UOBKayHian

# Country Daily | Singapore

Tuesday, 18 August 2026

## Key Indices

| | Prev Close | 1D % | 1W % | 1M % | YTD % |
|---|---|---|---|---|---|
| DJIA | 53459.8 | (0.5) | (1.0) | 2.5 | 11.2 |
| S&P 500 | 7745.1 | (0.5) | (0.1) | 3.9 | 13.1 |
| FTSE 100 | 10720.3 | (0.3) | (1.3) | 1.1 | 7.9 |
| AS30 | 9279.0 | (0.4) | (1.5) | 3.3 | 2.9 |
| CSI 300 | 4741.1 | 1.6 | 0.8 | 4.7 | 2.4 |
| FSSTI | 5768.5 | 0.4 | 1.2 | 4.7 | 24.2 |
| HSCEI | 8440.0 | 1.2 | (2.1) | 3.7 | (5.3) |
| HSI | 25453.2 | 1.3 | (1.9) | 3.6 | (0.7) |
| JCI | 6401.9 | 1.6 | (0.1) | 3.7 | (26.0) |
| KLCI | 1725.9 | (0.1) | (0.5) | (0.3) | 2.7 |
| KOSPI | 6977.9 | 2.4 | 11.5 | 2.3 | 65.6 |
| Nikkei 225 | 69220.3 | 0.7 | 5.5 | 7.9 | 37.5 |
| SET | 1626.4 | 1.1 | 0.9 | (0.8) | 29.1 |
| TWSE | 45857.3 | 0.1 | 2.1 | 7.5 | 58.3 |
| BDI | 2878 | 0.5 | (6.6) | 4.6 | 53.3 |
| CPO (RM/mt) | 4525 | 0.1 | 0.3 | 0.5 | 15.0 |
| Brent Crude (US$/bbl) | 91 | 2.7 | 3.6 | 3.1 | 49.3 |

*Source: Bloomberg*

## Corporate Events

| | Venue | Begin | Close |
|---|---|---|---|
| Virtual Meeting on Indonesia Economic Outlook by Mr. Enrico Tanuwidjaja | Indonesia | 19 Aug | 19 Aug |
| Analyst Marketing by Julia Pan on Greater China Internet Sector | Singapore | 07 Sep | 08 Sep |
| Analyst Marketing by Julia Pan on Greater China Internet Sector | Malaysia | 09 Sep | 11 Sep |

## Corporate and Macro Calendar

| Economic Indicator/Event | Date |
|---|---|
| MAS 12-Week Bill Auction | 18 Aug |
| MAS 36-Week Bill Auction | 18 Aug |
| MAS 4-Week Bill Auction | 18 Aug |
| Core Inflation Rate YoY JUL | 24 Aug |

## Top Stories

**Company Results |** ComfortDelGro Corp (CD SP/**HOLD**/S$1.36/Target: S$1.41)

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- 1H26 core OP and PATMI declined 17% and 14% yoy respectively, missing our expectations and forming 41% and 43% of our and consensus 2026 forecasts. The shortfall was mainly due to the taxi/P2P segment, where OP fell 47% yoy to S$35.35m amid weakness in the taxi's B2C market. Maintain HOLD with an 8% lower target price of S$1.41, with a 5.3% yield.

## Market Spotlight

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- US stocks were lower on Monday, with all indices falling as communication services, consumer staples and financials sectors slid. There were more decliners than advancers on both the NYSE and NASDAQ.
- The FSSTI rose 24.87 points to 5,768.46, supported by strength in Singtel, DBS and Seatrium. Both mid- and small-cap indices rose, with a broad market advance on S$1.92b turnover.

