Key Indices

	Prev Close	1D %	1W %	1M %	YTD %
DJIA	52210.1	0.5	0.7	0.6	8.6
S&P 500	7413.2	0.0	(0.4)	0.8	8.3
FTSE 100	10781.8	0.4	2.4	2.6	8.6
AS30	9063.8	1.4	1.0	1.1	0.5
CSI 300	4702.4	1.1	2.3	(3.4)	1.6
FSSTI	5620.2	0.6	2.2	8.3	21.0
HSCEI	8365.4	1.1	(0.2)	12.1	(6.2)
HSI	25207.2	1.0	0.3	11.2	(1.7)
JCI	6185.8	(0.2)	(0.7)	4.9	(28.5)
KLCI	1713.1	0.7	(0.5)	2.7	2.0
KOSPI	6755.8	1.0	3.7	(19.7)	60.3
Nikkei 225	64931.2	0.5	1.2	(6.4)	29.0
SET	1624.5	(1.2)	(1.3)	5.3	29.0
TWSE	43634.2	(0.0)	2.8	(2.1)	50.7
BDI	2696.0	(1.7)	0.9	6.8	43.6
CPO (RM/mt)	4550.0	0.0	0.6	1.1	15.7
Brent Crude (US$/bbl)	88.4	(8.7)	(1.0)	22.7	45.2

Source: Bloomberg

Corporate Events

	Venue	Begin	Close
Hybrid Post-result Group Luncheon with Plover Bay Technologies Ltd (1523 HK)	Hong Kong	31 Jul	31 Jul
Virtual Meeting with i-Tail Corporation Public Company Limited (ITC TB)	Thailand	05 Aug	05 Aug
Hybrid Meeting with UltraGreen.ai Ltd (UGAI SP)	Singapore	13 Aug	13 Aug

Corporate and Macro Calendar

Economic Indicator/Event	Date
MAS 12-Week Bill Auction	28 Jul
MAS 4-Week Bill Auction	28 Jul
Export Prices YoY JUN	29 Jul
Import Prices YoY JUN	29 Jul

Please click on the page number to move to the relevant pages

Top Stories

Company Results | iFAST Corp (IFAST SP/**BUY**/S$9.03/Target: S$12.18) Page 3

iFast's 1H26 revenue of S$316.5m (+39% yoy) and PATMI of S$57.9m (+41% yoy) formed 51%/53% of our full-year forecasts respectively. AUA hit a record S$36.1b (+33% yoy) with broad-based growth across all markets. Management raised 2026 dividend guidance to 12.00 S cents/share or higher, while declaring a second interim dividend. Maintain BUY with a target price of S$12.18, backed by earnings momentum.

Company Results | Raffles Medical Group (RFMD SP/**HOLD**/S$0.91/Target: S$0.94) Page 6

RMG's 1H26 net profit of S$29.0m (-9.6% yoy) missed expectations, driven by lower occupancy of its Singapore TCF. Excluding the TCF, RMG's other business lines recorded yoy stable/improving performances in 1H26. 1H26 earnings are likely to have set a new baseline run rate moving forward. The turnaround of the China hospital portfolio remains on track. Downgrade to HOLD with a lower target price of S$0.94, now based on 27.2x 2027F PE (0.5SD below historical mean PE of 29.6x).

Company Update | CSE Global (CSE SP/**BUY**/S$1.22/Target: S$1.79) Page 9

We visited W-Industries' Americas headquarters and facilities in Houston and came back with a more positive view. Operations across all three sites are intact. Beyond Amazon, we opine that the copper shortage is a near-term constraint, and we expect this to ease by 1H27. Maintain BUY with an unchanged target price of S$1.79.

Market Spotlight

Page 12

- US stocks were mixed on Monday, with the Dow Jones and S&P 500 rising while the Nasdaq fell as the consumer staples, communication services and financials sectors rose. There were more advancers than decliners on the NYSE.
- The FSSTI rose 31.90pt to 5,620.24, supported by strength in Singtel, Seatrium and DBS, with mid-cap indices rising while small-cap indices fell with a broad market advance on S$1.90b turnover.

Technical Analysis

Civmec | CVL SP Page 13

Trading buy range: S$1.54-1.55

Singapore Post | SPOST SP Page 13

Trading buy range: S$0.345-0.350

iFAST Corporation (IFAST SP)

1H26: Earnings Beat; AUA Momentum Continues

Highlights

- 1H26 revenue of S$316.5m (+39% yoy) and PATMI of S$57.9m (+41% yoy) came in slightly above our estimates, forming 51%/53% of our forecasts respectively.
- AUA hit a new high of S$36.1b (+33% yoy), with China AUA doubling yoy and strong net inflows of S$2.56b in 1H26 (+15% yoy).
- Maintain BUY with a higher target price of S$12.18, underpinned by better-than-expected earnings and continued momentum in AUA.

1H26 Results

Year to 31 Dec (S$m)	1H26	1H25	yoy%	2Q26	2Q25	qoq%
Revenue	316.5	227.2	39.3	162.0	120.2	34.8
Net revenue	213.3	147.8	44.3	108.3	80.0	35.3
Net revenue margin (%)	67.4	65.0	+2.4ppt	66.9	66.6	+0.3ppt
PATMI	57.9	41.1	40.7	29.8	22.1	35.0
PATMI margin (%)	18.3	18.1	+0.2ppt	18.4	18.4	-

Source: iFAST

Analysis

- **1H26 earnings above expectations.** iFAST Corporation (iFast) delivered 2Q26 revenue of S$162.0m and PATMI of S$29.8m, bringing 1H26 revenue to S$316.5m (+39.3% yoy) and 1H26 PATMI to S$57.9m (+40.7% yoy), forming 51%/53% of our forecasts respectively. Growth was driven by stronger contributions from Hong Kong's ePension division and continued strength in the core wealth management platform. 1H26 opex rose 47.0% yoy to S$143.7m (2Q26: S$72.7m, +36.4% yoy), mainly higher staff costs (+79.5% yoy in 1H26) tied to ePension headcount. However, management also expects staff costs to moderate going forward with fewer headcount contract renewals alongside existing AI efforts.
- **New record-high AUA, broad-based across markets.** Asset under administration (AUA) hit an all-time high of S$36.1b as at end-Jun 26 (+32.8% yoy, +10.7% qoq), driven by net inflows of S$1.31b in 2Q26 (1H26: S$2.56b). All markets posted record AUA: Singapore +30.0% yoy, Hong Kong +36.0% yoy, Malaysia +40.4% yoy, China +100.0% yoy, UK +25.2% yoy. China remains a standout, with AUA doubling yoy to S$990m and its segment loss narrowing 49% qoq to S$0.95m, potentially turning profitable by 2027.

