Strategy

Financial Conditions Have Tightened

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Highlights

- Our STI target of 6,682 is based on an equity risk premium of 3.0%, which is 1x SD below the long-term mean, and risk-free rate at 2.5%. The target represents a fair 2026F PE of 18.2x and upside of 18% for the STI.
- We position defensively due to near-term headwinds from fiscal strains in the US and Japan and elevated inflation from a prolonged conflict in the Middle East. Our investment themes: a) beneficiaries of higher bond yields: OCBC (Target: S$32.50); b) value creation through asset recycling and monetisation: Keppel (Target: S$13.26), SingTel (Target: S$5.50) and CityDev (Target: S$11.50); c) growth from Singapore as an Aviation Hub: SATS (Target: S$5.00) and SIA Engineering (Target: S$3.75); d) S-REITs with yields significantly above government bonds: NTT DC REIT (Target: S$1.31) and UI Boustead REIT (Target: S$1.16); e) value-oriented technology picks: Venture Corp (Target: S$21.10) and Valuetronics (Target: S$1.88); and f) SMID Gems: Beng Kuang (Target: S$0.75) and BRC Asia (Target: S$5.30).

What's New

- We have previously cautioned that financial conditions could tighten as the Fed could potentially embark on quantitative tightening in 2027. Currently, financial conditions have already started to tighten through higher government bond yields for developed countries.
- **Is the US entering a fiscal crisis?** The US' federal debt, budget deficits, and interest costs are on the rise. According to the Congressional Budget Office, the federal deficit is projected at US$1.9t in 2026. The IMF estimated that US general government debt would reach 142% of GDP in 2031, compared with 124% in 2026. Interest payments are now one of the fastest-growing expenditure, exceeding US$1t annually. The US fiscal trajectory is becoming progressively unsustainable. Persistent budget deficits of around 6% of GDP, rising entitlement spending, and growing interest expenses could crowd out public investment. The US is not yet facing a full-blown fiscal crisis, but US treasury yields are now structurally higher.
- **Is Japan entering a fiscal crisis?** Japan's fiscal position is the most stretched among developed economies, with gross government debt at 233% of GDP in 2026. Bank of Japan's gradual normalisation of monetary policy has materially increased debt-servicing costs after many years of ultra-low interest rates. An ageing population and a shrinking workforce also place pressure on social security and healthcare spending. Japan is approaching a turning point. Expansionary fiscal policies and permanent tax cuts could reverse the recent decline in the debt-to-GDP ratio. Consequently, confidence in government finances is being undermined and Japan's fiscal standing is expected to gradually deteriorate.

Key Recommendations

Company	Ticker	Rec	Share Price (S$)	Target Price (S$)
OCBC	OCBC SP	BUY	30.92	32.50
Keppel	KEP SP	BUY	11.35	13.26
SingTel	ST SP	BUY	4.42	5.50
CityDev	CIT SP	BUY	8.30	11.50
SATS	SATS SP	BUY	4.12	5.00
SIA Engr	SIE SP	BUY	3.12	3.75
NTT DC REIT	NTTDCR SP	BUY	0.95	1.31
UI Boustead	UIBREIT SP	BUY	0.80	1.16
Venture Corp	VMS SP	BUY	16.72	21.10
Valuetronics	VALUE SP	BUY	1.02	1.88
Beng Kuang	BKM SP	BUY	0.42	0.75
BRC Asia	BRC SP	BUY	4.23	5.30

Source: Bloomberg

Peer Comparison

Company	Ticker	Rec	Price 24 Aug 26 (S$)	Target Price (S$)	Upside To TP (%)	Last Year End	PE 2025 (x)	PE 2026F (x)	PE 2027F (x)	Yield 2026F (%)	ROE 2026F (%)	Market Cap (S$m)	Price/ NAV (x)	Net Cash / (Debt) (S$m)	Total Debt To Assets (%)
OCBC	OCBC SP	BUY	30.92	32.50	5.1	12/25	19.0	17.3	16.6	3.0	12.6	138,847	2.3	n.a.	n.a.
Keppel	KEP SP	BUY	11.35	13.26	16.8	12/25	26.1	21.8	20.0	4.2	9.1	20,389	2.0	-9,122	42.7
SingTel	ST SP	BUY	4.42	5.50	24.4	3/26	13.0	24.5	23.3	4.4	10.5	72,083	2.6	-8,208	23.0
Keppel	KEP SP	BUY	11.35	13.26	16.8	12/25	26.1	21.8	20.0	4.2	9.1	20,389	2.0	-9,122	42.7
SATS	SATS SP	BUY	4.12	5.00	21.4	3/26	21.5	19.4	16.3	2.1	11.3	6,124	2.2	-1,623	26.2
SIA Engineering	SIE SP	BUY	3.12	3.75	20.2	3/26	20.7	20.7	17.7	3.7	9.5	3,498	2.0	559	0.2
NTT DC REIT USD	NTTDCR SP	BUY	0.95	1.31	37.9	3/26	495.9	n.a.	n.a.	8.3	(0.3)	1,248	0.8	-597	29.2
UIBREIT	UIBREIT SP	BUY	0.80	1.16	45.0	3/25	n.a.	14.3	13.0	8.8	6.6	1,094	0.9	-753	37.9
Venture Corp	VMS SP	BUY	16.72	21.10	26.2	12/25	21.2	19.7	18.8	4.8	8.7	4,805	1.7	1,108	0.0
Valuetronics	VALUE SP	BUY	1.02	1.88	84.3	3/26	21.5	16.1	14.8	6.2	10.8	419	1.7	239	0.0
Beng Kuang	BKM SP	BUY	0.42	0.75	78.6	12/25	16.1	14.1	7.9	1.4	29.3	126	11.3	-0	30.6
BRC Asia	BRC SP	BUY	4.23	5.30	25.3	9/25	12.3	11.2	10.5	5.2	19.5	1,161	2.2	52	15.3

