. For detailed terms of the Tender Offer please refer to the Tender Offer Memorandum which (subject to distribution restrictions) can be obtained from the Tender and Information Agent using the details below.

Qualifying Holders who have questions regarding the Tender Offer may contact the Tender and Information Agent or the Dealer Manager.

DEALER MANAGER

J.P. Morgan Securities plc
25 Bank Street, Canary Wharf
London E14 5JP
United Kingdom

Tel: +852 2800 7632 / +852 2800 1032
Attention: Liability Management Desk / Liability_Management_HK@jpmorgan.com

Requests for documents or for information in relation to the procedures for tendering Notes in the Tender Offer should be directed to the Tender and Information Agent.

TENDER AND INFORMATION AGENT

Morrow Sodali Limited

In London
103 Wigmore Street, 9th Floor
W1U 1QS
London
Telephone: + 44 20 4513 6933

In Hong Kong
The Hive
33-35 Hillier Street
Hong Kong
Telephone: + 852 2319 4130

Email: pccw@investor.morrowsodali.com
Offer Website: <https://projects.morrowsodali.com/pccw>

DISCLAIMER

This announcement must be read in conjunction with the Tender Offer Memorandum. This announcement and the Tender Offer Memorandum contain important information which should be read carefully before any decision is made with respect to the Tender Offer. If any Holder is in any doubt as to the action it should take, it is recommended to seek its own financial advice, including as to any tax consequences, from its stockbroker, bank manager, solicitor, tax advisor, accountant or other independent financial adviser. Any individual or company whose Notes are held on its behalf by a broker, dealer, bank, custodian, trust company or other nominee must contact such entity if it wishes to offer Notes in the Tender Offer. None of the Offeror, the Issuer, the Dealer Manager or the Tender and Information Agent or any of their respective directors, employees or affiliates makes any recommendation whether Qualifying Holders should offer Notes in the Tender Offer.

Neither this announcement nor the Tender Offer Memorandum constitutes an invitation to participate in the Tender Offer in or from any jurisdiction in or from which, or to or from any person to or from whom, it is unlawful to make such invitation under applicable securities laws. The distribution of this announcement and the Tender Offer Memorandum in certain jurisdictions may be restricted by law. Persons into whose possession this announcement or the Tender Offer Memorandum comes are required by each of the Offeror, the Issuer, the Dealer Manager and the Tender and Information Agent to inform themselves about and to observe, any such restrictions.

Hong Kong, 25 November 2022

As at the date of this announcement, the Directors of the Issuer are Ma Si Hang Frederick, Damis Jacobus Ziengs, Li Tzar Kai Richard, Peter Anthony Allen, John Russell Baird, Chung Martina Kit Hung, Guido Furer, Kyoko Hattori, Dirk Marinus Sluimers and Huynh Thanh Phong.