Key Financials

Year to 31 Dec (S$m)	2024	2025	2026F	2027F	2028F
Net turnover	383	515	625	718	830
EBITDA	141	202	193	224	262
Operating profit	114	169	151	172	203
Net profit (rep./act.)	67	100	113	133	154
Net profit (adj.)	67	100	113	133	154
EPS (S$ cent)	21.9	32.8	37.2	43.7	50.4
PE (x)	41.2	27.5	24.3	20.7	17.9
P/B (x)	8.4	6.7	5.5	4.6	3.9
EV/EBITDA (x)	12.1	8.5	8.9	7.6	6.6
Dividend yield (%)	0.7	0.9	1.1	1.3	1.7
Net margin (%)	17.4	19.4	18.1	18.5	18.5
Net debt/(cash) to equity (%)	(183.0)	(168.1)	(218.2)	(198.1)	(182.1)
Interest cover (x)	99.5	66.3	n.a.	n.a.	n.a.
ROE (%)	23.5	28.0	25.7	25.1	24.2
Consensus net profit (S$m)	-	-	131	158	-
UOBKH/Consensus (x)	-	-	0.86	0.84	-

Source: iFAST, Bloomberg, UOB Kay Hian

BUY (Maintained)

Share Price	S$9.03
Target Price	S$12.18
Upside	+34.9%
Previous TP	S$11.77

Analyst(s)
Tang Kai Jie
kaijietang@uobkh.com
+65 6590 6624
John Cheong
johncheong@uobkh.com
+65 6590 6623

Stock Data

GICS Sector	Financials
Bloomberg ticker	IFAST SP
Shares issued (m)	306.6
Market cap (S$m)	2,768.3
Market cap (US$m)	2,145.5
3-mth avg daily t'over (US$m)	7.5

Price Performance (%)

52-week high/low: S$ 11.06/S$ 7.79

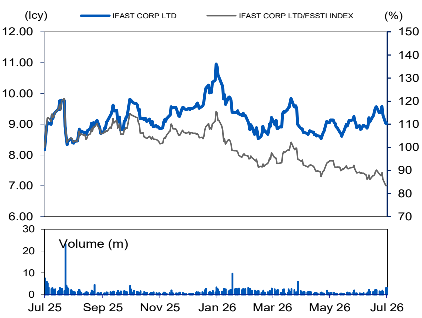
1mth	3mth	6mth	1yr	YTD
1.6	1.7	(17.6)	21.7	(5.1)

Major Shareholders	%
Lim Chung Chun (CEO)	13.05
Lim Wee Kian	5.78

Balance Sheet Metrics

FY26 NAV/Share (S$)	1.63
FY26 Net Cash/ Share (S$)	3.56

Price Chart



Source: Bloomberg

Company Description

iFAST is a wealth management fintech platform headquartered in Singapore. It provides a comprehensive range of investment products and services to financial advisory firms, financial institutions, banks, internet companies, multinational companies, as well as retail and high net worth investors in Asia.

- **Second interim dividend raised, FY26 guidance lifted.** A second interim dividend of 3.00 S cents/share was declared (+50.0% yoy), following a first interim dividend of 2.50 S cents/share. Management also raised 2026 total dividend guidance to 12.00 S cents/share or higher (+43.0% yoy), up from 10.50 cents guided in Apr 26. This is supported by a healthy ROE of 27.2% in 1H26 and a payout ratio of 28.9% (1H25: 26.3%). Longer term, management sees scope to raise the payout ratio to 40.0% as shareholders' equity nears S$1.00b.
- **Staff costs expected to moderate by 2028, improving profitability.** While the group has ramped up its headcount to support the Hong Kong ePension business, management highlighted that headcount has peaked in mid-26, and is expected to slightly taper off till 2028. This would be done through fewer renewals of contract staff, alongside the natural resignation of employees. iFast also continues to focus on AI adoption across the group to improve its efficiency. These initiatives are expected to slightly improve the group's profitability from 2027-28F.

Stock Impact

- **iGB profitability rebounds; Ant partnership confirmed live.** iGB reported record PBT of S$1.92m in 2Q26 (+174.5% yoy; 1H26: S$2.61m, +53.5% yoy), reversing the 1Q26 qoq dip. Deposits reached S$1.81b (+25.2% yoy). iGB opex was marginally lower yoy at S$8.55m in 2Q26 and S$16.83m in 1H26, partly aided by forex revaluation gains. The Ant International "Worldwide Scan & Pay" partnership, alongside SEPA capability, launched in May 26 as planned.
- **Strong Hong Kong net revenue surge.** Hong Kong contributed S$35.9m to 1H26 PBT (+27.7% yoy), the group's largest single-market contributor (Singapore: S$27.8m). Hong Kong net revenue rose 66.4% yoy in 1H26 to S$114.9m, implying an approximately 31% PBT margin. All 12 trustees and 24 schemes also are now onboarded to the Hong Kong Pension platform as at end-Apr 26, and this is expected to contribute positively to revenue through 2030. Occupational Retirement Schemes Ordinance (ORSO) pension administration is expected to contribute from 2H26 onwards through a S$3b AUM partner, while the Macau ePension business is also poised for growth. Management guides for double-digit Hong Kong revenue and profit growth for the full year.
- **Strategic roadmap: Vision 2030 and AI Integration.** iFAST reaffirmed its Vision 2030 target of S$100b AUA (25.6% CAGR), with growth skewing more toward the UK and Hong Kong. Headcount is expected to peak mid-26 and taper through 2028 via lower contract renewals, natural attrition, and AI adoption, supporting margin expansion from 2027. Management sees net revenue potentially reaching S$600m at a 60bp margin as AUA scales. The "FSM Global" rebrand aims to reinforce Singapore's position as a hub for global investors.