Source: Bloomberg, UOB Kay Hian

- **Looming threat from a prolonged gulf crisis.** While the US achieved early battlefield successes, Iran has escalated the conflict by targeting American bases, commercial shipping routes, and regional allies. The Strait of Hormuz is the most important energy chokepoint, carrying roughly one-fifth of global oil supplies. The sustained disruption to shipping has triggered higher oil prices and inflationary pressures, creating domestic political challenges for US policymakers. Iran's ability to use drones and missiles has forced the US to expend costly defensive systems, creating an expensive war of attrition. The US could get bogged down as it becomes increasingly difficult for the US to extricate itself from a prolonged conflict in the Middle East.

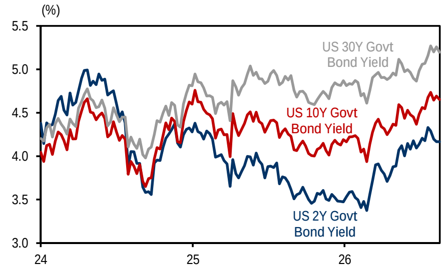
Financial Conditions Have Tightened

- **More legs to the rally.** We estimated the STI's current equity risk premium at 3.5%. Our STI target of 6,682 is based on an equity risk premium of 3.0%, which is 1x SD below the long-term mean, and risk-free rate at 2.5%. The target represents a fair 2026F PE of 18.2x and upside of 18% for the STI.
- **Financial conditions have tightened.** We want to be positioned defensively due to near-term headwinds from fiscal strains in the US and Japan and elevated inflation from a prolonged conflict in the Middle East. We invest based on the following themes:
  a) **Beneficiaries of higher bond yields:** OCBC
  b) **Value creation through asset recycling and monetisation:** Keppel, SingTel and CityDev.
  c) **Growth from Singapore as an aviation Hub:** SATS and SIA Engineering.
  d) **S-REITs with yields significantly above government bonds:** NTT DC REIT and UI Boustead REIT.
  e) **Value-oriented technology picks:** Venture Corp and Valuetronics.
  f) **SMID gems:** Beng Kuang and BRC Asia.
- Stocks to avoid include highly geared companies, especially those with US dollar and Japanese yen denominated loans. We have HOLD recommendations for Wilmar, StarHub and Thai Beverage where total debts/assets are 46.9%, 46.1% and 44.1%, respectively.

Top Large / Mid Cap Stock Picks

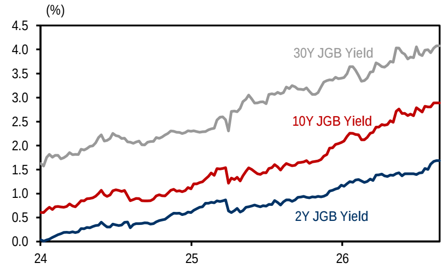
Beneficiaries Of Higher Bond Yields	
OCBC (BUY/Target: S$32.50)	• Wealth management is poised for continued growth due to OCBC's expanded base of relationship managers, influx of net new money into Singapore and Hong Kong, and its new digital wealth platform WoW. • Leadership renewal at Great Eastern has catalysed a shift in product mix towards long duration product lines and HNW clients. • OCBC has embarked on the next frontier strategy to accelerate growth. Maintain BUY. Target price: S$32.50.
Value Creation Through Asset Recycling And Monetisation	
Keppel (BUY/Target: S$13.26)	• Strong medium-term earnings growth from infrastructure and connectivity. Core earnings rose 16.6% yoy in 1H26, with infrastructure earnings up 10.9% and connectivity up 83.3%. We expect earnings momentum to strengthen further as Keppel Sakra Cogen contributes for a full period. • Asset-light transformation is progressing well. Keppel has already exceeded its S$100b interim FUM target, reaching S$106b by end-Jul 26, and remains on track towards S$200b by 2030. This should drive a higher proportion of recurring fee income and improve capital efficiency over time. • Continued asset monetisation provides further value-unlocking catalysts. The planned S$1.2b divestment of six operational rigs to Keppel Offshore Fund reduces legacy asset exposure, provides a clearer monetisation pathway, helps deleverage the balance sheet and simultaneously creates fund-management income.
SingTel (BUY/Target: S$5.50)	• SingTel sold 2.8% stake in Gulf Development for S$1b through private placement. It retains a balance of 5.0% stake. • SingTel could divest a minority stake in Optus to strategic local partners who can bring complementary capabilities and expertise. Its 27.5% stake in Bharti Airtel is worth S$44b. • SingTel announced encouraging 1QFY27 results with underlying net profit increasing 21% yoy to S$831m. Optus, NCS and Digital InfraCo clocked EBITDA growth of 14.5%, 17% and 20.8% yoy respectively. AIS grew 43% yoy. Post-tax contributions from Bharti Airtel and AIS rose 16% and 33% yoy respectively.