## Technical Analysis

**SATS (SATS SP)**

Page 6 →

- Trading Buy Range: S$4.72-4.73

**SIA Engineering (SIE SP)**

Page 6 →

- Trading Buy Range: S$3.17-3.18

*Disclaimer: In Traders' Corner, technical analysis is carried out purely based on charting patterns, price movements and trends, and is thus independent of the fundamental research views of our analysts. As a result, and from time to time, we may make a technical recommendation that is opposite to our fundamental BUY/HOLD/SELL rating.*

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Company – Results | Singapore

Tuesday, 18 August 2026

# ComfortDelGro Corporation (CD SP)

## 1H26: Maintain HOLD On Challenging Taxi/P2P Segment

### Highlights

- 1H26 core OP (-18% yoy) and PATMI (-14% yoy) missed our expectations, forming 41% and 43% of our and consensus' 2026 forecasts.
- The miss was mainly due to the taxi/P2P segment, where 1H26 OP collapsed 47% yoy to S$35.35m, particularly in the B2C market.
- Maintain HOLD with an 8% lower target price of S$1.41 as we see limited near-term catalysts. For yield investors, CD offers a decent 5.3% for 2026.

### 1H26 Results

| Year to 31 Dec (S$m) | 1H26 | yoy% chg | 2Q26 | yoy % chg | qoq % chg |
|---|---|---|---|---|---|
| Revenue | 2561.6 | 5.7 | 1333.8 | 6.4 | 8.6 |
| Operating profit | 142.6 | (17.3) | 76.1 | (16.4) | 14.4 |
| Core PATMI | 85.1 | (14.3) | 44.5 | (13.9) | 10.4 |
| Core operating margin (%) | 5.6 | (1.6ppt) | 5.7 | (1.7ppt) | 0.3ppt |
| Core PATMI margin (%) | 3.3 | (0.8ppt) | 3.3 | (0.8ppt) | 0ppt |

| | -------------------- Revenue -------------------- | | | --------------- Operating Profit --------------- | | |
|---|---|---|---|---|---|---|
| Year to 31 Dec (S$m) | 2Q26 | yoy % chg | qoq % chg | 2Q26 | yoy % chg | qoq % chg |
| Public Transport | 909.9 | 12.2 | 11.7 | 42.0 | 5.5 | 11.4 |
| Taxi & Private Hire Vehicles | 234.2 | (10.5) | (2.3) | 18.4 | (48.0) | 7.6 |
| Other Private Transport | 126.0 | 4.7 | 16.1 | 2.3 | (53.1) | (355.6) |
| Inspection & Testing Services | 36.5 | 2.0 | (0.5) | 11.9 | 20.2 | (1.7) |
| Other Segments | 27.2 | 11.9 | (4.2) | 1.5 | 50.0 | 200.0 |

*Source: CD, UOB Kay Hian*

### Analysis

- **Earnings below expectations.** ComfortDelGro Corporation (CD) reported lower 1H26 operating profit (OP) (-17% yoy) and core PATMI (-14% yoy) despite higher revenue (+6% yoy). Revenue was in line at 49% of our full-year estimates, but core OP and PATMI formed only 41% and 43% and were significantly below our and consensus' expectations.
- The miss was mainly due to the taxi/P2P segment, where 1H26 OP collapsed 47% yoy to S$35.35m, largely due to weakness in taxis' B2C market. On a positive note, VICOM delivered a strong beat on ERP 2.0 On-Board Unit (OBU) installation volumes, and public transport remained largely stable.

