4 June 2026

Industrials | Electrical Component & Engineering

Tai Sin Electric (TSE SP)

Buy

Wired For Growth; Initiate With a BUY

Target Price (Return):	SGD0.75 (38.9%)
Price (Market Cap):	SGD0.54 (USD195m)
ESG score:	3.1 (out of 4)
Avg Daily Turnover (SGD/USD)	0.11m/0.08m

- **Initiate coverage with BUY and SGD0.75 TP (39% upside), c.4% FY27F (Jun) yield.** Electric infrastructure solutions provider Tai Sin Electric is poised to benefit from strong domestic construction demand and rising data centre (DC) investments. We view TSE as an overlooked yet essential proxy for the construction boom. TSE is undervalued, trading at 8.7x FY27F P/E – below its closest peer's 13x – while its c.4% yield is attractive for a growth play.
- **Beneficiary of domestic construction demand.** Singapore's construction demand in 2026 is expected to remain strong (projects valued at SGD47-53bn), supported by expected additional construction packages for Changi Terminal 5 (T5), the Marina Bay Sands Integrated Resort expansion, new Tengah General & Community Hospital, and rail network expansion. As a long-established cable manufacturing player, TSE has benefited from various mega projects in the past (eg Thomson-East Coast MRT Line, Tuas Mega Port, and Changi Airport T4) and remains well-positioned to capitalise on the ongoing construction boom.
- **Regional DC play.** TSE benefits from the DC investment wave across its cable and electrical component segments. It has supplied over 70% of Singapore's DCs, supporting steady revenue growth in FY25 and 1HFY26, alongside public construction activity in Singapore and Malaysia. With c.1GW of DC capacity in the development pipeline for Singapore, TSE is set to benefit from the next wave of demand.
- **Expanding footprint in renewable energy (RE).** TSE is venturing into RE via the acquisition of solar equipment distributors Integra RE in Thailand and the Philippines. This allows TSE to establish business relationships with RE players across these two markets where it previously had no direct presence.
- **Reported margins vulnerable to copper price swings despite solid underlying demand.** In 1HFY26, the group recorded an SGD11.8m onerous contract provision following a sharp surge in copper prices, which compressed margins. While further price increases may weigh on earnings, this is partly offset by higher-margin spot contracts and a weaker USD. We expect provisions to peak at SGD18.5m in FY26 (1HFY26: SGD12.6m), before reversing by SGD5.3m in FY27–28 (Figure 10), and believe the market should look beyond this, given TSE's strong fundamentals.
- **Forecasting 3-year core earnings (excluding provision) CAGR of 16.1%.** We expect core earnings to grow 33% YoY in FY26 on strong contract delivery, despite margin pressure expected in 2HFY26. Growth would then slow to 3.2% YoY in FY27F due to fulfilment of onerous contracts, before recovering to 13.8% YoY in FY28F as margins normalise with stabilising copper prices and higher-margin spot contracts. Our TP is pegged to 12x FY27F P/E, at a 10% discount to its closest peer, due to TSE's relatively small size. Our TP includes a 0% ESG premium/discount. Key risks: Volatility of copper prices, cyclicality of construction sector, and FX risks.

Forecasts and Valuation	Jun-24	Jun-25	Jun-26F	Jun-27F	Jun-28F
Total turnover (SGDm)	401	481	595	680	732
Recurring net profit (SGDm)	13	22	29	30	34
Recurring net profit growth (%)	(11.7)	64.3	33.2	3.2	13.8
Recurring P/E (x)	19.00	11.56	8.68	8.41	7.39
P/B (x)	1.2	1.1	1.1	1.0	0.9
P/CF (x)	96.01	na	na	25.91	12.24
Dividend Yield (%)	4.4	4.4	4.4	4.4	4.4
EV/EBITDA (x)	8.71	6.99	12.06	6.22	5.62
Return on average equity (%)	7.2	12.3	6.3	14.7	14.9
Net debt to equity (%)	9.5	20.5	32.0	33.2	30.4

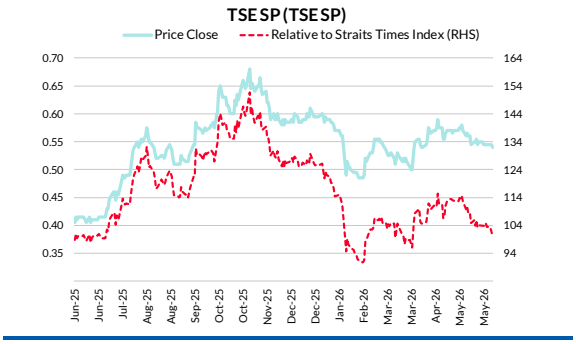
Source: Company data, RHB

Analyst

Singapore Research
research.sg.equity@rhbgroup.com

Share Performance (%)

	YTD	1m	3m	6m	12m
Absolute	(9.3)	(5.3)	1.9	(6.9)	33.3
Relative	(19.9)	(9.9)	(2.6)	(19.7)	1.4
52-wk Price low/high (SGD)					0.41 –0.68



Source: Bloomberg

Overall ESG Score: 3.1 (out of 4)

E Score: 2.9 (GOOD)
S Score: 3.3 (EXCELLENT)
G Score: 3.3 (EXCELLENT)
Please refer to the ESG analysis on the next page

Emissions And ESG

Trend analysis

The increase in reported greenhouse gas (GHG) emissions (after deducting RE certificates) was mainly due to disclosure of GHG emissions from overseas operations from FY25 onwards. GHG emissions in Singapore fell 37.4% YoY despite a 20.5% rise in FY25 revenue.

Emissions (tCO2e)	Jun-23	Jun-24	Jun-25	Jun-26
Scope 1	893	903	1,284	na
Scope 2	2,754	2,724	5,045	na
Scope 3	-	-	-	na
Total emissions	3,647	3,627	6,329	na

Source: Company data, RHB

Latest ESG-Related Developments

TSE just disclosed results of its newest reportable segment, ie Renewable Energy Solutions (RES). This was made possible through the acquisition of two entities (Integra RE in Thailand and the Philippines). Both entities are engaged in the wholesale distribution of solar, biogas, and other RE equipment.

ESG Unbundled

Overall ESG Score: 3.1 (out of 4)

Last Updated: 14 February 2026

E Score: 2.9 (GOOD)

TSE began reporting greenhouse gas (GHG) emissions as well as energy usage for overseas operations from FY25 onwards. For its Singapore operations, GHG emissions fell 37.4% YoY while energy consumption saw a 2.2% uptick.

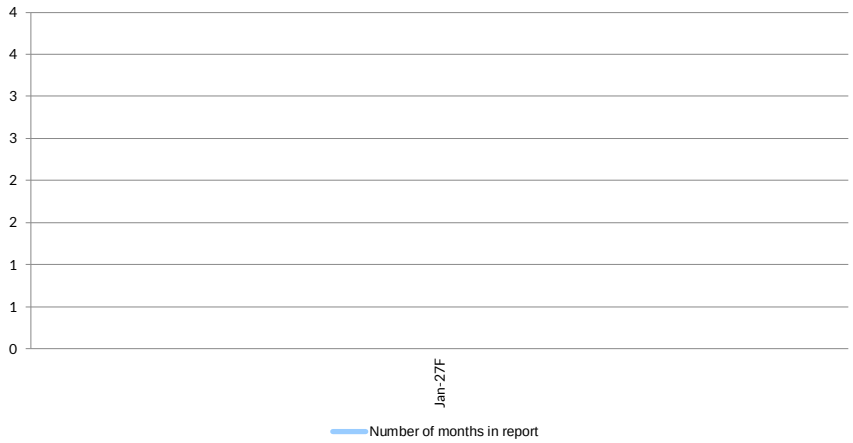
S Score: 3.3 (EXCELLENT)

Women comprise 25% of the total combined workforce in FY25, down from 27.8% in FY24. Employees' average training hours have dropped to 44.7 hours in FY25 from 47.9 hours in FY24.

G Score: 3.3 (EXCELLENT)

The board comprises five directors, of whom three (60%) are independent. There is one female independent director on the board.

ESG Rating History



Source: RHB

Financial Exhibits

Asia
Singapore
Industrials
Tai Sin Electric
TSE SP
Buy

Valuation basis

FY27F 12x P/E

Key drivers

i. General construction activity in Singapore;
ii. Data centre deployment in South-East Asia;
iii. Expansion to other South-East Asian countries;

Key risks

i. Copper price volatility;
ii. Cyclicality of construction sector;
iii. FX risk.

Company Profile

Tai Sin Electric (TSE) is a Singapore-incorporated industrial group engaged in the manufacturing and distribution of copper cables and wires, electrical power products and infrastructure solutions across South-East Asia.