US 2Y, 10Y and 30Y Treasury Yields



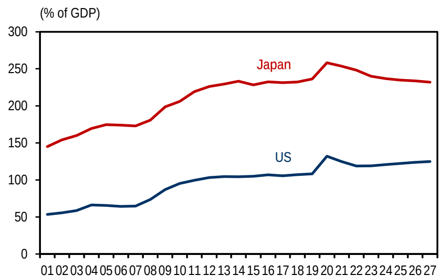
Source: Bloomberg

Japan 2Y, 10Y and 30Y JGB Yields



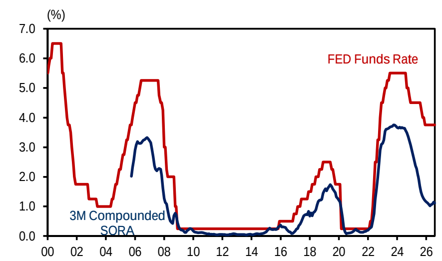
Source: Bloomberg

US And Japan Government Gross Debt As % Of GDP



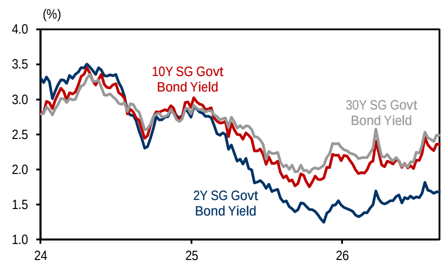
Source: IMF

US Fed Funds Rate Vs 3M SORA



Source: Bloomberg

SG 2Y, 10Y and 30Y Government Bond Yields



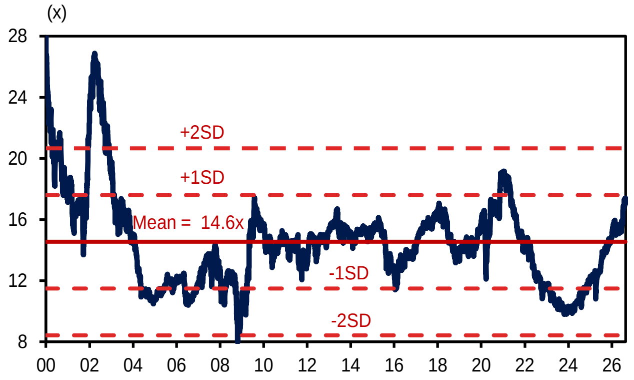
City Development (BUY/Target: S$11.50)	• City Developments (CDL) reported exceptionally strong residential sales performance in 1H26. Revenue from the property development segment surged 167% yoy on the back of the full profit recognition from the fully sold Lumina Grand executive condominium after obtaining temporary occupation permit (TOP) in April. Other strong performing projects Newport Residences, The Myst and Norwood Grand also contributed. The strong residential market execution demonstrates CDL's ability to monetise its development pipeline and provides a solid earnings base. • CDL's strategic review is aimed at accelerating the transformation of the group into an asset-light real estate platform. The review is expected to assess options, such as portfolio optimisation, increased capital recycling, expansion of its fund management business, and potential divestment of lower-yielding assets. Management seeks to unlock the value embedded within CDL's substantial global portfolio of development properties, investment assets and hotels, while improving returns on equity. The review could lead to a more aggressive asset monetisation programme, a larger recurring income base and a clearer path towards an asset-light growth model. The strategic review is likely to be unveiled by Sep 26. • Maintain our BUY rating with a target price of S$11.50, pegged to a 15% discount to RNAV of S$13.54. Further narrowing of this discount could be possible if CDL demonstrates material progress in its capital recycling programme and unlocking of value for its non-core assets.
Growth From Singapore As An Aviation Hub	
SATS (BUY/Target: S$5.00)	• Underlying business momentum remains strong despite temporary margin pressure. 1QFY27 revenue grew 11.3% yoy, with broad-based volume growth across cargo, ground handling and food solutions. Core earnings would have been broadly in line after excluding one-off JV/associate provisions. • SATS continues to outperform the global air-cargo market and gain share. Comparable cargo tonnage grew 12.0% yoy, ahead of IATA's 6.2% global growth benchmark, marking the 11th consecutive quarter of market-share gains, supported by organic growth and new contract wins across EMEA and the Americas. • Current margin pressures should prove temporary, leaving the medium-term growth story intact. Cost pass-through mechanisms, stronger asset utilisation and productivity/IT initiatives should support margin recovery once operating conditions normalise, while management continues to maintain its FY29 growth targets. The recent share-price weakness therefore presents an attractive entry point for investors with a >6-month horizon.
SIA Engineering (BUY/Target: S$3.75)	• Underlying maintenance, repair and overhaul (MRO) fundamentals remained healthy despite near-term gestation costs. 1QFY27 headline earnings were distorted by capacity-expansion costs at engine JVs; excluding these costs, we estimate that earnings would have grown 10% yoy. Core operating trends remained positive, with Singapore line-maintenance volumes up 2.9% yoy. • Current investments are building the next leg of structural growth. Capacity expansion at Base Maintenance Malaysia, the new Safran LEAP engine MRO JV and the potential Air India MRO partnership position SIAEC to capture rising regional aircraft and next-generation engine maintenance demand over the medium term. • Strong balance sheet provides downside protection and capacity to invest. SIAEC had S$628m of cash and almost no debt at end-1QFY27, equivalent to around 17% of market cap. The stock trades below its historical valuation mean while offering a 3.5-4.0% dividend yield, providing an attractive risk-reward for medium-term investors.
S-REIT With Yields Significantly Above Government Bond Yields	
NTT DC REIT (BUY/Target: US$1.31)	• NTTDCR is exploring the feasibility of acquiring a hyperscale 24MW data centre in Frankfurt, Germany in FY27, which will increase exposure to Tier 1 markets. It has debt headroom of US$261m to fund acquisitions based on gearing of 40%. • Portfolio occupancy by IT load improved 0.8ppt qoq to 95.9% as of Jun 26, driven by expansion leases secured at CA1, CA3 and SG1. Portfolio occupancy would have increased 3.3ppt to 99.2% if we include committed leases that have yet to commence. Majority of these new leases are expected to contribute to revenue starting 3QFY27. • NTTDCR provides a DPU yield of 8.3% for FY27, which is more attractive compared with KDCREIT (5.0%) and MINT (5.9%).
UI Boustead REIT (BUY/Target: S$1.16)	• UIBREIT's automotive, aerospace & avionics tenants include AUMOVIO, Rolls-Royce Solutions, Safran Helicopter Engines Asia, Safran Electronics & Defence Services Asia and a leading aircraft manufacturer. • The automotive, aerospace & avionics segment would expand 3ppt to 22% of gross rental income after the development of a build-to-suit integrated aerospace facility at Seletar Aerospace Park is completed; this is expected to start contributing in 1QFY29. • UIBREIT provides an attractive DPU yield of 8.8% for FY27 (CLAR: 6.1%, AAREIT: 6.7%).
Value-Oriented Technology Picks	
Venture Corp (BUY/Target: S$21.10)	• Venture has a diversified customer base across semiconductor equipment, test & measurement instrumentation, networking & communications and life science. • Venture maintained a lucrative net margin of 8.8% in 1H26 due to its specialisation in high-mix electronics manufacturing services. It is respected for its know-how and expertise in various technology domains, including life science, genomics, molecular diagnostics, medical devices & equipment, healthcare, wellness technology, test & measurement instrumentation, networking & communications, semiconductor equipment and advanced industrial. • Venture maintained its net cash position at S$1.1b as of Jun 26, equivalent to 24% of market cap, even after payment of higher dividends of 80 S cents and share buybacks in 2025. Net cash per share was S$3.99 as of Jun 26.