### Key Financials

| Year to 31 Dec (S$m) | 2024 | 2025 | 2026F | 2027F | 2028F |
|---|---|---|---|---|---|
| Net turnover | 4,477 | 5,059 | 5,069 | 5,163 | 5,333 |
| EBITDA | 691 | 773 | 694 | 697 | 703 |
| Operating profit | 323 | 373 | 292 | 296 | 313 |
| Net profit (rep./act.) | 211 | 230 | 180 | 180 | 191 |
| PATMI (adj.) | 205 | 215 | 180 | 180 | 191 |
| EPS (S$ cent) | 9.5 | 9.9 | 8.3 | 8.3 | 8.8 |
| PE (x) | 14.4 | 13.7 | 16.4 | 16.4 | 15.5 |
| P/B (x) | 1.1 | 1.1 | 1.1 | 1.1 | 1.1 |
| EV/EBITDA (x) | 5.9 | 5.3 | 5.9 | 5.8 | 5.8 |
| Dividend yield (%) | 5.7 | 6.3 | 5.3 | 5.6 | 5.8 |
| Net margin (%) | 4.7 | 4.6 | 3.5 | 3.5 | 3.6 |
| Net debt/(cash) to equity (%) | 7.3 | 27.1 | 28.6 | 26.4 | 24.7 |
| Interest cover (x) | 17.8 | 14.6 | 17.0 | 15.8 | 14.9 |
| ROE (%) | 8.1 | 8.9 | 6.9 | 6.9 | 7.2 |
| Consensus net profit (S$m) | - | - | 195 | 211 | 221 |
| UOBKH/Consensus (x) | - | - | 0.92 | 0.85 | 0.86 |

*Source: CD, Bloomberg, UOB Kay Hian*


**Analyst(s)**

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### HOLD (Maintained)

| | |
|---|---|
| Share Price | S$1.36 |
| Target Price | S$1.41 |
| Upside | +3.7% |
| Previous TP | S$1.54 |

### Stock Data

| | |
|---|---|
| GICS sector | Industrials |
| Bloomberg ticker: | CD SP |
| Shares issued (m): | 2,166.0 |
| Market Cap (US$m): | 2,945.7 |
| Market cap (US$m): | 2,308.9 |
| 3-mth avg t'over (US$m): | 10.9 |

### Price Performance (%)

| 52-week high/low | | | | S$1.56/S$1.26 |
|---|---|---|---|---|
| 1mth | 3mth | 6mth | 1yr | YTD |
| 1.5 | 6.3 | (9.9) | (11.7) | (8.1) |

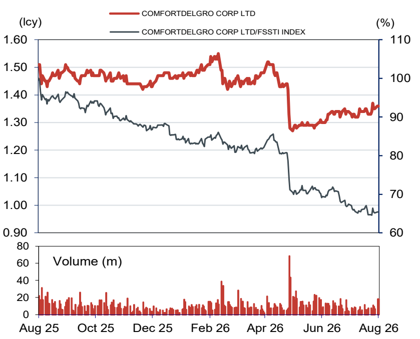
### Major Shareholders (%)

| | |
|---|---|
| Silchester International Investors | 6.06 |

### Balance Sheet Metrics

| | |
|---|---|
| FY26 NAV/Share (S$) | 1.21 |
| FY26 Net Cash/ Share (S$) | 0.35 |

### Price Chart




*Source: Bloomberg*

### Company Description

ComfortDelGro Corporation provides land transportation services. The company offers bus, taxi, rail, car rental and leasing, automotive engineering services, inspection and testing services, driving centre, insurance broking services, and outdoor advertising.

- **Public transport remains resilient.** 1H26 segment revenue rose 9.8% to S$1.72b, coming in line with our expectations, while OP of S$79.7m (+4.2% yoy) came below expectations. Growth was supported by contractual indexation, renewed London bus contracts at better margins and new Victoria contracts in Australia. SBS Transit (SBST) revenue grew 5.3% yoy on higher bus service fees and rail revenue, with NEL and DTL daily ridership up 1.5% and 1.0% yoy respectively. Public transport now accounts for 67% of group revenue, with over 97% of contracts exceeding five years, supporting strong earnings visibility.
- **Tampines loss and Serangoon-Eunos losses remain near-term headwinds.** The Tampines Bus Package was handed over to Go-Ahead from Jul 26, while SBST will hand over the Serangoon-Eunos Bus Package to SMRT from Jun 27. These losses will weigh on Singapore bus revenue, partly offset by higher rail fares and continued NEL/DTL ridership growth. Jurong Region Line (JRL) operations from 2028 should provide a medium-term earnings stream, while ongoing overseas tenders offer further upside.
- **Taxi/P2P: Recovery underway, but challenges remain.** 1H26 core OP fell 47.4% yoy to S$35.5m, reflecting continued competitive pressure across key markets. Singapore's taxi fleet declined yoy despite PHV fleet growth, Australia saw network contraction amid ride-hailing competition and cautious consumer spending, while UK premium demand remained affected by the Middle East conflict. Encouragingly, B2B remained stable as CD continues to reposition the business towards higher-value premium and enterprise mobility, while scaling its platform and Autonomous Vehicle (AV) capabilities, though recovery is likely to remain gradual amid intense B2C competition.
- **Inspection & testing: Expected to wind down.** 1H26 revenue rose 6.7% yoy to S$73.2m, while OP increased 27.0% yoy to S$24.0m, driven by higher ERP 2.0 OBU installation revenue. With installation activities scheduled to end in Dec 2026, we expect OBU-related revenue and earnings contribution to taper in 2027 as the project winds down.