Financial summary (SGD)	Jun-24	Jun-25	Jun-26F	Jun-27F	Jun-28F
Recurring EPS	0.03	0.05	0.06	0.06	0.07
DPS	0.02	0.02	0.02	0.02	0.02
BVPS	0.45	0.48	0.49	0.54	0.60
Return on average equity (%)	7.2	12.3	6.3	14.7	14.9

Valuation metrics	Jun-24	Jun-25	Jun-26F	Jun-27F	Jun-28F
Recurring P/E (x)	19.00	11.56	8.68	8.41	7.39
P/B (x)	1.2	1.1	1.1	1.0	0.9
FCF Yield (%)	(1.9)	(4.0)	(5.1)	2.1	6.4
Dividend Yield (%)	4.4	4.4	4.4	4.4	4.4
EV/EBITDA (x)	8.71	6.99	12.06	6.22	5.62
EV/EBIT (x)	11.58	8.59	16.58	7.17	6.34

Income statement (SGDm)	Jun-24	Jun-25	Jun-26F	Jun-27F	Jun-28F
Total turnover	401	481	595	680	732
Gross profit	66	80	82	119	128
EBITDA	29	41	26	52	57
Depreciation and amortisation	(7)	(8)	(7)	(7)	(6)
Operating profit	22	33	19	45	51
Net interest	(2)	(3)	(3)	(5)	(6)
Pre-tax profit	20	31	17	41	46
Taxation	(6)	(5)	(3)	(7)	(7)
Reported net profit	15	26	14	35	39
Recurring net profit	13	22	29	30	34

Cash flow (SGDm)	Jun-24	Jun-25	Jun-26F	Jun-27F	Jun-28F
Change in working capital	(19.7)	(42.5)	(49.8)	(30.1)	(24.1)
Cash flow from operations	2.6	(5.2)	(8.8)	9.6	20.4
Capex	(7.5)	(4.8)	(4.0)	(4.5)	(4.5)
Cash flow from investing activities	(6.8)	(4.0)	(4.0)	(4.5)	(4.5)
Dividends paid	(10.8)	(10.8)	(10.9)	(10.9)	(10.9)
Cash flow from financing activities	(0.6)	20.1	15.8	4.2	2.9
Cash at beginning of period	32.0	27.4	38.3	41.2	50.5
Net change in cash	(4.8)	10.9	3.0	9.3	18.8
Ending balance cash	27.4	38.3	41.2	50.5	69.4

Balance sheet (SGDm)	Jun-24	Jun-25	Jun-26F	Jun-27F	Jun-28F
Total cash and equivalents	27	38	41	51	69
Tangible fixed assets	48	48	45	43	41
Total investments	15	14	15	16	18
Total assets	316	376	435	477	523
Short-term debt	47	84	103	121	139
Total long-term debt	0	0	11	13	15
Total liabilities	107	150	206	224	243
Total equity	209	225	229	252	280
Total liabilities & equity	316	376	435	477	523

Key metrics	Jun-24	Jun-25	Jun-26F	Jun-27F	Jun-28F
Revenue growth (%)	(5.0)	20.0	23.2	14.2	9.2
Recurrent EPS growth (%)	(8.9)	95.4	34.0	16.7	10.4
Gross margin (%)	16.6	16.7	14.6	17.2	17.1
Operating EBITDA margin (%)	7.4	8.5	5.8	8.5	8.4
Net profit margin (%)	3.7	5.5	3.6	5.9	5.9
Dividend payout ratio (%)	73.0	41.4	51.5	27.2	25.1
Capex/sales (%)	1.9	1.0	0.5	0.0	0.0
Interest cover (x)	9.80	12.40	8.21	10.26	8.68

Source: Company data, RHB

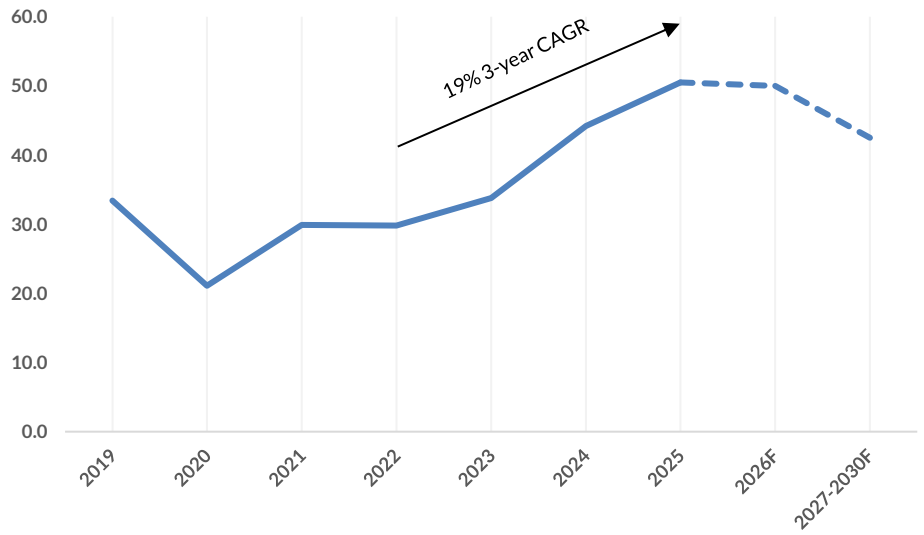
Investment Thesis

Beneficiary of domestic construction demand

The Building and Construction Authority (BCA) projects that Singapore's 2026 construction demand will remain strong, at SGD47-53bn, with c.60% driven by the public sector. This comes after SGD50.65bn of demand was recorded in 2025 and SGD44.6bn charted in 2024. The robust demand in 2026 is supported by the expected awarding of additional construction packages for the Changi T5 development, Marina Bay Sands Integrated Resort expansion, new Tengah General & Community Hospital, and Downtown Line 2 and Thomson-East Coast Line extensions. As a long-established cable manufacturing player in Singapore, TSE has benefited from various mega projects in the past – such as the Thomson-East Coast MRT Line, Tuas Mega Port, and Changi Airport Terminal 4 – and remains well-positioned to capitalise on this ongoing construction boom.

Looking further ahead, BCA forecasts average annual demand of SGD39-46bn until 2030, underpinned by a construction pipeline that spans the Changi T5, Marina Bay Sands expansion, public housing under the Housing & Development Board's (HDB) Build-To-Order (BTO) programme, and a SGD34.4bn Land Transport Authority (LTA) commitment to rail and transit infrastructure that will expand the MRT network from 250km to 360km by the 2030s. Based on our channel checks, electrical services typically make up 5-15% of total construction works. If materials make up 50% of these electrical services, the total addressable market for TSE would be roughly between SGD975m and SGD3.45bn pa. For an established player whose cables, busbar trunking systems, and electrical distribution products as well as testing and inspection services are essential for major construction projects, we believe this pipeline represents a long-term opportunity for TSE.

Figure 1: Singapore's construction demand (SGDbn)



Note: For forecast years, data points represent the midpoint of the range of estimates.
Source: Building and Construction Authority (BCA)

TSE has been a trusted supplier of cables and wires to some of the country's most significant projects over the last 45 years. These include recent projects such as the Tuas Megaport, which is a soon-to-be world's largest fully automated terminal upon completion, the Thomson-East Coast MRT Line which spans 43km across 32 stations, and Woodland Health Campus, a public integrated healthcare facility. Its track record proves its versatility and breadth across various types of infrastructure, which reflects its experience across the public sector. The footprint that TSE has on these national projects represent a competitive advantage to the group, which its less established competitors may take years to build.

This thesis is supported by TSE's recent financial performance where its cables and wires (C&W) segment's revenue rose 16.0% YoY to SGD197.5m in 1HFY26, which the group explicitly attributed to Singapore's industrial and public sector construction activities. This followed a 13% YoY rise in FY25 revenue to SGD343.3m. With BCA projecting sustained construction demand for 2026, as well as in the medium term through 2030, TSE remains well-positioned to capitalise on this ongoing construction boom as the demand environment supporting its core business remains structurally intact.

- As a long-established cable manufacturing player in Singapore, TSE has benefited from various mega projects in the past, such as the Thomson-East Coast MRT Line, Tuas Mega Port, and Changi Airport Terminal 4, and remains well-positioned to capitalise on this ongoing construction boom.

Figure 2: TSE's past projects in Singapore

Project name	Project type	Cables supplied
Singapore Mass Rapid Transport (MRT) Thomson East Coast Line	Transportation / Infrastructure	Low voltage cables
National Orchid Garden	Infrastructure (Public Attraction)	Low voltage cables
JTC Bedok Food City	Industrial Building	Low voltage cables
Republic of Singapore Yacht Club	Sports & Recreation	Low voltage cables
Pfizer Asia Pacific	Industrial / Pharmaceutical	Low voltage cables
Tuas Water Reclamation Plant	Water Infrastructure	Low voltage cables
Outram Community Hospital	Health and medical care institution	Low voltage cables
Dulwich College Singapore	Educational Institution	Low voltage cables
SAFRA Choa Chu Kang	Sports and recreation	Low voltage cables
PSA Tuas Mega Port	Seaport Infrastructure	Low voltage cables
Woodlands Health Campus	Health and medical care institution	Low voltage cables
National Cancer Centre Singapore	Health and medical care institution	Low voltage cables
Jurong Island Desalination Plant	Utility	Low voltage cables
Hilton Singapore Orchard	Hospitality, commercial building	Low voltage cables
Grab Headquarters	Commercial Building	Low voltage cables
Resorts World Sentosa	Recreation	Low voltage cables
HDB SolarNova Programme	Sustainable energy	Low voltage cables, solar PV cables
Data Centres	Data Centres	Low voltage cables, medium voltage cables
Changi Airport Terminal 4	Airport Infrastructure	Low voltage cables
Gardens by the Bay	Recreation	Low voltage cables
Gali Batu Depot	Transport Infrastructure	Low voltage cables
Tengeh Reservoir Floating Solar Farm	Sustainable Energy	Low voltage cables, solar PV cables
Fernvale Community Club, Hawker Centre & Market	Community Building	Low voltage cables
GlobalFoundries Singapore	Industrial building	Low voltage cables
i12 Katong	Commercial / Retail	Low voltage cables
Hyundai Motor Group Innovation Centre Singapore	Industrial building (smart factory)	Low voltage cables
Ulu Pandan Bus Depot	Transport Infrastructure	Low voltage cables
Jewel Changi Airport	Commercial building	Low voltage cables