Source: Bloomberg

Valuetronics (BUY/Target: S$1.88)	• Revenue mix is structurally shifting towards high-margin industrial & commercial electronics (ICE) products, including thermal label printer, cold chain temperature monitor, data & media connectivity modules for automobiles, cooling solutions for high-performance computing and network access solutions. ICE products accounted for 87% of group revenue in FY26. Net profit margin was 9.6%. • Valuetronics has revised its dividend payout ratio higher to 50-70% (previously: 30-50%). It has unveiled a two-year HK$300m capital return programme to be executed in FY27 (special dividend: HK$66m, share buyback: > HK$80m) and FY28 (HK$154m). • Valuetronics had net cash of HK$1,214m as of Mar 26, which accounted for about 43% of its market cap.
SMID Gems	
Beng Kuang (BUY/Target: S$0.75)	• The outlook for Beng Kuang Marine is increasingly positive as the group moved into 2H26 with a stronger earnings profile supported by the full consolidation of Asian Sealand Offshore and Marine (ASOM). While 1H26 only reflected about one month of ASOM ownership, management expects offshore mobilisation activities and the full contribution from the acquired business to provide a meaningful uplift to both revenue and profitability in 2H26. Encouragingly, operating momentum is already in positive trajectory, with 2Q26 revenue rising to S$30.0m from S$25.7m in 1Q26 and profit before tax increasing to S$4.3m from S$3.0m. • Earnings visibility remains well supported by a healthy orderbook and recurring offshore maintenance demand. The group secured S$85.2m of new contracts in 1H26, representing an order intake-to-revenue ratio of 1.5x, while its outstanding orderbook stood at S$70.7m. Its long-standing relationships with FPSO owners and operators generate recurring opportunities in maintenance, life-extension and asset integrity services. With operations spanning 19 FPSOs globally, West Africa projects already commencing following floatel positioning in June, and further offshore mobilisation expected in 3Q26. The transition to an asset-light offshore lifecycle services model enhances the quality of future earnings. • Beng Kuang Marine had cash of S$26.3m as of Jun 26, despite funding the ASOM acquisition and project working capital requirements. Looking ahead, profitability is expected to strengthen significantly, with PATMI projected to increase from S$10.2m in 2026 to S$18.1m in 2027, supported by higher offshore service demand, greater contribution from ASOM and execution of secured projects.
BRC Asia (BUY/Target: S$5.30)	• The positive outlook for BRC Asia is supported by a robust orderbook of S$1.7b as of 9MFY26. The orderbook is anchored by major infrastructure projects, including the substructure works for Changi Airport Terminal 5, and provides earnings visibility over the next five years, with most projects expected to be executed within the next three years. The group's 9MFY26 revenue and PATMI grew 21% and 26% yoy respectively, reflecting strong project offtake and healthy execution momentum. Project deliveries moderated slightly in 3QFY26 largely due to the reorganisation of works, following accelerated deliveries in 1HFY26. Deliveries are expected to stay strong for the rest of the year. • BRC is Singapore's dominant steel reinforcement supplier with an estimated 55-60% market share. It is well positioned to benefit from a strong pipeline of public infrastructure and private sector developments. The Building and Construction Authority expects construction demand to remain elevated at S$47b-53b in 2026, while medium-term demand is projected to average S$39b-46b annually between 2027 and 2030. Major projects such as Changi Airport Terminal 5, Tuas Mega Port, the Cross Island Line and the Marina Bay Sands Integrated Resort expansion are expected to sustain demand for steel reinforcement. • BRC's financial position has strengthened with net cash position of S$60.4m and operating cash flow of S$100.8m in 9MFY26. This balance sheet strength provides flexibility to manage working capital requirements and support project execution. While lower steel rebar prices could pose some near-term margin pressure, management believes BRC's scale, market leadership and pricing discipline should help mitigate these headwinds. Dividend yield is attractive at 5.1%.