Valuation/Recommendation

- **Maintain BUY with a higher PE-based target price of S$12.18.** We lower our PE multiple to 27x 2027F PE (0.5SD below its historical mean), compared to 32x previously, due to a reduced PE-band. We also roll over our valuation base to 2027F to better reflect iFast's continued AUA momentum and earnings growth.
- The higher target price reflects iFAST's strong execution, growing earnings visibility and scalable monetisation across its wealth, pension and banking segments as it progresses toward its long-term AUA target of S$100b by 2030.

Earnings Revision/Risk

- We adjust our 2026-28 earnings forecasts by 3.1%/8.5%/9.5% respectively as we expect improving profitability arising from a slightly reduced headcount going forward, alongside higher business efficiencies coming from its AI initiatives.

Share Price Catalyst

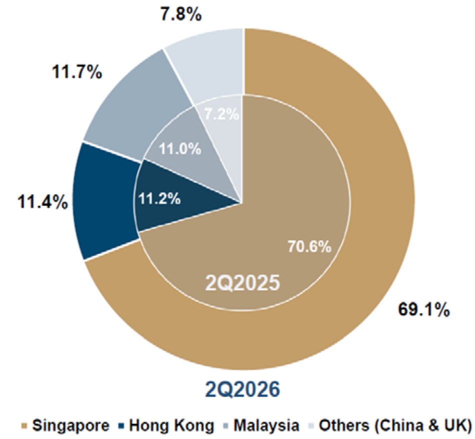
- Higher-than-expected growth in AUA and net inflows.
- Higher profitability coming from lower staff costs and more AI initiatives.
- Lower-than-expected costs incurred for the eMPF platform.

2030's S$100b AUA Target By Market

	2025 AUA (S$b)	2030 AUA (S$b)	2025-30F CAGR
Singapore	22.5	62.1	22.5%
Hong Kong	3.6	11.6	26.2%
iFAST Global Bank	1.6	15.0	56.9%
Others	4.3	11.3	21.6%
Total	32.0	100.0	25.6%

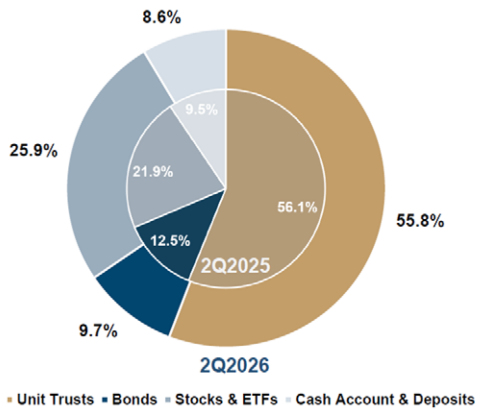
Source: iFAST

AUA By Markets As At 30 Jun 26



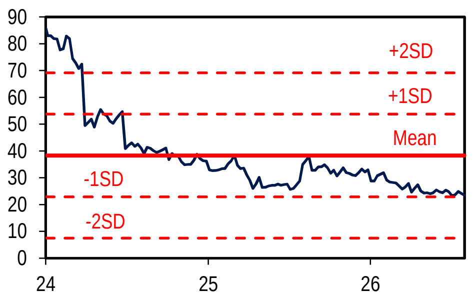
Source: iFAST

AUA By Products As At 30 Jun 26



Source: iFAST

Historical PE Band (2-Years)



Source: Bloomberg, UOB Kay Hian

Profit & Loss

Year to 31 Dec (S$m)	2025	2026F	2027F	2028F
Net turnover	514.7	625.3	717.9	830.4
EBITDA	201.7	193.2	224.4	261.6
Deprec. & amort.	33.1	42.6	52.0	58.6
EBIT	168.6	150.5	172.4	203.0
Total other non-operating income	(47.4)	(47.4)	(47.4)	(47.4)
Associate contributions	0.0	0.0	0.0	0.0
Net interest income/(expense)	(3.0)	32.2	33.2	26.0
Pre-tax profit	118.2	135.4	158.2	181.6
Tax	(18.3)	(22.3)	(25.3)	(28.1)
Minorities	0.1	0.1	0.2	0.2
Net profit	100.0	113.2	133.1	153.7
Net profit (adj.)	100.0	113.2	133.1	153.7

Balance Sheet

Year to 31 Dec (S$m)	2025	2026F	2027F	2028F
Fixed assets	71.5	67.7	64.6	57.2
Other LT assets	400.7	370.4	385.5	400.1
Cash/ST investment	724.3	1,093.6	1,182.8	1,279.6
Other current assets	1,235.1	1,034.4	1,069.4	1,125.3
Total assets	2,431.6	2,566.2	2,702.3	2,862.1
ST debt	12.3	12.3	12.3	12.3
Other current liabilities	1,815.4	1,879.1	1,925.8	1,984.4
LT debt	42.8	30.0	21.0	14.7
Other LT liabilities	163.1	163.1	163.1	163.1
Shareholders' equity	398.0	481.7	580.2	687.8
Minority interest	(0.1)	(0.1)	(0.1)	(0.1)
Total liabilities & equity	2,431.6	2,566.2	2,702.3	2,862.1