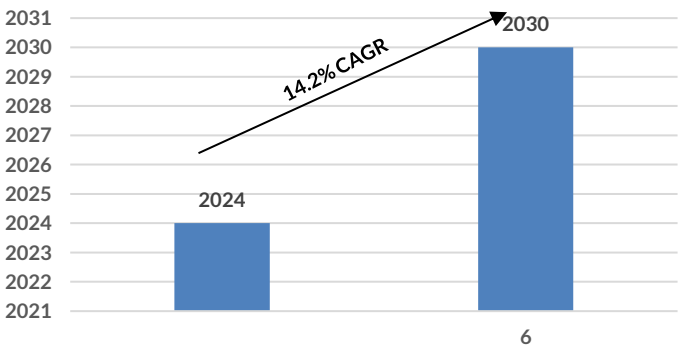
Source: Company data

DC supercycle in South-East Asia

The construction of DC infrastructure across South-East Asia has accelerated sharply, driven by the rapid adoption of generative artificial intelligence (AI), cloud computing, and growing data sovereignty concerns that require local data storage. According to market research firm Arizton Advisory & Intelligence, the South-East Asia DC market was valued at USD13.7bn in 2024 and is projected to more than double to USD30.5bn by 2030, representing a CAGR of 14.2%. Investment by hyperscalers has been the primary engine of this growth. For example, Amazon Web Services has pledged USD6bn in Malaysia, Microsoft is investing USD2.2bn in Malaysia and USD1.7bn in Indonesia, and Google has committed to hyperscale facilities across the region. Malaysia has been the standout recipient, attracting USD43.6bn in DC-related investment between 2021 and 2024, with Johor recording live supply growth averaging at 145% annually from 2019 to 2024. KPMG estimates that DC capacity in South-East Asia will triple from 2025's levels by 2030, reaching a range of between 5.2 and 6.5GW.

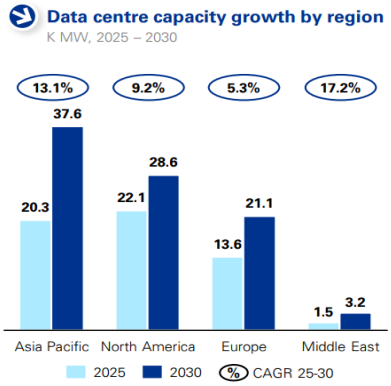
- The South-East Asia DC market was valued at USD13.7bn in 2024 and is projected to more than double to USD30.5bn by 2030, representing a CAGR of 14.2%.

Figure 3: South-East Asia DC market size (USDbn)



Source: Arizton Advisory & Intelligence

Figure 4: DC capacity growth by region



Source: KPMG

Singapore, Tai Sin's largest market, currently hosts more than 70 DCs with over 1.4GW of installed capacity. Following a moratorium on new DC builds between 2019 and 2022, the Singapore government has moved decisively to expand capacity under strict sustainability criteria. The Green Data Centre Roadmap, launched by the Infocomm Media Development Authority (IMDA) in 2024, committed to adding at least 300MW of new capacity islandwide, with the first tranche of at least 200MW being allocated through DC-CFA2, a second call for applications launched in Dec 2025. Separately, in Oct 2025, JTC Corp and the Economic Development Board announced that Jurong Island would host Singapore's largest low-carbon DC park, with potential capacity of up to 700MW – a longer-term development that would expand the city-state's total installed capacity by c.50% on its own. Hyperscaler commitments to Singapore reinforce the demand backdrop, with Amazon Web Services pledging SGD12bn and Google committing a total of USD5bn to the market.

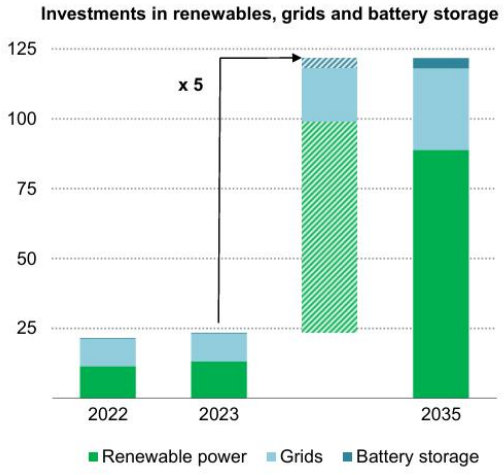
TSE is a proven beneficiary of this investment wave across both its C&W and Electrical Material Distribution (EMD) segments. According to TSE's website, the group has supplied cables to more than 70% of the DCs in Singapore, reflecting decades of consistent delivery across the city-state's digital infrastructure. Management explicitly attributed its FY25 revenue growth (+24% YoY) partly to DC developments alongside public construction activity. The momentum has continued into 1HFY26, with DC developments in both Singapore and Malaysia mentioned as key drivers. As Singapore is adding up to 700MW of new DC capacity through the Jurong Island park and the DC-CFA2 programme while Malaysia continues to attract hyperscalers' capital at a large scale, Tai Sin's entrenched supplier position places it directly in the path of the next wave of construction activity.

- TSE is a proven beneficiary of DC investments across both its C&W and EMD segments. According to TSE's own disclosures, the group has supplied cables to more than 70% of the DCs in Singapore.

Expanding into renewable energy

South-East Asia's energy transition is growing, underpinned by national targets as well as a structural gap between current energy capacity (fossil-fuel dependent) and climate commitments to cleaner energy. According to the International Energy Agency, South-East Asia is set to account for 25% of the growth in global energy demand between now and 2035. However, the region currently attracts only 2% of global clean energy investment despite making up 6% of global GDP, 5% of global energy demand, and 9% of the world population. The IEA estimates that clean energy investment in the region must increase fivefold to c.USD190bn annually by 2035 for South-East Asia to meet its stated energy and climate goals, with annual investment in grid expansion and modernisation alone needing to nearly double to USD30bn by 2035. The underfunding in this space, as well as the set targets, should translate to a prolonged healthy demand environment for renewable energy (RE) equipment and infrastructure across the region. Thailand is targeting a 37% RE share in its energy mix by 2037 under its Alternative Energy Development Plan, with solar as a primary contributor, while the Philippines has also set a target of 35% RE in its power generation mix by 2030, supported by feed-in tariffs and tax incentives for solar and wind projects. We believe these will benefit TSE's new segment, Renewable Energy Solutions (RES), as the group has operating entities in both Thailand and the Philippines.

Figure 5: Clean energy investment (USDbn)



Source: International Energy Agency

TSE's entry into RE has been executed through two inorganic expansions. In Nov 2025, TSE completed the acquisition of Integra RE (formerly known as BayWa r.e. Solar Systems) in Thailand and the Philippines – established wholesale distributors of solar, biogas, and related RE equipment, for a total consideration of SGD15.7m. Earlier in the same year, the group subscribed for a 25% stake in EV Mobility, a Singapore-based EV charge point operator for a cash consideration of SGD1.5m. These acquisitions established the group's RES segment as mentioned earlier, which contributed SGD9.5m or 3.4% of 1HFY26 revenue.

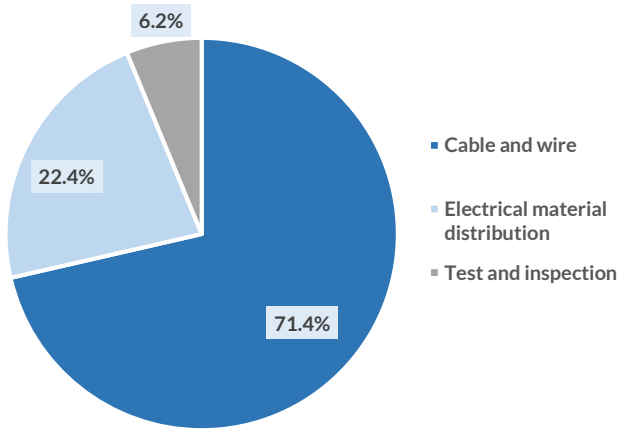
We believe the reasons behind these acquisitions lie in how they are complemented by TSE's existing business lines. For example, every solar installation requires power cables to connect panels to inverters, distribution boards, and the grid, which are the products manufactured by TSE's C&W segment. We think the Integra entities will help TSE establish business relationships with solar installers, EPC contractors, and project developers across Thailand and the Philippines, which are two markets where TSE previously had no direct presence. As a result, TSE can now distribute solar equipment through Integra's established channels while supplying the cables required for those same installations through its C&W segment.

We believe this applies to its 25% stake in EV Mobility as well, where every charging point requires substantial electrical infrastructure capable of handling high electrical loads and thermal stress. The EV charger market in Singapore is expanding – under the Singapore Green Plan 2030, the LTA targets 60k EV charging points by 2030 from roughly 30.6k charging points as of Mar 2026. The EV adoption rate in Singapore has also risen, with EVs accounting for 45% of new car registrations in 2025, up from 34% in 2024 and 18% in 2023.

Its entry into Thailand via the said acquisition is also a timely move, given the Thailand Government's support measures for clean energy transition. These include individual income tax deductions on the purchase and installation of solar panels, a programme that allows individuals to sell surplus electricity to the grid, as well as low-interest green loan products for residential installations. The positive policy support is well evidenced by TSE's increasing exposure in the country, where the group recorded SGD9.5m or 3.4% of 1HFY26 revenue from just SGD15k in 1HFY25, thanks to the contribution from the newly acquired Integra RE.