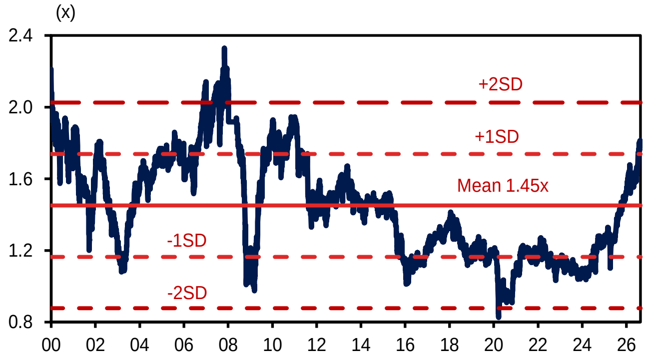
Source: UOB Kay Hian

Straits Times Index – PE



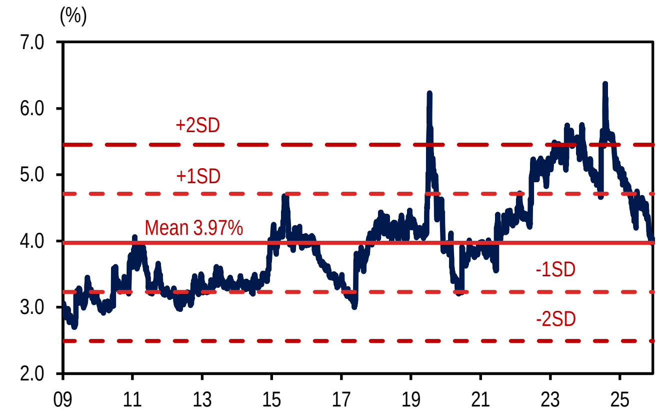
Source: Bloomberg, UOB Kay Hian

Straits Times Index - P/B



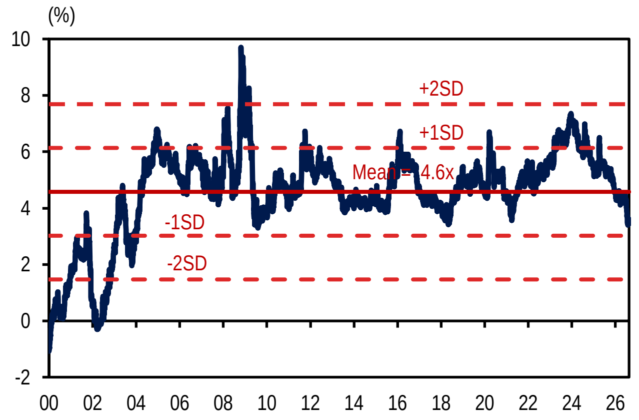
Source: Bloomberg, UOB Kay Hian

Straits Times Index – Dividend Yield



Source: Bloomberg, UOB Kay Hian

Equity Risk Premium (Gap Between Earnings Yield And 10Y SG Government Bond Yield)