Cash Flow

Year to 31 Dec (S$m)	2025	2026F	2027F	2028F
Operating	586.8	223.7	225.7	245.6
Pre-tax profit	118.2	135.4	158.2	181.6
Tax	0.0	0.0	0.0	0.0
Deprec. & amort.	33.1	42.6	52.0	58.6
Associates	(0.0)	(0.0)	(0.0)	(0.0)
Working capital changes	422.6	(16.5)	(46.8)	(56.8)
Non-cash items	12.6	12.6	12.6	12.6
Other operating cashflows	0.3	49.7	49.7	49.7
Investing	(415.7)	(55.5)	(63.8)	(65.6)
Capex (growth)	(31.1)	(55.5)	(63.8)	(65.6)
Investment	(384.6)	0.0	0.0	0.0
Proceeds from sale of assets	0.0	0.0	0.0	0.0
Others	0.0	0.0	0.0	0.0
Financing	(40.0)	(40.3)	(47.4)	(55.1)
Dividend payments	(22.7)	(29.4)	(34.6)	(46.1)
Proceeds from borrowings	27.4	0.0	0.0	0.0
Loan repayment	(30.1)	0.0	0.0	0.0
Others/interest paid	(14.6)	(10.9)	(12.8)	(9.0)
Net cash inflow (outflow)	131.0	127.9	114.5	124.9
Beginning cash & cash equivalent	622.8	724.3	829.9	919.1
Changes due to forex impact	5.5	0.0	0.0	0.0
Ending cash & cash equivalent	759.3	852.2	944.4	1,044.0

Key Metrics

Year to 31 Dec (%)	2025	2026F	2027F	2028F
Profitability				
EBITDA margin	39.2	30.9	31.3	31.5
Pre-tax margin	23.0	21.7	22.0	21.9
Net margin	19.4	18.1	18.5	18.5
ROA	4.8	4.5	5.1	5.5
ROE	28.0	25.7	25.1	24.2
Growth				
Turnover	34.4	21.5	14.8	15.7
EBITDA	42.7	(4.2)	16.2	16.5
Pre-tax profit	42.0	14.6	16.9	14.8
Net profit	49.9	13.2	17.6	15.5
Net profit (adj.)	49.9	13.2	17.6	15.5
EPS	49.9	13.2	17.6	15.5
Leverage				
Debt to total capital	12.2	8.1	5.4	3.8
Debt to equity	13.9	8.8	5.7	3.9
Net debt/(cash) to equity	(168.1)	(218.2)	(198.1)	(182.1)
Interest cover (x)	66.3	n.a.	n.a.	n.a.

Raffles Medical Group (RFMD SP)

1H26: Lower TCF Occupancy Drives Earnings Miss And Resets The Run Rate

HOLD (Downgraded)	
Share Price	S$0.91
Target Price	S$0.94
Upside	3.3%
Previous TP	S$1.25

Analyst(s)
Roy Chen, CFA
roychen@uobkh.com
+65 6590 6627

Highlights

- 1H26 net profit of S$29.0m (-9.6% yoy) missed expectations; the miss was due to lower occupancy of its Singapore TCF. Excluding the TCF, the rest of RMG's business lines recorded yoy stable/improving performance in 1H26.
- 1H26 earnings are likely to have set a new baseline run rate moving forward.
- The turnaround of the China hospital portfolio remains on track.
- Downgrade to HOLD, with our target price cut to S$0.94, now based on 27.2x 2027F PE (0.5SD below historical mean PE of 29.6x).

1H26 Results

Year to 31 Dec (S$m)	1H26	1H25	yoy chg %	2H25	hoh chg %	2026F	1H as % of 26F
Revenue (net)	353.2	378.4	-6.7	386.9	-8.7	779.0	45%
- Healthcare services	112.1	135.4	-17.2	136.1	-17.6	272.8	41%
- Hospital services	151.2	147.0	+2.9	159.0	-4.9	316.6	48%
- Insurance services	86.4	92.6	-6.7	88.4	-2.3	182.8	47%
- Investment holdings	3.5	3.4	+2.0	3.4	+3.4	6.8	51%
Reported EBIT	38.1	41.6	-8.4	48.7	-21.8	94.5	40%
Core EBIT	35.7	42.3	-15.5	45.4	-21.2	94.5	38%
Segmental PBT	47.0	51.1	-8.1	56.6	-17.0		
- Healthcare services	15.6	24.9	-37.5	17.6	-11.2		
- Hospital services	19.7	17.7	+11.0	23.4	-15.7		
- Insurance services	-1.1	-3.1	-64.3	0.0	n.a.		
- Investment holdings	12.8	11.5	+10.7	15.6	-18.2		
Consolidated PBT	39.2	43.9	-10.8	49.7	-21.2	96.3	41%
Reported net profit	29.0	32.1	-9.6	38.5	-24.5	73.3	40%
Core net profit	26.4	32.5	-18.7	34.8	-24.0	73.3	36%

Source: RMG, UOB Kay Hian

Analysis

- **1H26 results a miss...** Raffles Medical Group's (RMG) 1H26 reported net profit of S$29.0m (-9.6% yoy) missed expectations, forming 40% of our full-year forecast. Excluding one-off items such as forex gains, core net profit dropped 18.7% yoy to S$26.4m.
- **...due to lower occupancy at its TCF.** Revenue and PBT of the healthcare services division dropped 17.2% and 37.5% yoy, respectively, driven by lower bed occupancy at RMG's transitional care facility (TCF) in Singapore, which has seen patient traffic diversion to the newly opened Woodlands Hospital.