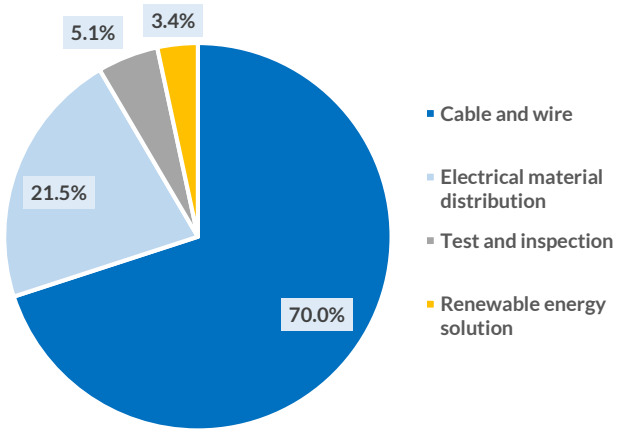
- TSE's entry into RE has been executed through two inorganic expansions – the acquisition of Integra RE (distributors of RE components) and a 25% stake in EV Mobility (a Singapore EV charge point operator)

Figure 6: FY25 revenue breakdown by segment



Source: Company data

Figure 7: 1HFY26 revenue breakdown by segment



Source: Company data

Financial Overview

Forecasting a 3-year (FY26-28F) core earnings CAGR of 16.1%. We forecast healthy core earnings growth of 33.2%, 3.2%, and 13.8% for FY26-28. This is on the back of a 3-year revenue CAGR of 15.1%, underpinned by stronger contribution from its bread-and-butter segment (C&W) due to robust construction demand in Singapore as well as deployment of DCs in Singapore and Malaysia, on top of the growing base of its new RES segment.

C&W segment continues to make up lion's share of group revenue. We expect the C&W segment to remain the largest segment for the group, at c.70% of revenue over the forecast horizon. We expect this business to grow at a 3-year CAGR of 13.2%, supported by higher volumes due to increased activity as well as higher ASPs to account for prevailing elevated copper prices. While earnings should improve as revenues rise due to operating leverage, this may be offset by the rising cost of its main raw material (copper).

Provision for onerous contracts. In 1HFY26, the group made a provision for onerous contracts amounting to SGD11.8m, mainly due to an upsurge in copper prices seen in 4Q 2025, with a 29% spike in prices recorded within the period. As a result, management assessed that some of the fixed price contracts that the group had entered into were onerous contracts. These contracts involve deliveries that are expected to be made over the next 1-3 years. Management has verbally stated that while inflation on raw materials is taken into account in the margins prior to entering fixed price contracts, TSE is still susceptible to copper price fluctuations if a sudden spike in volatility occurs.

A similar provision was made in FY21, where the group recognised a SGD22.7m provision for onerous contracts in 2HFY21, roughly double the size of the provision made in 1HFY26, following a 40% YoY surge in average copper prices. However, note that core PBIT margin in FY21 was relatively healthy at 6.0%. The rising costs only corroded margins in subsequent years, particularly FY22 and FY23, where core PBIT margins dropped to 4.7% and 4.9% respectively and only returned to 6% in FY24. The timing lag is mainly due to the difference between when a provision is recognised – which is the current period – and when the delivery takes place, which is in future periods.

C&W earnings. We anticipate a similar margin behaviour to occur over the forecast horizon, where core PBIT margins should begin decreasing in 2HFY26, with FY26 margin at 6.9%, but mainly in FY27F (6.3%) where we expect most of the onerous contracts to be fulfilled, followed by a margin recovery in FY28F to 6.8% as copper prices stabilise. However these margin compressions should be partly mitigated by the group increasing its exposure to profitable ad-hoc (or spot) contracts relative to long-term fixed price contracts, as well as the weakening of the USD against regional currencies. Assuming copper prices remain stable over the forecast horizon, we believe there will be no further substantial provisions by management. We anticipate the provision (liability item) to peak in FY26F at SGD18.5m (from SGD12.6m as of end 1HFY26), with a subsequent reversal amounting to SGD5.3m in FY27F and FY28F.

Figure 8: C&W revenue and core PBIT margin forecasts

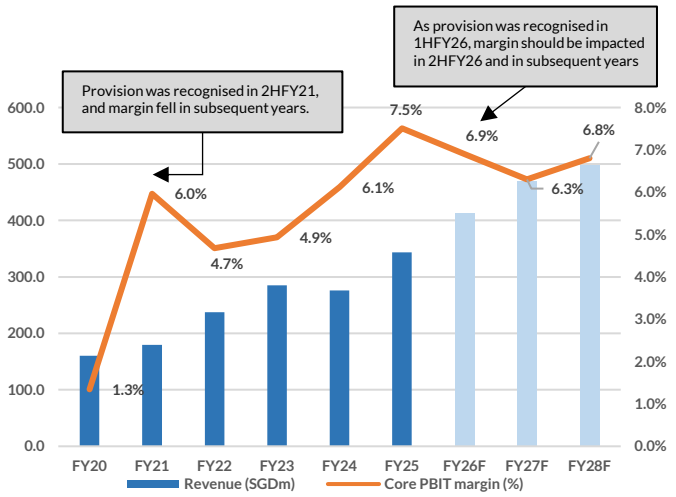
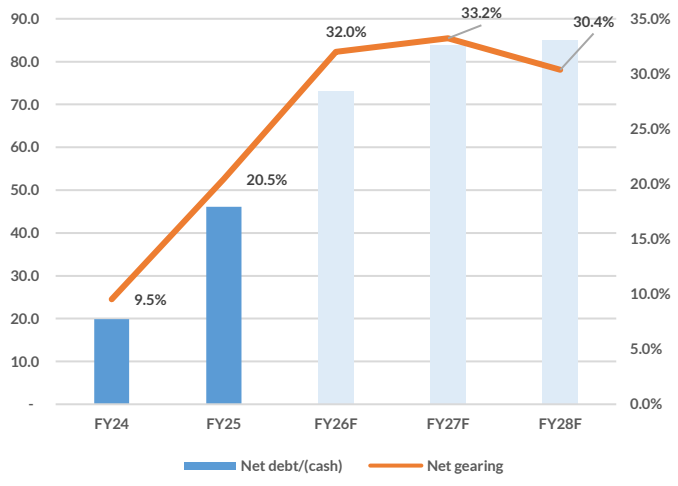


Figure 9: TSE's net gearing



Note: Core PBIT margins are derived after excluding (i) provision for onerous contracts, (ii) fair value adjustment on derivatives, (iii) realised gain on derivative financial instruments and (iv) government grants.
Source: Company data, RHB

Figure 10: Provision for onerous contracts and earnings forecasts

SGDm	FY24	FY25	FY26F	FY27F	FY28F
Balance at beginning of year	7.9	4.1	0.8	18.5	13.2
Charge (credit) to profit or loss	(3.8)	(3.3)	17.7	(5.3)	(5.3)
Balance at end of year	4.1	0.8	18.5	13.2	7.9
Reported earnings (including provision)	14.6	25.9	13.9	34.2	38.3
Core earnings (net of tax effect)	13.2	21.6	28.8	29.7	33.8
Reported earnings growth (%)	*(12.5)*	*77.7*	*(46.4)*	*146.0*	*12.0*
Core earnings growth (%)	*(11.7)*	*64.3*	*33.2*	*3.2*	*13.8*

Source: RHB

Other segments. Excluding the C&W segment, the rest of the businesses (EMD, Test and Inspection (T&I) and RES) make up c.30% of revenue. We anticipate revenue ex-C&W to chart a higher revenue CAGR of 19.5% over the forecast horizon, mainly due to the addition of new business ie the RES segment, while PBIT will grow at a higher CAGR of 35.3% due to improved margins as a result of operating leverage. Note that copper prices do not materially impact the EMD and RES segments.

Figure 11: PBIT margin assumptions

Operating margins (%)	FY24	FY25	1HFY26	FY26F	FY27F	FY28F	Comments
Cable and wire (reported)	7.6	8.3	1.7	2.6	7.4	7.9	Drop in FY26F margin is mainly due to provision for onerous contracts
Cable and wire (core)*	6.1	7.5	7.2	6.9	6.3	6.8	Volatility in core margins is driven by differences between copper prices at the time of contract fixing and at delivery. Margins over the forecast horizon are lower than in FY25, mainly due to elevated copper prices.
Electrical material distribution	2.9	2.0	4.5	4.6	4.7	4.9	We impute margin forecasts similar to what was achieved in 1HFY26, due to favourable product mix.
Test and inspection	(6.1)	8.2	2.1	2.2	3.0	3.0	Margin has been volatile over the years, depending on activity mix. We impute margin forecasts similar to what was achieved in 1HFY26.
Renewable energy solution	n.a.	n.a.	5.9	6.0	6.5	6.8	
Total (reported)	**5.5**	**6.9**	**2.4**	**3.1**	**6.6**	**6.9**	

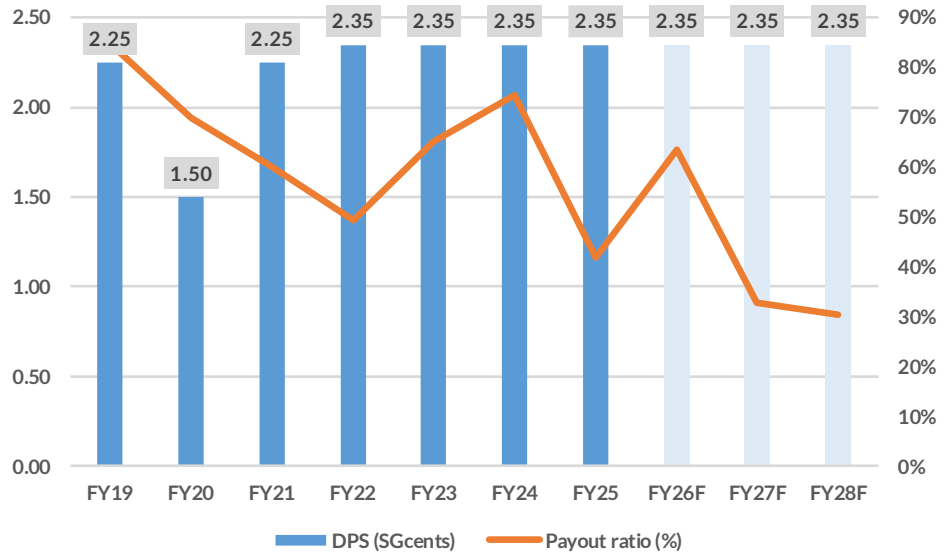
Note: Core PBIT margin is derived after excluding (i) provision for onerous contracts, (ii) fair value adjustment on derivatives, (iii) realised gain on derivative financial instruments and (iv) government grants.
Source: RHB

Balance sheet. As of end-1HFY26, TSE had a net debt of SGD105.7m, with cash holdings of SGD42.3m. Its net gearing increased to 0.4x in 1HFY26 from 0.2x in FY25 due to a SGD21.3m rise in borrowings. This was largely attributable to higher working capital required amidst higher contract delivery and elevated copper prices, as evidenced by a SGD11m rise in inventories. This was further compounded by loan drawdowns to fund the acquisition of new subsidiaries, as well as the consolidation of bank loans from the acquired entities. Management believes that the current net gearing is at a manageable level, and as the group does not expect to incur substantial capital expenditure over the next few years, we believe its net gearing will not meaningfully increase over the forecast horizon.