Source: Bloomberg, UOB Kay Hian

Peer Comparison – Singapore Large Cap

Company	Ticker	Rec	Price 24 Aug 26 (S$)	Price Target (S$)	+/- TP % (%)	Last Year End	PE 2025 (x)	PE 2026F (x)	PE 2027F (x)	Yield 2026F (%)	ROE 2026F (%)	Market Cap (S$m)	Price/ NAV (x)	Net Cash / (Debt) (S$m)	Total Debt to Assets (%)
AVIATION															
SIA	SIA SP	HOLD	6.95	6.71	(3.5)	3/26	18.1	20.7	21.7	4.7	6.3	21,917.4	1.3	287	17.7
SIA Engineering	SIE SP	BUY	3.12	3.75	20.2	3/26	20.7	20.7	17.7	3.7	9.5	3,497.7	2.0	559	0.2
SATS	SATS SP	BUY	4.12	5.00	21.4	3/26	21.5	19.4	16.3	2.1	11.3	6,124.3	2.2	-1,623	26.2
ST Engineering	STE SP	BUY	10.64	11.75	10.4	12/25	71.7	32.1	28.0	1.9	38.0	33,178.8	13.1	-4,433	28.5
FINANCE															
DBS	DBS SP	HOLD	75.56	74.70	(1.1)	12/25	19.5	18.9	18.3	4.4	16.3	214,880.7	3.1	n.a.	n.a.
OCBC	OCBC SP	BUY	30.92	32.50	5.1	12/25	19.0	17.3	16.6	3.0	12.6	138,846.8	2.3	n.a.	n.a.
SGX	SGX SP	HOLD	25.16	23.40	(7.0)	6/26	41.5	38.5	31.4	2.3	30.6	26,886.4	11.4	1,178	13.8
UOB @	UOB SP	NR	40.73	n.a.	n.a.	12/25	14.8	12.1	11.4	4.2	10.9	67,191.6	1.4	n.a.	n.a.
HEALTHCARE															
Raffles Medical	RFMD SP	HOLD	0.865	0.94	8.7	12/25	22.7	21.8	20.7	3.5	5.4	1,587.1	1.5	262	0.0
LAND TRANSPORT															
ComfortDelGro	CD SP	HOLD	1.30	1.41	8.5	12/25	12.2	15.7	15.7	5.6	6.9	2,815.8	1.1	-872	26.5
PLANTATION															
Bumitama	BAL SP	BUY	2.04	2.15	5.4	12/25	15.9	13.0	13.5	5.4	23.7	3,537.7	3.2	-3	14.1
First Res	FR SP	BUY	4.38	4.57	4.3	12/25	14.7	12.5	13.7	4.7	26.7	6,780.9	3.4	-852	32.1
Wilmar	WIL SP	HOLD	3.76	3.50	(6.9)	12/25	12.7	12.5	10.9	3.6	6.8	23,473.7	0.8	-31,155	48.1
PROPERTY															
CapitaLand Invest	CLI SP	BUY	2.66	3.93	47.7	12/25	91.7	21.3	19.5	4.5	5.0	13,282.8	1.1	-4,227	24.4
CityDev	CIT SP	BUY	8.30	11.50	38.6	12/25	12.0	16.8	14.9	2.4	4.7	7,415.2	0.8	-11,851	50.7
SHIPYARD															
Keppel	KEP SP	BUY	11.35	13.26	16.8	12/25	26.1	21.8	20.0	4.2	9.1	20,389.2	2.0	-9,122	42.7
Sembcorp Ind	SCI SP	BUY	5.99	8.06	34.6	12/25	10.8	12.3	8.9	4.1	15.4	10,664.7	2.0	-13,856	59.1
Seatrium	STM SP	HOLD	2.09	2.30	10.0	12/25	21.9	16.2	16.5	1.9	6.1	7,066.4	1.0	-678	12.5
YZJ Ship Bldg SGD	YZJSGD SP	BUY	4.74	5.30	11.8	12/25	11.9	9.4	8.2	5.4	30.1	18,654.7	3.0	2,392	7.3
TECHNOLOGY															
Sea Ltd USD	SE US	BUY	117.53	181.18	54.2	12/25	44.4	42.5	34.9	0.0	12.6	66,634.4	5.1	4,576	6.3
Venture Corp	VMS SP	BUY	16.72	21.10	26.2	12/25	21.2	19.7	18.8	4.8	8.7	4,804.5	1.7	1,108	0.0
TELECOMS															
NetLink NBN Trust	NETLINK SP	HOLD	0.975	1.01	3.6	3/26	45.6	38.8	37.2	5.5	4.4	3,799.5	1.7	-740	25.7
SingTel	ST SP	BUY	4.42	5.50	24.4	3/26	13.0	24.5	23.3	4.4	10.5	72,083.0	2.6	-8,208	23.0
StarHub	STH SP	HOLD	1.08	1.26	16.7	12/25	24.0	11.0	10.2	7.2	28.8	1,864.6	3.7	-11,747	399.3
OTHERS															
DFIRG USD	DFI SP	BUY	3.59	5.20	44.8	12/25	20.0	17.1	16.6	4.1	76.4	6,173.2	23.3	-29	4.1
Genting SP	GENS SP	HOLD	0.65	0.70	7.7	12/25	20.1	19.0	17.2	6.2	5.0	7,841.4	1.0	2,949	0.0
ThaiBev	THBEV SP	HOLD	0.46	0.475	3.3	9/25	11.5	10.5	10.4	4.7	18.9	11,560.6	2.0	-7,239	44.1
REITS															
CapLand Ascendas	CLAR SP	BUY	2.45	3.78	54.3	12/25	16.5	16.0	14.6	6.1	6.8	12,238.3	1.1	-8,011	39.7
CapLand Ascott	CLAS SP	BUY	0.87	1.42	63.2	12/25	29.3	18.7	18.3	7.1	3.7	3,355.2	0.8	-2,693	37.7
CapLand Int Comm Trust	CICT SP	BUY	2.41	3.06	27.0	12/25	20.6	20.6	19.0	4.9	5.5	19,170.3	1.1	-9,795	37.4
CDL Htrust	CDREIT SP	BUY	0.77	1.11	44.2	12/25	125.3	21.9	22.2	7.2	2.4	988.0	0.6	-1,081	35.3