## Valuation/Recommendation

- **Maintain HOLD with an 8% lower target price of S$1.41 (S$1.54 previously),** following our earnings revision. Our target price is pegged to an unchanged 17x 2026F PE or CD's 10-year average long-term PE.
- CD's 2026 dividend yield remains decent at 5.3%. However, P2P headwinds and the absence of a near-term recovery catalyst remain. Key catalysts include: a) tangible P2P sequential recovery, and b) evidence of UK airport transfer volumes recovering on geopolitical de-escalation.

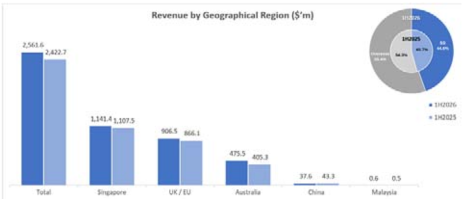
## Earnings Revision/Risk

- We lower our 2026-28 revenue and earnings forecasts by 2.2%/3.5%/3.5% and 8.7%/12.6%/11.4%, primarily on a material downgrade to P2P OP due to Singapore taxi fleet contraction, competitive pressure in the taxi's B2C segment, alongside the cessation of the OBU installation activities at the end-26.

## Share Price Catalyst

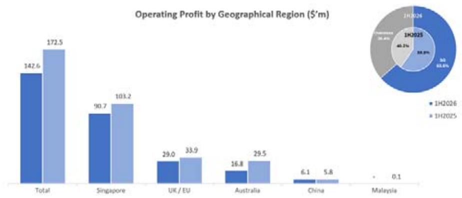
- Tangible P2P sequential recovery.
- Evidence of UK airport transfer volumes recovering on geopolitical de-escalation.