Increased working capital pointing towards higher contract delivery. TSE saw a significant increase in working capital movement, from a net outflow of SGD22.0m in FY24 to SGD39.6m in FY25. This was mainly due to higher inventory purchased during the year, which rose by SGD22.1m, followed by another SGD20.2m increase in receivables. With revenue rising 20% YoY in FY25 followed by another 20% YoY in 1HFY26, we believe these working capital movements suggest higher contract delivery in future years.

Dividend. TSE does not have a formal dividend policy, but the group has paid constant DPS of 2.35 SG cents annually for the last four years. We think DPS will remain at this level for the next three years. At the onset of the COVID-19 pandemic, particularly in FY20, TSE still paid out DPS of 1.5 cents despite recording a 17% decline in reported net profit. Assuming a bear case scenario where 1.5 cents of DPS is are paid out instead, this would still translate to a decent c.3% yield.

Figure 12: Group DPS and payout ratio



Source: Company data, RHB

Valuation

Initiate with a BUY call and TP of SGD0.75. We believe TSE is an overlooked proxy for the Singapore construction boom as well as DC play in the region, yet plays an essential role in any form of construction as long as electrical connectivity is required. We think TSE's valuations are undemanding as it is currently trading at a single digit FY27F P/E of 8.7x, while its forecasted DPS fixed at 2.35 cents translates to a dividend yield of c.4%, which is attractive for a growth play like TSE.

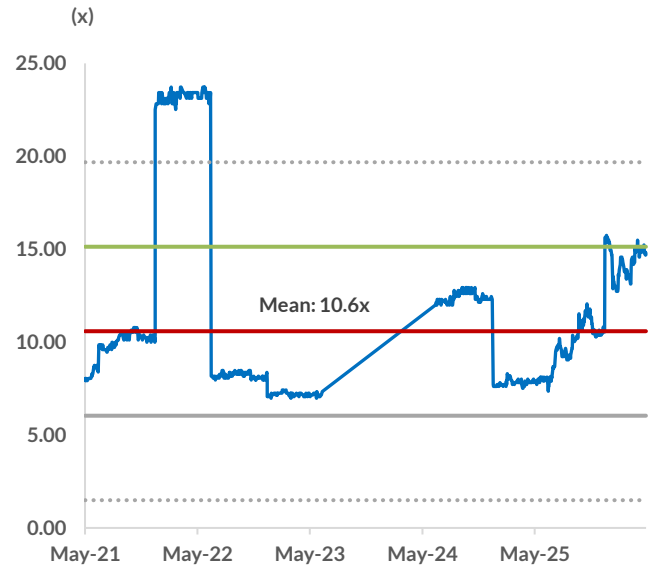
Our FY27 target P/E of 12x is derived from a 10% discount to the valuation of its closest peer in Malaysia, which is Southern Cable Group (SCGBHD MK, NR). We believe SCGBHD is TSE's most comparable competitor due to the former's exposure in power cables as well as instrumentation cables. Roughly 80% of SCGBHD's revenue comes from Malaysia, and TSE shares a similar domestic-centric profile, where 75% of its revenue is contributed by Singapore. The 10% discount applied to the target valuation reflects TSE's smaller size relative to the peer, where TSE's revenue (FY25: SGD480.7m) is roughly 15% lower than that of SCGBHD (c.SGD570m).

Figure 13: Peer comparison (valuation metrics)

Company	FYE	Country	Price 20-May-26 (Local currency)	Mkt cap (USDm)	P/E (x)			Div. yld (%)		ROE (%)	EV/ EBITDA		NP growth (%)	
					Actual	1 FY	2 FY	1 FY	2 FY	1 FY	1 FY	2 FY	1 FY	2 FY
Tai Sin Electric	**Jun**	**SG**	0.56	200.7	11.9	8.9	8.6	4.2	4.2	6.1	12.7	6.6	33.2	3.2
Regional														
Southern Cable Group	Dec	MY	1.97	565.5	18.4	14.6	12.1	2.0	2.0	21.0	10.0	8.7	26.5	20.2
OSK Holdings	Dec	MY	1.91	1,488.4	11.1	9.6	8.4	3.4	3.4	9.1	20.2	16.7	15.3	13.9
Master Tec Group	Dec	MY	1.02	262.1	39.6	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Ta Win Holdings	Jun	MY	0.02	13.9	(0.7)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Gulf Cables & Electrical Industries	Dec	KW	2,000	1,340.9	18.5	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Zhoushan Chenguang Electric Motor	Dec	CN	28.68	348.5	26.8	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Mkt. cap weighted average					**17.8**	**11.0**	**9.4**	**3.0**	**3.0**	**12.4**	**17.4**	**14.5**	**18.4**	**15.6**

Note: Forward estimates for regional stocks are from Bloomberg
Source: Bloomberg, RHB

Figure 14: Historical P/E ratio



Source: Bloomberg, RHB

Figure 15: Historical P/B ratio



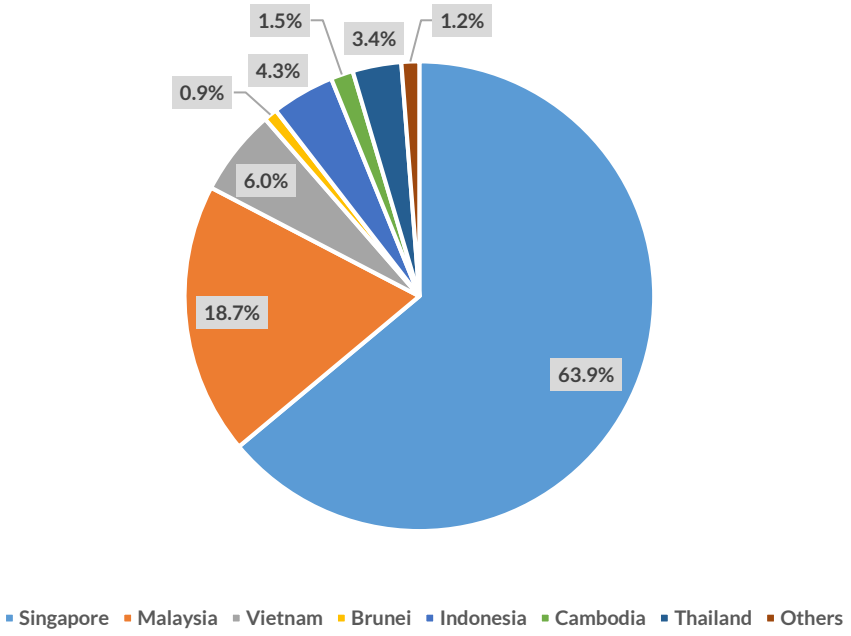
Source: Bloomberg, RHB

Company Overview

TSE is a Singapore-incorporated industrial group engaged in the manufacturing and distribution of electrical power products and infrastructure solutions across South-East Asia. Founded in 1980 as a cable manufacturing business, TSE has evolved from a single-product cable manufacturer into an integrated electrical infrastructure group with more than 20 offices across South-East Asia.

TSE mainly operates across seven countries – Singapore, Malaysia, Vietnam, Brunei, Indonesia, Thailand and the Philippines. Singapore is the dominant revenue market, contributing SGD180.5m, or 63.9% of 1HFY26 group revenue. Malaysia is the second-largest market at SGD52.8m (18.7% of revenue), followed by Vietnam at SGD16.8m (4.1%). While Singapore and Malaysia jointly account for c.83% of group revenue, TSE has been actively expanding its presence in other countries, which made up 17.4% of 1HFY26 revenue, from 11.3% in FY25.

Figure 16: 1HFY26 revenue breakdown by geography



Source: Company data, RHB

Though TSE mainly deals with Mechanical and Electrical (M&E) contractors, the group's customer base spans end-users, manufacturers, system integrators, engineers, and consultants. By end-market, the group serves the construction and infrastructure sector (commercial, residential, and public sector), DCs, chemical and oil & gas, marine, electronics, and industrial automation and maintenance, repair and operations (MRO) customers. DCs emerged as a particularly significant demand driver in FY25 as well as 1HFY26, contributing to the strong revenue acceleration in both Malaysia and Singapore. The group's operations are organised across four reportable segments as of 1HFY26:

i. Cable & Wire (C&W)
ii. Electrical Material Distribution (EMD)
iii. Test & Inspection (T&I)
iv. Renewable Energy Solutions (RES)

Cable & Wire (C&W)

C&W is TSE's founding and largest segment, contributing SGD197.5m of revenue in 1HFY26, equivalent to 70% of total group revenue. The segment designs, develops, manufactures, and trades a comprehensive range of electrical power distribution products, including power, control, instrumentation, fire-resistant, flame-retardant, and branch cable systems, as well as busbar trunking systems. These products are used across commercial, residential, industrial, and infrastructure installations. Manufacturing operations are conducted across Singapore, Malaysia, and Vietnam. Segment revenue rose 16% YoY, primarily driven by elevated demand from DC construction activity across Singapore and Malaysia. Note that from FY26, the switchboard segment has been folded into C&W for reporting purposes.