Key Financials

Year to 31 Dec (S$m)	2024	2025	2026F	2027F	2028F
Net turnover	752	765	721	750	781
EBITDA	124	134	119	125	135
Operating profit	82	90	75	80	90
Net profit (rep./act.)	62	71	60	63	71
Net profit (adj.)	65	67	57	63	71
EPS (S$ cent)	3.5	3.6	3.1	3.4	3.8
PE (x)	25.9	25.0	29.4	26.6	23.8
P/B (x)	1.6	1.6	1.6	1.6	1.5
EV/EBITDA (x)	11.2	10.4	11.7	11.2	10.3
Dividend yield (%)	2.7	3.3	3.3	3.3	3.4
Net margin (%)	8.3	9.2	8.3	8.4	9.0
Net debt/(cash) to equity (%)	(27.4)	(24.7)	(26.3)	(29.5)	(33.1)
ROE (%)	6.0	6.7	5.6	5.9	6.6
Consensus net profit (S$m)	-	-	73	79	89
UOBKH/Consensus (x)	-	-	0.79	0.80	0.80

Source: RMG, Bloomberg, UOB Kay Hian

Stock Data

GICS sector	Healthcare
Bloomberg ticker	RFMD SP
Shares issued (m)	1,840.2
Market cap (S$m)	1,969.0
Market cap (US$m)	1,556.9
3-mth avg daily t'over (US$m)	1.1

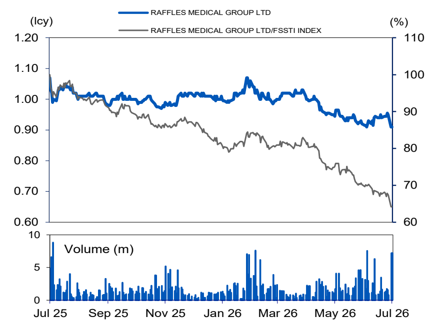
Price Performance (%)

52-week high/low S$1.09/S$0.825

1mth	3mth	6mth	1yr	YTD
7.0	9.7	4.9	29.7	4.9

Major Shareholders	**%**
Dr Loo Choon Yong	53.8

Price Chart



Source: Bloomberg

Company Description

Raffles Medical Group is one of the leading integrated private healthcare providers in the region, providing a continuum of services from primary and tertiary care to health insurance for people across Asia.

- **Hospital and Insurance segments recorded improving performances.**
  - **Hospital services.** Segmental PBT rose 11.0% yoy to S$19.7m. driven by improved operation and cost efficiency across RMG's hospitals in Singapore and China. Management highlighted that RMG's China hospital operations recorded encouraging progress, with revenue rising 13% yoy in 1H26 and operating loss steadily narrowing. Despite Singapore's regulation changes on Integrated Shield Plan (IPs) riders (effective 1 Apr 26), RMG's Singapore hospital operations showed resilience, turning in a largely yoy flattish revenue in 1H26.
  - **Insurance services.** Segmental pre-tax loss narrowed yoy to S$1.1m in 1H26 (1H25: S$3.1m in loss), driven by prudent claims adjudication and effective cost management.
- **Strong balance sheet.** RMG has fully paid off its financial borrowings and maintained a pure cash balance of S$262m as of end-1H26, equivalent to 15% of its current market cap.
- **1H26 performance sets a new baseline run rate.** Management noted that the bed occupancy at its Singapore TCF has already stabilised at a lower (yet still profitable) equilibrium level, and may gradually improve moving forward, driven by the favourable macro trend of ageing population. While it is still early to conclude the impacts from the regulatory change on IPs riders, management has not observed meaningful impacts in the first few months of implementation and guided for stable performance for its Singapore hospital in 2H26.
- **Turnaround of China hospitals remains on track.** Management noted that dynamics at its China hospitals are improving, driven by: a) more expatriates returning to China, and b) RMG increasingly gaining recognition from local patients. In addition, its collaborations with local public hospitals (including clinical partnerships and referral programmes) are also working satisfactorily. As such, management maintained its guidance that its Shanghai hospital is on track to achieve breakeven at EBITDA level by end-26, and targets for its overall China hospital portfolio to achieve EBTIDA breakeven in 2027.

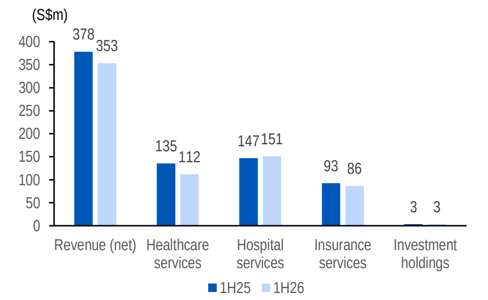
Earnings Revision/Risk

- **Our 2026-28 earnings forecasts have been cut by 16-22%,** to reflect the expected weaker contribution from RMG's Singapore TCF.
- **Key risks:** a) intensifying regional competition for medical tourism, b) failure to pass through cost inflation, c) a prolonged loss-making position of its China hospital portfolio, and d) unfavourable regulatory changes.

Valuation/Recommendation

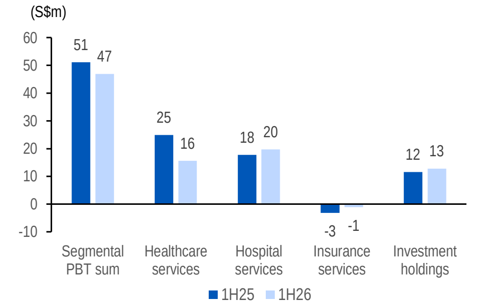
- **Downgrade RMG to HOLD with a lower target price of S$0.94** based on 27.2x 2027F PE, pegged to 0.5SD below RMG's historical mean PE. RMG currently trades at 26.6x 2027F (0.6SD below its historical mean PE), largely in line with ASEAN peers averaging at 25.6x.
- **Share buyback to limit share price downside.** RMG has an active share buyback programme in place and intends to buy back up to 100m shares in 2025-26. Management noted that RMG will continue to execute the share buyback programme this year.
- **Dividend outlook.** Backed by its strong balance sheet and upbeat free cash flow generations, RMG has flexibilities to sustain a 3 S cent ordinary dividend for next few years, translating to a 3.3% yield. 2026 marks RMG's 50th year anniversary and we do not rule out the possibility of RMG paying a special dividend at the end of the year.