### Revenue by Geographical Region



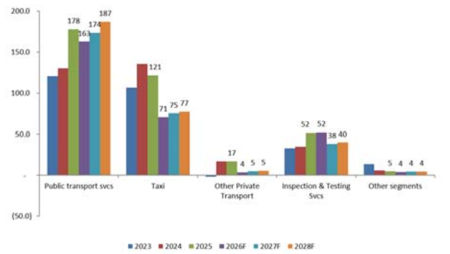

*Source: CD, UOB Kay Hian*

### Operating Profit by Geographical Region




*Source: CD, UOB Kay Hian*

### Segmental Annual Operating Profit Forecasts (S$m)




*Source: CD, UOB Kay Hian*

## Profit & loss

| Year to 31 Dec (S$m) | 2025 | 2026F | 2027F | 2028F |
|---|---|---|---|---|
| Net turnover | 5,058.6 | 5,068.7 | 5,163.2 | 5,333.0 |
| EBITDA | 772.6 | 694.1 | 697.5 | 703.0 |
| Deprec. & amort. | 399.6 | 402.5 | 401.3 | 389.5 |
| EBIT | 373.0 | 291.6 | 296.2 | 313.5 |
| Total other non-operating income | 20.4 | 13.4 | 10.4 | 11.4 |
| Associate contributions | 0.8 | 1.4 | 2.0 | 2.6 |
| Net interest income/(expense) | (52.8) | (40.9) | (44.0) | (47.2) |
| Pre-tax profit | 341.4 | 265.6 | 264.6 | 280.3 |
| Tax | (69.5) | (53.1) | (52.9) | (56.1) |
| Minorities | (41.6) | (32.9) | (31.7) | (33.6) |
| Net profit | 230.3 | 179.5 | 179.9 | 190.6 |
| Net profit (adj.) | 214.7 | 179.5 | 179.9 | 190.6 |

## Balance Sheet

| Year to 31 Dec (S$m) | 2025 | 2026F | 2027F | 2028F |
|---|---|---|---|---|
| Fixed assets | 2,339.3 | 2,237.8 | 2,186.5 | 2,147.0 |
| Other LT assets | 1,914.8 | 1,915.2 | 1,915.6 | 1,916.0 |
| Cash/ST investment | 868.4 | 824.2 | 876.3 | 918.5 |
| Other current assets | 1,016.4 | 1,126.9 | 1,146.3 | 1,180.6 |
| Total assets | 6,138.9 | 6,104.1 | 6,124.7 | 6,162.1 |
| ST debt | 387.4 | 387.4 | 387.4 | 387.4 |
| Other current liabilities | 1,149.7 | 1,103.1 | 1,120.2 | 1,149.2 |
| LT debt | 1,184.8 | 1,184.8 | 1,184.8 | 1,184.8 |
| Other LT liabilities | 436.3 | 436.3 | 436.3 | 436.3 |
| Shareholders' equity | 2,595.5 | 2,617.9 | 2,633.0 | 2,651.3 |
| Minority interest | 385.2 | 374.6 | 362.9 | 353.0 |
| Total liabilities & equity | 6,138.9 | 6,104.1 | 6,124.7 | 6,162.1 |

## Cash flow

| Year to 31 Dec (S$m) | 2025 | 2026F | 2027F | 2028F |
|---|---|---|---|---|
| Operating | 451.3 | 485.4 | 644.3 | 644.1 |
| Pre-tax profit | 341.4 | 265.6 | 264.6 | 280.3 |
| Tax | (83.8) | (53.1) | (52.9) | (56.1) |
| Deprec. & amort. | 399.6 | 402.5 | 401.3 | 389.5 |
| Associates | 0.0 | 0.0 | 0.0 | 0.0 |
| Working capital changes | (153.1) | (468.2) | (499.8) | (415.4) |
| Non-cash items | 75.2 | 27.5 | 33.6 | 35.8 |
| Other operating cashflows | (128.0) | 311.1 | 497.5 | 410.0 |
| Investing | (502.5) | (288.0) | (340.0) | (339.0) |
| Capex (growth) | (565.4) | (301.0) | (350.0) | (350.0) |
| Investment | (74.2) | 0.0 | 0.0 | 0.0 |
| Proceeds from sale of assets | 55.1 | 0.0 | 0.0 | 0.0 |
| Others | 82.0 | 13.0 | 10.0 | 11.0 |
| Financing | 26.2 | (241.5) | (252.3) | (263.0) |
| Dividend payments | (220.2) | (200.6) | (208.2) | (215.8) |
| Proceeds from borrowings | 3,747.2 | 0.0 | 0.0 | 0.0 |
| Loan repayment | (3,269.7) | 0.0 | 0.0 | 0.0 |
| Others/interest paid | (231.1) | (40.9) | (44.0) | (47.2) |
| Net cash inflow (outflow) | (25.0) | (44.2) | 52.1 | 42.2 |
| Beginning cash & cash equivalent | 892.4 | 868.4 | 824.2 | 876.3 |
| Changes due to forex impact | 1.0 | 0.0 | 0.0 | 0.0 |
| Ending cash & cash equivalent | 868.4 | 824.2 | 876.3 | 918.5 |