Cent Accom REIT	CAREIT SP	BUY	1.14	1.55	36.0	12/25	25.1	18.7	16.5	5.9	7.0	1,969.9	1.3	-639	29.9
Digi Core REIT USD	DCREIT SP	BUY	0.52	0.93	78.8	12/25	22.5	21.3	17.0	6.6	3.0	850.6	0.6	-874	39.2
Far East HTrust	FEHT SP	BUY	0.555	0.81	45.9	12/25	18.8	16.2	15.7	6.7	3.9	1,143.4	0.6	-763	32.8
Frasers Centrepoint	FCT SP	BUY	2.20	2.99	35.9	9/25	20.0	14.1	11.7	5.8	6.7	4,486.5	1.0	-2,523	40.0
Frasers L&C Trust	FLT SP	BUY	0.95	1.33	40.0	9/25	21.0	19.7	19.2	6.3	4.4	3,618.2	0.8	-2,234	33.7
Keppel DC REIT	KDCREIT SP	BUY	2.26	2.95	30.5	12/25	20.2	18.5	18.8	5.0	7.1	5,531.6	1.3	-2,048	34.0
Keppel REIT	KREIT SP	BUY	0.89	1.13	27.0	12/25	29.8	20.5	20.1	6.1	3.6	4,432.2	0.7	-4,685	40.0
KORE REIT USD	KORE SP	BUY	0.177	0.25	41.2	12/25	4.2	5.0	5.1	4.1	5.1	234.8	0.3	-732	43.3
Lendlease REIT	LREIT SP	BUY	0.575	0.78	35.7	6/26	26.5	19.1	21.2	6.4	3.7	1,913.0	0.8	-1,637	38.9
Mapletree Pan Asia	MPACT SP	BUY	1.29	1.75	35.7	3/26	15.7	18.5	18.2	6.2	3.9	6,821.3	0.7	-5,710	37.7
Mapletree Ind Trust	MINT SP	HOLD	1.93	2.07	7.3	3/26	16.3	16.9	16.5	5.9	6.4	5,511.7	1.2	-2,989	37.5
Mapletree Log Trust	MLT SP	HOLD	1.18	1.29	9.3	3/26	25.2	23.9	24.1	5.8	3.6	6,064.0	0.9	-5,189	40.5
NTT DC REIT USD	NTTDCR SP	BUY	0.95	1.31	37.9	3/26	495.9	n.a.	n.a.	8.3	(0.3)	1,248	0.8	-597	29.2
PLife REIT	PREIT SP	BUY	4.16	5.45	31.0	12/25	25.8	24.2	23.7	4.3	6.6	2,715.3	1.6	-838	33.7
Prime US REIT USD	PRIME SP	BUY	0.15	0.21	40.0	12/25	9.4	7.5	7.1	10.9	3.8	273.9	0.3	-805	44.9
Suntec REIT	SUN SP	BUY	1.55	1.75	12.9	12/25	21.3	23.5	22.5	5.1	3.1	4,590.7	0.8	-4,065	43.0
UIBREIT	UIBREIT SP	BUY	0.80	1.16	45.0	3/25	n.a.	14.3	13.0	8.8	6.6	1,094.0	0.9	-753	37.9
Utd Hampshire REIT USD	UHU SP	BUY	0.50	0.69	38.0	12/25	13.9	12.8	11.8	9.2	5.3	386.3	0.7	-409	40.4