Revenue (Net) By Segment



Source: RMG

PBT By Segment



Source: RMG

Historical PE Band

Source: Bloomberg

Valuation

		2026F	2027F	2028F
EPS (S$)		0.031	0.034	0.038
PE peg		----------- Target price (S$) ---------		
+1.0SD	34.4x	1.07	1.18	1.33
+0.5SD	32.0x	1.00	1.10	1.23
Mean	29.6x	0.92	1.02	1.14
-0.5SD	27.2x	0.85	0.94	1.05
-1.0SD	24.8x	0.77	0.85	0.96

Source: RMG, UOB Kay Hian

Profit & Loss

Year to 31 Dec (S$m)	2025	2026F	2027F	2028F
Net turnover	765	721	750	781
EBITDA	134	119	125	135
Deprec. & amort.	43	44	44	45
EBIT	90	75	80	90
Total other non-operating income	0	0	0	0
Associate contributions	0	0	0	0
Net interest income/(expense)	3	2	3	3
Pre-tax profit	94	78	83	93
Tax	(23)	(18)	(20)	(22)
Minorities	(1)	(0)	(1)	(1)
Net profit	71	60	63	71
Net profit (adj.)	67	57	63	71

Balance Sheet

Year to 31 Dec (S$m)	2025	2026F	2027F	2028F
Fixed assets	975	952	929	906
Other LT assets	19	19	19	19
Cash/ST investment	311	279	315	359
Other current assets	125	119	123	128
Total assets	1,430	1,369	1,386	1,412
ST debt	50	0	0	0
Other current liabilities	284	270	279	289
LT debt	0	0	0	0
Other LT liabilities	40	40	40	40
Shareholders' equity	1,058	1,060	1,068	1,084
Minority interest	(3)	(2)	(2)	(1)
Total liabilities & equity	1,430	1,369	1,386	1,412

Cash Flow

Year to 31 Dec (S$m)	2025	2026F	2027F	2028F
Operating	101	92	109	117
Pre-tax profit	94	75	83	93
Tax	(22)	(18)	(20)	(22)
Deprec. & amort.	45	44	44	45
Associates	0	0	0	0
Working capital changes	(12)	(7)	4	5
Non-cash items	1	0	0	0
Other operating cashflows	(3)	(2)	(3)	(3)
Investing	(3)	(5)	(5)	(5)
Capex	(10)	(9)	(10)	(10)
Investments	0	0	0	0
Proceeds from sale of assets	0	0	0	0
Others	8	4	4	5
Financing	(131)	(118)	(69)	(69)
Dividend payments	(46)	(55)	(55)	(55)
Proceeds from borrowings	0	0	0	0
Loan repayment	(34)	(50)	0	0
Others/interest paid	(51)	(13)	(13)	(13)
Net cash inflow (outflow)	(32)	(31)	36	44
Beginning cash & cash equivalent	344	311	279	315
Changes due to forex impact	(1)	0	0	0
Ending cash & cash equivalent	311	279	315	359

Key Metrics

Year to 31 Dec (%)	2025	2026F	2027F	2028F
Profitability				
EBITDA margin	17.5	16.5	16.6	17.2
Pre-tax margin	12.2	10.8	11.1	11.9
Net margin	9.2	8.3	8.4	9.0
ROA	4.8	4.3	4.6	5.0
ROE	6.7	5.6	5.9	6.6
Growth				
Turnover	1.8	(5.8)	4.0	4.2
EBITDA	7.5	(11.0)	4.7	8.1
Pre-tax profit	7.6	(17.0)	6.8	12.0
Net profit	13.4	(15.6)	5.8	12.0
Net profit (adj.)	2.7	(15.0)	10.2	12.0
EPS	3.3	(14.7)	10.2	12.0
Leverage				
Debt to total capital	4.5	0.0	0.0	0.0
Debt to equity	4.7	0.0	0.0	0.0
Net debt/(cash) to equity	(24.7)	(26.3)	(29.5)	(33.1)

CSE Global (CSE SP)

Houston Site Visit: Operations Intact And Growing Customer Breadth

BUY (Maintained)	
Share Price	S$1.22
Target Price	S$1.79
Upside	+46.7%

Highlights

- We visited W-Industries' headquarters and facilities in Houston, Texas and came back with a positive view on CSE's long-term strategy.
- Champions facility is operating at around 75% utilisation, constrained by copper supply rather than demand, which we expect to ease by 1H27.
- Maintain BUY with a target price of S$1.79, pegged to 19.4x 2027F PE.

Analysis

- **Positive view reinforced.** We visited W-Industries' Americas headquarters and facilities in Houston, Texas, and came back with a more positive view on CSE Global's (CSE) long-term strategy.
- **Proving it on the factory floor.** Across the four suppliers Amazon works with, CSE ranks number one on quality per defect rate. Additionally, beyond Amazon, W-Industries is an active supplier to several cloud operators at varying levels of commercial engagement, and early-stage conversations also underway with at least one AI lab. Looking ahead, we see new potential customers in this category and expect AWS revenue concentration to reduce over time. We have not factored this into our estimates.
- **Constrained by copper, not demand.** From our observations, the Champions facility, a 241,000sf contract manufacturing plant producing power distribution rooms for AWS, is running at approximately 75% utilisation. The constraint is due to a shortage of electrical copper rather than demand, operating three production lines out of four. We expect this to ease by 1H27 and note that AWS has been constructive on cost pass-through. W-Industries is also investing in in-house copper processing to improve availability and margin over time.
- **Ignore the noise in Singapore.** Management teams across the three facilities appeared stable, with production showing no signs of disruption. We continue to watch the pace of the Lead Independent Director and Audit and Risk Committee chairman appointments as the primary governance catalyst. The ongoing strategic review also remains a watch point, where any strategic transaction may lead to upside to our target price.