## Key Metric

| Year to 31 Dec (%) | 2025 | 2026F | 2027F | 2028F |
|---|---|---|---|---|
| Profitability | | | | |
| EBITDA margin | 15.3 | 13.7 | 13.5 | 13.2 |
| Pre-tax margin | 6.7 | 5.2 | 5.1 | 5.3 |
| Net margin | 4.6 | 3.5 | 3.5 | 3.6 |
| ROA | 3.9 | 2.9 | 2.9 | 3.1 |
| ROE | 8.9 | 6.9 | 6.9 | 7.2 |
| | | | | |
| Growth | | | | |
| Turnover | 13.0 | 0.2 | 1.9 | 3.3 |
| EBITDA | 11.8 | (10.2) | 0.5 | 0.8 |
| Pre-tax profit | 7.5 | (22.2) | (0.4) | 6.0 |
| Net profit | 9.4 | (22.0) | 0.2 | 6.0 |
| Net profit (adj.) | 4.5 | (16.4) | 0.2 | 6.0 |
| EPS | 4.5 | (16.4) | 0.2 | 6.0 |
| | | | | |
| Leverage | | | | |
| Debt to total capital | 34.5 | 34.4 | 34.4 | 34.4 |
| Debt to equity | 60.6 | 60.1 | 59.7 | 59.3 |
| Net debt/(cash) to equity | 27.1 | 28.6 | 26.4 | 24.7 |
| Interest cover (x) | 14.6 | 17.0 | 15.8 | 14.9 |

## Market News

US stocks were lower on Monday, as communication services, consumer staples and financials sectors led shares lower. At the close of the NYSE, the Dow Jones fell 0.51% while the S&P 500 index was down 0.52%, and the NASDAQ Composite index slid 0.32%. Falling stocks outnumbered advancing ones on the NYSE by 1,893 to 881 and 72 ended unchanged; on the Nasdaq Stock Exchange, 3,051 declined and 1,903 advanced, while 158 ended unchanged.

During the last trading session, the FSSTI index rose 24.87pt to 5,768.46. Among the top active stocks were Singtel (+0.2%), DBS (+1.8%), OCBC Bank (-0.8%), Seatrium (+0.5%) and UMS (+5.5%). The FTSE ST Mid Cap index rose 0.2%, while the FTSE ST Small Cap Index gained 1.1%. The broader market had 343 gainers and 255 losers with a total trading value of S$1.92b.

# Technical Analysis

Analyst(s)

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## SATS (SATS SP)

| | |
|---|---|
| Trading buy range: | S$4.72-4.73 |
| Last price: | S$4.75 |
| Target price: | S$5.28 |
| Protective stop: | S$4.58 |

**Price staged a rebound off its resistance-turned-support floor while keeping the broader bullish trend intact. The RSI is holding firmly above its neutral 50-midline and curling upward once again. This points to a continuation move higher towards the upper resistance targets.**

The potential upside target is S$5.28. Stop-loss could be placed at S$4.58.

Approximate timeframe on average: 1-2 weeks (initiate this trade idea if the stock hits the entry price range within three trading days)

Our institutional research has a fundamental BUY and target price of S$5.00.


## SIA Engineering (SIE SP)

| | |
|---|---|
| Trading buy range: | S$3.17-3.18 |
| Last price: | S$3.20 |
| Target price: | S$3.46 |
| Protective stop: | S$3.06 |

**Price bounced cleanly off its previous low support zone before penetrating its recent swing high to execute a formal structural breakout. The RSI has crossed back into the bullish territory above its neutral 50-midline. This enhances the probability of a sustained move higher towards the next-tier overhead targets.**

The potential upside target is S$3.46. Stop-loss could be placed at S$3.06.

Approximate timeframe on average: 1-2 weeks (initiate this trade idea if the stock hits the entry price range within three trading days)

Our institutional research has a fundamental BUY and target price of S$3.75.