The switchboard segment, operated through PKS S/B in Brunei (70% owned), designs and manufactures low voltage main and sub-switchboards, distribution boards, and control panels for large buildings and industrial installations. The segment contributed SGD3.14m of revenue in FY25 – less than 1% of the group total – declining from SGD4.55m in FY24 due to fewer government projects secured in Brunei. As noted above, this business has been consolidated into the C&W segment as of the first half of FY26 reporting.

Figure 17: Products under C&W segment



Source: Company data, RHB

Electrical Material Distribution (EMD)

EMD is the group's second-largest segment, generating SGD60.8m in 1HFY26 revenue, or 21.5% of the group total. Operating through the Lim Kim Hai Electric network and its associated entities, this segment distributes a broad portfolio of electrical and industrial products, including industrial control systems and components, sensing and measurement systems, power quality solutions, safety products, cabling accessories, and lighting and energy monitoring solutions. The segment serves customers across DCs, chemical and oil and gas, marine, electronics, and the industrial automation and MRO end-markets. Distribution operations span Singapore, Malaysia, Vietnam, and Indonesia, with the consolidation of Elmecon Multikencana in Jan 2025 formally bringing Indonesian distribution into the group. TSE has also taken a 25% associate stake in Singapore's EV Mobility, an EV charge point operator in Singapore – effective Aug 2025 – extending the group's strategic exposure to sustainable energy infrastructure.

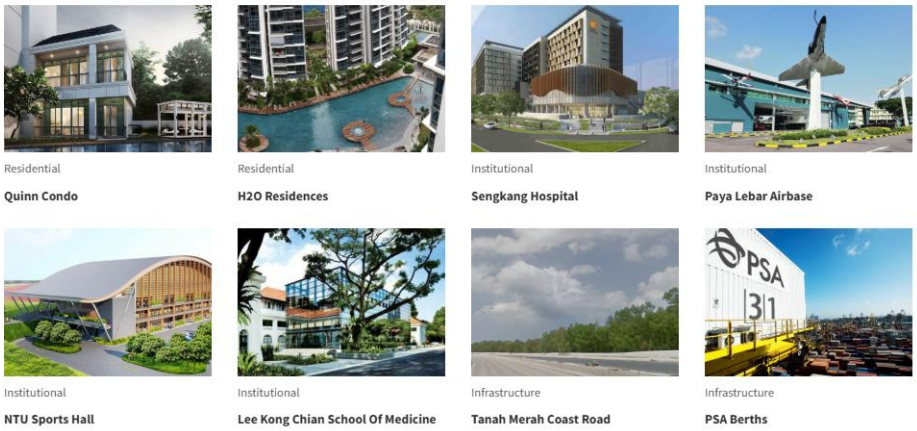
Figure 18: Key brands under EMD segment

Source: Company data

Test and Inspection (T&I)

T&I contributed SGD14.4m of revenue in 1HFY26, making up 5.1% of the group total. Operated through CAST Laboratories and its subsidiaries, this segment provides accredited, independent testing, inspection, and certification services for construction materials, including concrete, soil, and asphalt premixes. Service lines include laboratory testing, non-destructive testing, heat treatment, and quality consultancy, all conducted in compliance with local and international standards. The segment holds ISO 17025 accreditation for testing and calibration laboratories, ISO 17020 for inspection bodies, and ISO 17065 for product certification.

Figure 19: Key projects involving T&I segment



Source: Company data

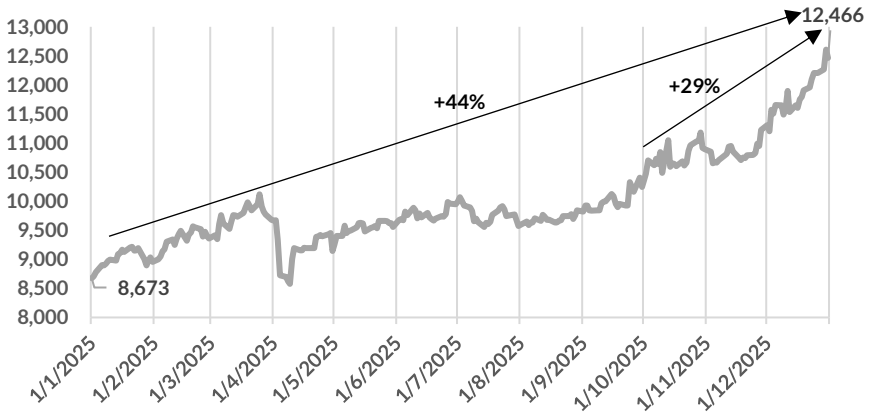
Renewable Energy Solutions (RES)

RES is TSE's newest reportable segment, disclosed for the first time in its 1HFY26 results. The segment was established following the acquisition in Nov 2025 of two entities – Integra RE (formerly known as BayWa r.e. Solar System) in Thailand and Integra RE Corp (formerly known as Baywa r.e. Solar Systems Corp) in the Philippines. Both entities are engaged in the wholesale distribution of solar, biogas, and other RE equipment.

Key risks

Copper price volatility. Copper is the main raw material in cable manufacturing, and with the C&W segment contributing c.70% of group revenue, TSE's profitability is meaningfully exposed to movements in global copper prices. In 4Q 2025, LME copper prices spiked 29% within a span of three months to USD13.3k per tonne, driven by supply-side disruptions at major mines and expectations of easing US-China trade tensions – illustrating how swiftly prices can move on factors outside TSE's control. This resulted in TSE recording a SGD11m provision for onerous contracts in 1HFY26. While this can be partly mitigated by stocking up on lower-priced inventories on top of increasing its exposure to ad-hoc (or spot) contracts, these do not provide complete protection on fixed-price long-term contracts. A sustained period of elevated copper prices that cannot be fully passed through to customers would compress the segment's margins and weigh on group profitability.

Figure 20: Copper price trend in 2025



Source: Bloomberg

DC demand cyclicality. The DC supercycle has been a primary driver of TSE's recent revenue growth, with both the C&W and EMD segments benefitting from the upsurge. However, we do not rule out the possibility of hyperscalers moderating their capital expenditure if the supply of compute capacity outweighs the demand. Hence, a scenario in which hyperscalers defer or reduce new DC construction in Singapore and Malaysia would directly reduce demand for TSE's cables and electrical distribution products.

Singapore revenue concentration. Singapore accounts for roughly 70% of TSE's revenue, making the domestic market by far the single largest demand driver for the group. Any sustained softening in Singapore's construction sector – whether from a cyclical slowdown, macroeconomic contraction, or shift in government spending priorities – would have a material impact on group earnings. While TSE is expanding regionally, the scale of operations outside Singapore remains insufficient to offset a material domestic decline. Singapore concentration remains a key risk until the regional business grows to a scale that can meaningfully balance the revenue mix.

Competitive and pricing pressure. The cable manufacturing and electrical distribution markets in which Tai Sin operates are structurally competitive, characterised by a large number of participants, high product homogeneity in standard cable categories, and price-sensitive procurement on large infrastructure tenders. Management has explicitly acknowledged this, noting in both the FY25 Annual Report and 1H FY26 results that the group faces ongoing price pressures alongside copper price volatility and supply chain constraints. With the C&W and EMD segments collectively contributing over 93% of FY25 group revenue, margin defence depends on consistent delivery, product quality, and customer relationships rather than any structural protection from competition. The risk is not a loss of volume but a compression of the margins earned on that volume.

FX risk. TSE operates across various countries and reports its financial accounts in SGD. If the SGD strengthens against foreign currencies, its foreign-denominated revenue would be adversely impacted. On the cost side of things, copper is priced in USD, meaning a stronger USD directly raises raw material costs. We estimate that every 10% movement in the USD impacts group PBT by 15%. As TSE expands into Indonesia, Thailand, and the Philippines, its exposure to FX movements will grow, though this is partly mitigated by the group's hedging programme, such as forward FX contracts.

Management Team

Lim Boon Hock Bernard, CEO and Executive Director. Bernard is the CEO and Executive Director of TSE, having joined the group in Sep 1997. He holds a Bachelor of Arts in Social Sciences from Curtin University of Technology and a Master of Business Administration from the University of Strathclyde. He served as COO from 2003, before assuming the CEO role in Jul 2013. He sets the leadership tone, and is responsible for group strategy and operations as well as fostering relationships with key stakeholders across seven countries. He is the group's controlling shareholder with a total interest of c.18.2% of issued share capital.

Tan Yong Hwa, CFO and Executive Director. Tan is the CFO of TSE, having joined the group in 2006. He holds a Master of Business Administration and is a Fellow of both the Institute of Singapore Chartered Accountants (FCA) and the Association of Chartered Certified Accountants (FCCA). In his current role, Tan oversees the group's finance, treasury, compliance, and investor relations functions, ensuring disciplined financial management and strong governance standards. He works closely with the executive leadership team to align financial strategy with TSE's long-term growth ambitions, with a focus on disciplined capital allocation, strengthening governance and compliance frameworks, and enhancing transparency in reporting to shareholders and stakeholders.