Key Financials

Year to 31 Dec (S$m)	2024	2025	2026F	2027F	2028F
Net turnover	861	969	1,126	1,227	1,300
EBITDA	72	68	83	92	96
Operating profit	54	50	57	64	68
Net profit (rep./act.)	26	37	41	45	48
Net profit (adj.)	37	37	41	45	48
EPS (S$ cent)	5.4	5.3	5.7	6.3	6.7
PE (x)	22.4	23.2	21.3	19.4	18.2
P/B (x)	3.4	3.2	3.0	2.8	2.6
EV/EBITDA (x)	14.9	15.8	12.9	11.6	11.1
Dividend yield (%)	2.0	2.1	2.3	2.6	2.7
Net margin (%)	3.1	3.9	3.6	3.7	3.7
Net debt/(cash) to equity (%)	28.2	59.2	60.5	57.0	51.6
Interest cover (x)	8.6	7.8	11.2	12.0	12.5
ROE (%)	11.2	14.1	14.3	14.6	14.4
Consensus net profit (S$m)	-	-	45	53	48
UOBKH/Consensus (x)	-	-	0.90	0.85	1.00

Source: CSE, Bloomberg, UOB Kay Hian

Analyst(s)
John Cheong
johncheong@uobkh.com
+65 6590 6623

Stock Data

GICS sector	Information Technology
Bloomberg ticker:	CSE SP
Shares issued (m):	729.2
Market cap (S$m):	889.7
Market cap (US$m):	689.6
3-mth avg daily t'over (US$m):	15.9

Price Performance (%)

52-week high/low				S$1.91/S$0.62
1mth	3mth	6mth	1yr	YTD
(6.9)	(10.3)	14.0	83.5	23.9

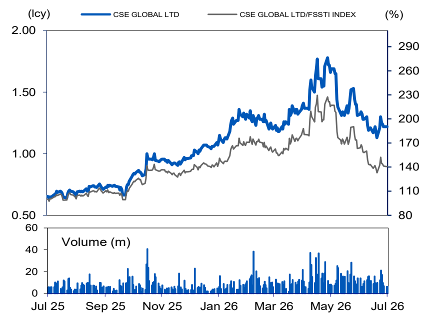
Major Shareholders

	%
Temasek Hldgs	23.8

Balance Sheet Metrics

FY26 NAV/Share (S$)	0.41
FY26 Net Debt/Share (S$)	0.25

Price Chart



Source: Bloomberg

Company Description

CSE Global provides systems integration and information technology solutions, computer network systems, and industrial automation. The company also designs, manufactures, and installs management information systems. CSE Global develops, manufactures, and sells electronic and micro processor monitoring equipment.

New Champions Park Facility Servicing AWS (241,000sf)

Source: UOB Kay Hian

- **Riding the largest LNG capacity wave in history.** The macro backdrop for LNG is the strongest it has been in years, and CSE is well positioned to benefit. The US Energy Information Administration (EIA) forecasts US LNG exports rising 18.5% yoy to an average of 17b cubic feet per day (ft3/d) in 2026 and a further 9% yoy to 18.5b ft3/d in 2027 as five new export projects ramp up. The International Energy Agency (IEA) has described the current 2025-2030 build cycle as the largest LNG capacity wave in the history of the market. Supply disruptions at key Middle Eastern export facilities have added further urgency to US LNG procurement, driving terminal utilisation rates even higher before new capacity comes online. Against this backdrop, W-Industries is the incumbent electrification and integrated systems contractor for the largest active US LNG export developer. We expect CSE to benefit from the strong macro pipeline and see margin expansion.

Valuation/Recommendation

- **Maintain BUY with an unchanged target price of S$1.79,** based on 29x 2027F PE (+2.0SD to mean). This reflects CSE's re-rating from its historical 15x mean, driven by the data centre electrification narrative and strong order intake. We believe the premium is justified by the Amazon warrant relationship and its robust S$716m orderbook.
- At S$1.22, the stock trades at around 19x 2027F PE, a meaningful discount to our multiple and in our view, a level that underprices the data centre growth story. While governance continues to be an overhang, it is resolvable and the business fundamentals have not changed.

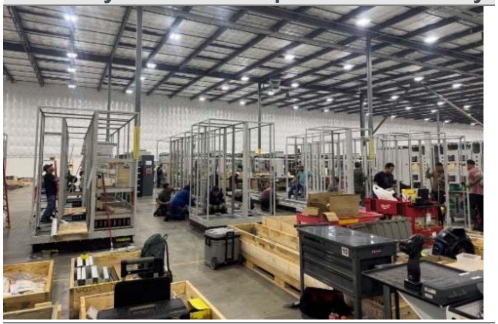
Earnings Revision/Risk

- No earnings revision.

Share Price Catalyst

- Appointment of a replacement Lead ID, reconstituting ARC and NC leadership.
- New hyperscaler or large LNG contract announcements.
- EPS-accretive acquisitions or strategic partnerships.

Assembly Line In Champions Park Facility

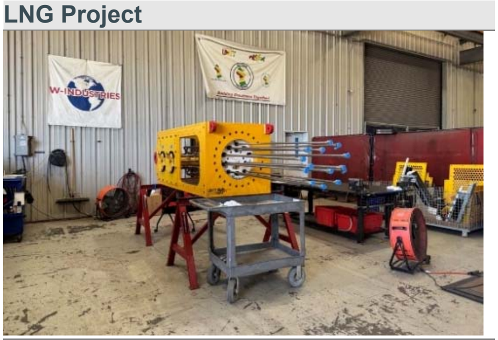


Source: UOB Kay Hian

Workers Wiring A Switchgear At Gears Road Facility

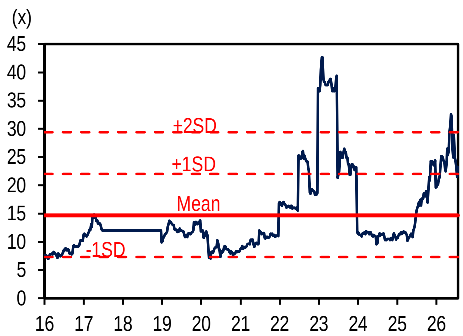
Source: UOB Kay Hian

LNG Project



Source: UOB Kay Hian

Historical PE Band



Source: Bloomberg

Profit & Loss

Year to 31 Dec (S$m)	2025	2026F	2027F	2028F
Net turnover	968.9	1,125.7	1,226.9	1,299.8
EBITDA	67.6	82.7	92.4	96.2
Deprec. & amort.	17.2	25.2	28.6	28.6
EBIT	50.4	57.4	63.8	67.6
Total other non-operating income	4.2	0.0	(0.0)	0.0
Associate contributions	(0.0)	0.0	0.0	0.0
Net interest income/(expense)	(8.6)	(7.4)	(7.7)	(7.7)
Pre-tax profit	45.9	50.0	56.1	59.9
Tax	(8.4)	(9.1)	(11.2)	(12.0)
Minorities	(0.0)	0.0	0.0	0.0
Net profit	37.5	40.9	44.9	47.9
Net profit (adj.)	37.5	40.9	44.9	47.9