Note: NR – Not Rated
Source: Bloomberg, UOB Kay Hian

Peer Comparison – Singapore Small / Mid Cap

Company	Ticker	Rec	Price		+/-	Last	PE			Yield	ROE	Market	Price/	Net Cash	Total Debt
			24 Aug 26	Target	TP %	Year End	2025	2026F	2027F	2026F	2026F	Cap	NAV	/ (Debt)	to Assets
			(S$)	(S$)	(%)		(x)	(x)	(x)	(%)	(%)	(S$m)	(x)	(S$m)	(%)
AEM	AEM SP	BUY	9.14	12.99	42.1	12/25	169.3	33.3	29.2	0.8	16.7	2,920.7	5.4	57	3.7
Aoxin Q & M	AOXIN SP	BUY	0.215	0.36	67.4	12/25	90.8	159.7	33.2	0.4	2.1	248.8	2.9	43	0.0
ASL Marine	ASL SP	BUY	0.295	0.43	45.8	6/25	19.9	9.0	8.3	0.7	27.7	303.6	2.3	-102	33.7
Aztech Gbl	AZTECH SP	HOLD	0.575	0.73	27.0	12/25	11.1	22.2	15.1	3.5	7.5	443.8	2.0	50	2.4
Beng Kuang	BKM SP	BUY	0.42	0.75	78.6	12/25	16.1	14.1	7.9	1.4	29.3	126.0	11.3	-0	30.6
BRC Asia	BRC SP	BUY	4.23	5.30	25.3	9/25	12.3	11.2	10.5	5.2	19.5	1,160.5	2.2	52	15.3
Centurian	CENT SP	BUY	1.59	2.10	32.1	12/25	11.6	12.0	10.4	2.5	8.8	1,336.8	1.1	-774	29.6
China Aviation Oil	CAO SP	BUY	1.43	1.88	31.5	12/25	8.5	10.9	8.7	5.0	8.1	1,230.1	0.9	757	0.0
ChinaSunsine	CSSC SP	HOLD	0.66	0.70	6.1	12/25	8.5	8.2	8.0	4.2	8.9	629.2	0.7	423	0.0
Civmec	CIVMEC SP	HOLD	1.73	0.80	(53.8)	6/25	24.1	22.3	20.9	3.2	8.7	881.7	1.9	24	5.6
CSE Global	CSE SP	BUY	1.190	1.79	50.4	12/25	22.6	20.8	18.9	2.4	14.3	867.8	3.0	-171	28.6
Delfi	DELFI SP	BUY	0.80	1.68	110.0	12/25	11.3	13.2	12.3	3.8	10.1	488.9	1.4	56	5.0
Dezign Format	DFG SP	BUY	0.175	0.37	111.4	12/25	30.2	5.0	4.4	6.0	49.6	34.9	3.0	6	8.2
Food Empire	FEH SP	BUY	2.23	3.49	56.5	12/25	31.1	15.8	14.3	4.5	19.2	1,471.1	3.1	66	3.6
Frencken	FRKN SP	BUY	2.50	3.30	32.0	12/25	27.3	23.6	22.0	1.3	9.1	1,073.3	2.2	69	6.9
Hong Leong Asia	HLA SP	BUY	2.80	4.70	67.9	12/25	18.6	13.5	13.0	2.6	14.4	2,234.8	1.7	1,081	9.7
Huationg Global	HUAGL SP	BUY	0.55	1.23	123.6	12/25	5.1	4.9	4.7	2.9	14.8	103.5	0.7	-14	24.1
iFAST	IFAST SP	BUY	9.01	12.18	35.2	12/25	27.2	24.2	20.6	1.1	25.7	2,762.2	6.2	119	8.1
Kimly	KMLY SP	HOLD	0.41	0.34	(17.1)	9/25	15.3	14.0	13.3	4.3	17.8	510.4	2.7	63	1.3
LHN	LHN SP	BUY	0.565	0.71	25.7	9/25	11.9	9.8	8.1	6.2	8.9	246.1	0.8	-189	36.9
Lum Chang Creations	LUCC SP	BUY	0.34	0.51	50.0	6/24	14.8	9.8	8.6	3.1	78.4	224.4	3.2	44	3.2
MarcoPolo Marine	MPM SP	BUY	0.127	0.23	81.1	9/25	8.1	13.7	12.0	1.6	13.7	497.1	1.9	52	19.0
Nanofilm	NANO SP	BUY	0.94	1.68	78.7	12/25	52.2	30.4	20.7	0.7	4.5	610.7	1.4	-0	13.9
Oiltek	OTEK SP	BUY	1.40	2.78	98.6	12/25	61.6	54.4	14.5	0.7	32.8	600.6	18.4	30	0.0
PanUnited	PAN SP	BUY	1.54	1.42	(7.8)	12/25	21.2	18.7	16.4	2.9	18.8	1,077.3	3.6	65	3.6
PropNex	PROP SP	BUY	1.82	2.55	40.1	12/25	19.1	17.4	17.2	5.5	64.7	1,346.8	10.9	130	0.0
Reclaims Global	RGL SP	BUY	0.21	0.27	28.6	1/26	8.3	4.5	3.9	10.5	15.6	62.5	1.3	28	0.0
RH PetroGas	RHP SP	BUY	0.165	0.263	59.4	12/25	42.1	12.4	15.0	0.0	14.7	138.3	1.6	96	0.0
Riverstone	RSTON SP	BUY	0.815	1.21	48.5	12/25	19.0	17.7	16.7	6.8	14.9	1,208.0	2.6	183	0.0
Sheng Siong	SSG SP	BUY	3.19	3.71	16.3	12/25	32.1	30.4	28.9	2.3	25.8	4,796.3	7.8	402	0.0
Soon Hock	SHOCK SP	BUY	0.60	0.71	18.3	12/25	4.1	3.3	3.2	6.3	29.9	186.4	1.1	-152	43.0
Tiong Woon	TWC SP	BUY	0.945	1.11	17.5	6/25	11.4	9.2	8.3	2.3	7.1	219.1	0.7	-38	21.4
UltraGreen.ai USD	UGAI SP	BUY	0.72	1.95	170.8	12/25	9.3	9.6	8.4	0.0	23.3	1,007.7	2.2	78	1.3
UMS	UMSH SP	BUY	2.66	3.27	22.9	12/25	45.5	32.8	28.0	1.9	16.2	2,362.5	5.3	39	0.0
Valuetronics	VALUE SP	BUY	1.02	1.88	84.3	3/26	21.5	16.1	14.8	6.2	10.8	418.7	1.7	239	0.0
Winking Studios	WKS SP	BUY	0.215	0.38	76.7	12/24	13.2	11.3	n.a.	5.3	14.4	94.7	1.4	25	5.7

Source: Bloomberg, UOB Kay Hian