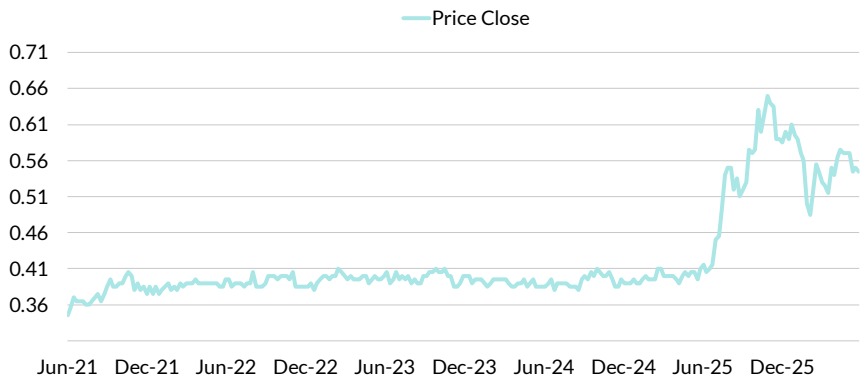
Gerald Cheng Kai Yong , Head of Group Human Resources. Gerald serves as Head of Group Human Resources at TSE and concurrently as Deputy General Manager of Lim Kim Hai Electric Co (S). He joined the group in 2002 and holds a Bachelor of Engineering with Honours. In his group-level role, he oversees human capital strategy and workforce management across TSE's multi-country operations. His concurrent operational role within the EMD segment reflects the group's practice of deploying senior personnel across both functional and business unit responsibilities.

Vincent Foo Soo Koon, Head of Group IT. Vincent serves as Head of Group IT at TSE, having joined the group in 2023. He holds a Bachelor of Information Technology. In his current role, he is responsible for the group's information technology strategy and digital infrastructure across its operations in five countries. His appointment reflects the group's increasing focus on digitalisation and systems integration as it expands its operational footprint.

Ong Wee Heng, CEO, Lim Kim Hai Electric Co (S). Ong is the CEO of Lim Kim Hai Electric Co (S), the core operating entity for TSE's EMD segment, which contributed 22% of group revenue in FY25. He joined the group in 1979 and holds a Master of Business Administration and a Master of Public Administration. With over four decades of tenure, he has overseen the EMD network's expansion across Singapore, Malaysia, and Indonesia.

Lim Eng Heng, CEO of CAST Laboratories. Lim is the CEO of CAST Laboratories, the operating entity for the group's T&I segment. He joined the group in 1991 and holds a Bachelor of Engineering. He oversees accredited laboratory testing, non-destructive testing, heat treatment, and inspection services across Singapore, Malaysia, and Indonesia.

Recommendation Chart



Source: RHB, Bloomberg

Date	Recommendation	Target Price	Price
2026-06-03			

Source: RHB, Bloomberg

RHB Guide to Investment Ratings

Buy:	Share price may exceed 10% over the next 12 months
Trading Buy:	Share price may exceed 15% over the next 3 months, however longer-term outlook remains uncertain
Neutral:	Share price may fall within the range of +/- 10% over the next 12 months
Take Profit:	Target price has been attained. Look to accumulate at lower levels
Sell:	Share price may fall by more than 10% over the next 12 months
Not Rated:	Stock is not within regular research coverage

Investment Research Disclaimers

RHB has issued this report for information purposes only. This report is intended for circulation amongst RHB and its affiliates' clients generally or such persons as may be deemed eligible by RHB to receive this report and does not have regard to the specific investment objectives, financial situation and the particular needs of any specific person who may receive this report. This report is not intended, and should not under any circumstances be construed as, an offer or a solicitation of an offer to buy or sell the securities referred to herein or any related financial instruments.

This report may further consist of, whether in whole or in part, summaries, research, compilations, extracts or analysis that has been prepared by RHB's strategic, joint venture and/or business partners. No representation or warranty (express or implied) is given as to the accuracy or completeness of such information and accordingly investors should make their own informed decisions before relying on the same.

This report is not directed to, or intended for distribution to or use by, any person or entity who is a citizen or resident of or located in any locality, state, country or other jurisdiction where such distribution, publication, availability or use would be contrary to the applicable laws or regulations. By accepting this report, the recipient hereof (i) represents and warrants that it is lawfully able to receive this document under the laws and regulations of the jurisdiction in which it is located or other applicable laws and (ii) acknowledges and agrees to be bound by the limitations contained herein. Any failure to comply with these limitations may constitute a violation of applicable laws.

All the information contained herein is based upon publicly available information and has been obtained from sources that RHB believes to be reliable and correct at the time of issue of this report. However, such sources have not been independently verified by RHB and/or its affiliates and this report does not purport to contain all information that a prospective investor may require. The opinions expressed herein are RHB's present opinions only and are subject to change without prior notice. RHB is not under any obligation to update or keep current the information and opinions expressed herein or to provide the recipient with access to any additional information. Consequently, RHB does not guarantee, represent or warrant, expressly or impliedly, as to the adequacy, accuracy, reliability, fairness or completeness of the information and opinion contained in this report. Neither RHB (including its officers, directors, associates, connected parties, and/or employees) nor does any of its agents accept any liability for any direct, indirect or consequential losses, loss of profits and/or damages that may arise from the use or reliance of this research report and/or further communications given in relation to this report. Any such responsibility or liability is hereby expressly disclaimed.

Whilst every effort is made to ensure that statement of facts made in this report are accurate, all estimates, projections, forecasts, expressions of opinion and other subjective judgments contained in this report are based on assumptions considered to be reasonable and must not be construed as a representation that the matters referred to therein will occur. Different assumptions by RHB or any other source may yield substantially different results and recommendations contained on one type of research product may differ from recommendations contained in other types of research. The performance of currencies may affect the value of, or income from, the securities or any other financial instruments referenced in this report. Holders of depositary receipts backed by the securities discussed in this report assume currency risk. Past performance is not a guide to future performance. Income from investments may fluctuate. The price or value of the investments to which this report relates, either directly or indirectly, may fall or rise against the interest of investors.

This report may contain comments, estimates, projections, forecasts and expressions of opinion relating to macroeconomic research published by RHB economists of which should not be considered as investment ratings/advice and/or a recommendation by such economists on any securities discussed in this report.

This report does not purport to be comprehensive or to contain all the information that a prospective investor may need in order to make an investment decision. The recipient of this report is making its own independent assessment and decisions regarding any securities or financial instruments referenced herein. Any investment discussed or recommended in this report may be unsuitable for an investor depending on the investor's specific investment objectives and financial position. The material in this report is general information intended for recipients who understand the risks of investing in financial instruments. This report does not take into account whether an investment or course of action and any associated risks are suitable for the recipient. Any recommendations contained in this report must therefore not be relied upon as investment advice based on the recipient's personal circumstances. Investors should make their own independent evaluation of the information contained herein, consider their own investment objective, financial situation and particular needs and seek their own financial, business, legal, tax and other advice regarding the appropriateness of investing in any securities or the investment strategies discussed or recommended in this report.

This report may contain forward-looking statements which are often but not always identified by the use of words such as "believe", "estimate", "intend" and "expect" and statements that an event or result "may", "will" or "might" occur or be achieved and other similar expressions. Such forward-looking statements are based on assumptions made and information currently available to RHB and are subject to known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievement to be materially different from any future results, performance or achievement, expressed or implied by such forward-looking statements. Caution should be taken with respect to such statements and recipients of this report should not place undue reliance on any such forward-looking statements. RHB expressly disclaims any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or circumstances after the date of this publication or to reflect the occurrence of unanticipated events.

The use of any website to access this report electronically is done at the recipient's own risk, and it is the recipient's sole responsibility to take precautions to ensure that it is free from viruses or other items of a destructive nature. This report may also provide the addresses of, or contain hyperlinks to, websites. RHB takes no responsibility for the content contained therein. Such addresses or hyperlinks (including addresses or hyperlinks to RHB own website material) are provided solely for the recipient's convenience. The information and the content of the linked site do not in any way form part of this report. Accessing such website or following such link through the report or RHB website shall be at the recipient's own risk.

This report may contain information obtained from third parties. Third party content providers do not guarantee the accuracy, completeness, timeliness or availability of any information and are not responsible for any errors or omissions (negligent or otherwise), regardless of the cause, or for the results obtained from the use of such content. Third party content providers give no express or implied warranties, including, but not limited to, any warranties of merchantability or fitness for a particular purpose or use. Third party content providers shall not be liable for any direct, indirect, incidental, exemplary, compensatory, punitive, special or consequential damages, costs, expenses, legal fees, or losses (including lost income or profits and opportunity costs) in connection with any use of their content.

The research analysts responsible for the production of this report hereby certifies that the views expressed herein accurately and exclusively reflect his or her personal views and opinions about any and all of the issuers or securities analysed in this report and were prepared independently and autonomously. The research analysts that authored this report are precluded by RHB in all circumstances from trading in the securities or other financial instruments referenced in the report, or from having an interest in the company(ies) that they cover.

The contents of this report is strictly confidential and may not be copied, reproduced, published, distributed, transmitted or passed, in whole or in part, to any other person without the prior express written consent of RHB and/or its affiliates. This report has been delivered to RHB and its affiliates' clients for information purposes only and upon the express understanding that such parties will use it only for the purposes set forth above. By electing to view or accepting a copy of this report, the recipients have agreed that they will not print, copy, videotape, record, hyperlink, download, or otherwise attempt to reproduce or re-transmit (in any form including hard copy or electronic distribution format) the contents of this report. RHB and/or its affiliates accepts no liability whatsoever for the actions of third parties in this respect.

The contents of this report are subject to copyright. Please refer to Restrictions on Distribution below for information regarding the distributors of this report. Recipients must not reproduce or disseminate any content or findings of this report without the express permission of RHB and the distributors.

The securities mentioned in this publication may not be eligible for sale in some states or countries or certain categories of investors. The recipient of this report should have regard to the laws of the recipient's place of domicile when contemplating transactions in the securities or other financial instruments referred to herein. The securities discussed in this report may not have been registered in such jurisdiction. Without prejudice to the foregoing, the recipient is to note that additional disclaimers, warnings or qualifications may apply based on geographical location of the person or entity receiving this report.