Balance Sheet

Year to 31 Dec (S$m)	2025	2026F	2027F	2028F
Fixed assets	67.2	100.3	105.4	111.9
Other LT assets	185.4	157.0	152.1	147.3
Cash/ST investment	46.2	29.7	26.7	31.4
Other current assets	458.8	530.2	575.9	609.6
Total assets	757.5	817.1	860.2	900.2
ST debt	205.2	205.2	205.2	205.2
Other current liabilities	221.2	259.3	278.8	294.6
LT debt	4.0	4.0	4.0	4.0
Other LT liabilities	51.6	51.2	51.2	51.2
Shareholders' equity	275.5	296.7	320.1	344.4
Minority interest	0.1	0.9	0.9	0.9
Total liabilities & equity	757.5	817.1	860.2	900.3

Cash Flow

Year to 31 Dec (S$m)	2025	2026F	2027F	2028F
Operating	(67.2)	41.5	59.0	70.2
Pre-tax profit	45.9	50.0	56.1	59.9
Tax	(14.1)	(9.1)	(11.2)	(12.0)
Deprec. & amort.	17.2	25.2	28.6	28.6
Associates	(0.0)	0.0	0.0	0.0
Working capital changes	(130.4)	(36.3)	(26.2)	(17.9)
Non-cash items	2.8	0.0	0.0	0.0
Other operating cashflows	11.3	11.7	11.7	11.7
Investing	(0.2)	(38.3)	(40.4)	(42.0)
Capex (growth)	(28.5)	(26.6)	(28.8)	(30.3)
Investment	0.0	0.0	0.0	0.0
Proceeds from sale of assets	1.2	0.0	0.0	0.0
Others	27.1	(11.7)	(11.7)	(11.7)
Financing	57.3	(18.5)	(20.3)	(22.5)
Dividend payments	(7.5)	(18.5)	(20.3)	(22.5)
Proceeds from borrowings	81.4	0.0	0.0	0.0
Loan repayment	(14.3)	0.0	0.0	0.0
Others/interest paid	(2.3)	0.0	0.0	0.0
Net cash inflow (outflow)	(10.1)	(15.4)	(1.8)	5.8
Beginning cash & cash equivalent	57.4	46.2	29.7	26.7
Changes due to forex impact	(1.1)	(1.1)	(1.1)	(1.1)
Ending cash & cash equivalent	46.2	29.7	26.7	31.4

Key Metrics

Year to 31 Dec (%)	2025	2026F	2027F	2028F
Profitability				
EBITDA margin	7.0	7.3	7.5	7.4
Pre-tax margin	4.7	4.4	4.6	4.6
Net margin	3.9	3.6	3.7	3.7
ROA	5.4	5.2	5.4	5.4
ROE	14.1	14.3	14.6	14.4
Growth				
Turnover	12.5	16.2	9.0	5.9
EBITDA	(6.1)	22.3	11.8	4.1
Pre-tax profit	28.7	8.9	12.2	6.8
Net profit	42.3	9.0	9.8	6.8
Net profit (adj.)	2.0	9.0	9.8	6.8
EPS	(3.6)	9.0	9.8	6.8
Leverage				
Debt to total capital	43.2	41.3	39.5	37.7
Debt to equity	75.9	70.5	65.4	60.7
Net debt/(cash) to equity	59.2	60.5	57.0	51.6
Interest cover (x)	7.8	11.2	12.0	12.5

MARKET SPOTLIGHT

Market News

US stocks were mixed on Monday, as the consumer staples, communication services and financials sectors led shares higher. At the close of the NYSE, the Dow Jones rose 0.51% while the S&P 500 index was up 0.02%, and the NASDAQ Composite index slid 0.18%. Advancing stocks outnumbered falling ones on the NYSE by 1,729 to 1,022 and 82 ended unchanged; on the Nasdaq Stock Exchange, 2,982 advanced and 1,858 declined, while 195 ended unchanged.

During the last trading session, the FSSTI rose 31.90pt to 5,620.24. Among the top active stocks were Singtel (+0.7%), Seatrium (+8.9%), DBS (+0.6%), SIA (+2.1%) and Riverstone (+3.0%). The FTSE ST Mid Cap Index rose 0.6%, while the FTSE ST Small Cap Index slid 0.1%. The broader market had 324 gainers and 223 losers with a total trading value of S$1.90b.

Civmec (CVL SP)

Trading buy range: S$1.54-1.55
Last price: S$1.57
Target price: S$1.76
Protective stop: S$1.47

Price rebounded from its prior swing low support zone, printing a strong bullish expansion candle yesterday. The RSI is curving upward and ascending towards its neutral 50-midline. This could project further upside progression towards overhead resistance as long as this structural demand floor remains intact.

The potential upside target is S$1.76. Stop-loss could be placed at S$1.47.

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

Singapore Post (SPOST SP)

Trading buy range: S$0.345-0.350
Last price: S$0.355
Target price: S$0.390
Protective stop: S$0.335

Price rebounded from its prior swing low support zone, printing a bullish engulfing candlestick pattern. The RSI is curving upward from its neutral 50-midline. This favours a continued tactical rebound, projecting further upside progression towards overhead resistance as long as this newly defended support floor remains intact.

The potential upside target is S$0.39. Stop-loss could be placed at S$0.335.

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$0.66.

Analyst
Wong Shueh Ting, CFTe
+65 6590 6616
shuehting@uobkh.com