The term "RHB" shall denote, where appropriate, the relevant entity distributing or disseminating the report in the particular jurisdiction referenced below, or, in every other case, RHB Investment Bank Berhad and its affiliates, subsidiaries and related companies.

RESTRICTIONS ON DISTRIBUTION

Malaysia

This report is issued and distributed in Malaysia by RHB Investment Bank Berhad ("RHBIB"). The views and opinions in this report are our own as of the date hereof and is subject to change. If the Financial Services and Markets Act of the United Kingdom or the rules of the Financial Conduct Authority apply to a recipient, our obligations owed to such recipient therein are unaffected. RHBIB has no obligation to update its opinion or the information in this report.

Indonesia

This report is issued and distributed in Indonesia by PT RHB Sekuritas Indonesia. This research does not constitute an offering document and it should not be construed as an offer of securities in Indonesia. Any securities offered or sold, directly or indirectly, in Indonesia or to any Indonesian citizen or corporation (wherever located) or to any

Indonesian resident in a manner which constitutes a public offering under Indonesian laws and regulations must comply with the prevailing Indonesian laws and regulations.

Singapore

This report is issued and distributed in Singapore by RHB Bank Berhad (through its Singapore branch) which is an exempt capital markets services entity and an exempt financial adviser regulated by the Monetary Authority of Singapore. RHB Bank Berhad (through its Singapore branch) may distribute reports produced by its respective foreign entities, affiliates or other foreign research houses pursuant to an arrangement under Regulation 32C of the Financial Advisers Regulations. Where the report is distributed in Singapore to a person who is not an Accredited Investor, Expert Investor or an Institutional Investor, RHB Bank Berhad (through its Singapore branch) accepts legal responsibility for the contents of the report to such persons only to the extent required by law. Singapore recipients should contact RHB Bank Berhad (through its Singapore branch) in respect of any matter arising from or in connection with the report.

United States

This report was prepared by RHB is meant for distribution solely and directly to "major" U.S. institutional investors as defined under, and pursuant to, the requirements of Rule 15a-6 under the U.S. Securities and Exchange Act of 1934, as amended (the "Exchange Act") via a registered U.S. broker-dealer as appointed by RHB from time to time. Accordingly, any access to this report via Bursa Marketplace or any other Electronic Services Provider is not intended for any party other than "major" US institutional investors (via a registered U.S broker-dealer), nor shall be deemed as solicitation by RHB in any manner. RHB is not registered as a broker-dealer in the United States and currently has not appointed a U.S. broker-dealer. Additionally, RHB does not offer brokerage services to U.S. persons. Any order for the purchase or sale of all securities discussed herein must be placed with and through a registered U.S. broker-dealer as appointed by RHB from time to time as required by the Exchange Act Rule 15a-6. For avoidance of doubt, RHB reiterates that it has not appointed any U.S. broker-dealer during the issuance of this report. This report is confidential and not intended for distribution to, or use by, persons other than the recipient and its employees, agents and advisors, as applicable. Additionally, where research is distributed via Electronic Service Provider, the analysts whose names appear in this report are not registered or qualified as research analysts in the United States and are not associated persons of any registered U.S. broker-dealer as appointed by RHB from time to time and therefore may not be subject to any applicable restrictions under Financial Industry Regulatory Authority ("FINRA") rules on communications with a subject company, public appearances and personal trading. Investing in any non-U.S. securities or related financial instruments discussed in this research report may present certain risks. The securities of non-U.S. issuers may not be registered with, or be subject to the regulations of, the U.S. Securities and Exchange Commission. Information on non-U.S. securities or related financial instruments may be limited. Foreign companies may not be subject to audit and reporting standards and regulatory requirements comparable to those in the United States. The financial instruments discussed in this report may not be suitable for all investors. Transactions in foreign markets may be subject to regulations that differ from or offer less protection than those in the United States.

DISCLOSURE OF CONFLICTS OF INTEREST

RHB Investment Bank Berhad, its subsidiaries (including its regional offices) and associated companies, ("RHBIB Group") form a diversified financial group, undertaking various investment banking activities which include, amongst others, underwriting, securities trading, market making and corporate finance advisory.

As a result of the same, in the ordinary course of its business, any member of the RHBIB Group, may, from time to time, have business relationships with, hold any positions in the securities and/or capital market products (including but not limited to shares, warrants, and/or derivatives), trade or otherwise effect transactions for its own account or the account of its customers or perform and/or solicit investment, advisory or other services from any of the subject company(ies) covered in this research report.

While the RHBIB Group will ensure that there are sufficient information barriers and internal controls in place where necessary, to prevent/manage any conflicts of interest to ensure the independence of this report, investors should also be aware that such conflict of interest may exist in view of the investment banking activities undertaken by the RHBIB Group as mentioned above and should exercise their own judgement before making any investment decisions.

In Singapore, investment research activities are conducted under RHB Bank Berhad (through its Singapore branch), and the disclaimers above similarly apply.

Malaysia

Save as disclosed in the following link RHB Research Conflict Disclosures May 2026a and to the best of our knowledge, RHBIB hereby declares that:

1. RHBIB does not have a financial interest in the securities or other capital market products of the subject company(ies) covered in this report.
2. RHBIB is not a market maker in the securities or capital market products of the subject company(ies) covered in this report.
3. None of RHBIB's staff or associated person serve as a director or board member* of the subject company(ies) covered in this report
   **For the avoidance of doubt, the confirmation is only limited to the staff of research department*
4. RHBIB did not receive compensation for investment banking or corporate finance services from the subject company in the past 12 months.
5. RHBIB did not receive compensation or benefit (including gift and special cost arrangement e.g. company/issuer-sponsored and paid trip) in relation to the production of this report.

Indonesia

Save as disclosed in the following link RHB Research Conflict Disclosures May 2026a and to the best of our knowledge, PT RHB Sekuritas Indonesia hereby declares that:

1. PT RHB Sekuritas Indonesia and its investment analysts, does not have any interest in the securities of the subject company(ies) covered in this report.
   For the avoidance of doubt, interest in securities include the following:
   a) Holding directly or indirectly, individually or jointly own/hold securities or entitled for dividends, interest or proceeds from the sale or exercise of the subject company's securities covered in this report*;
   b) Being bound by an agreement to purchase securities or has the right to transfer the securities or has the right to pre subscribe the securities*.
   c) Being bound or required to buy the remaining securities that are not subscribed/placed out pursuant to an Initial Public Offering*.
   d) Managing or jointly with other parties managing such parties as referred to in (a), (b) or (c) above.
2. PT RHB Sekuritas Indonesia is not a market maker in the securities or capital market products of the subject company(ies) covered in this report.
3. None of PT RHB Sekuritas Indonesia's staff** or associated person serve as a director or board member* of the subject company(ies) covered in this report.
4. PT RHB Sekuritas Indonesia did not receive compensation for investment banking or corporate finance services from the subject company in the past 12 months.
5. PT RHB Sekuritas Indonesia** did not receive compensation or benefit (including gift and special cost arrangement e.g. company/issuer-sponsored and paid trip) in relation to the production of this report:

Notes:
**The overall disclosure is limited to information pertaining to PT RHB Sekuritas Indonesia only.*
***The disclosure is limited to Research staff of PT RHB Sekuritas Indonesia only.*

Singapore

Save as disclosed in the following link RHB Research Conflict Disclosures May 2026a and to the best of our knowledge, the Singapore Research department of RHB Bank Berhad (through its Singapore branch) hereby declares that:

1. RHB Bank Berhad, its subsidiaries and/or associated companies do not make a market in any issuer covered by the Singapore research analysts in this report.
2. RHB Bank Berhad, its subsidiaries and/or its associated companies and its analysts do not have a financial interest (including a shareholding of 1% or more) in the issuer covered by the Singapore research analysts in this report.
3. RHB Bank Berhad's Singapore research staff or connected persons do not serve on the board or trustee positions of the issuer covered by the Singapore research analysts in this report.
4. RHB Bank Berhad, its subsidiaries and/or its associated companies do not have and have not within the last 12 months had any corporate finance advisory relationship with the issuer covered by the Singapore research analysts in this report or any other relationship that may create a potential conflict of interest.
5. RHB Bank Berhad, or person associated or connected to it do not have any interest in the acquisition or disposal of, the securities, specified securities based derivatives contracts or units in a collective investment scheme covered by the Singapore research analysts in this report.
6. RHB Bank Berhad's Singapore research analysts do not receive any compensation or benefit in connection with the production of this research report or recommendation on the issuer covered by the Singapore research analysts.

Analyst Certification

The analyst(s) who prepared this report, and their associates hereby, certify that:
(1) they do not have any financial interest in the securities or other capital market products of the subject companies mentioned in this report, except for:

Analyst	Company
-	-

(2) no part of his or her compensation was, is or will be directly or indirectly related to the specific recommendations or views expressed in this report.



KUALA LUMPUR

RHB Investment Bank Bhd
Level 3A, Tower One, RHB Centre
Jalan Tun Razak
Kuala Lumpur 50400
Malaysia
Tel : +603 2302 8100
Fax : +603 2302 8134

JAKARTA

PT RHB Sekuritas Indonesia
Revenue Tower, 11th Floor, District 8 - SCBD
Jl. Jendral Sudirman Kav 52-53
Jakarta 12190
Indonesia
Tel : +6221 5093 9888
Fax : +6221 5093 9777

SINGAPORE

RHB Bank Berhad (Singapore branch)
90 Cecil Street
#04-00 RHB Bank Building
Singapore 069531
Fax: +65 6509 0470